

Sofie in internationalization evolution

A strategy planning

Le Thu Hang

Degree Thesis
International Business
2012

DEGREE THESIS	
Arcada	
Degree Programme:	International Business
Identification number:	3739
Author:	Le Thu Hang
Title:	Sofie in internationalization evolution. A strategy planning.
Supervisor (Arcada):	Peter Milden
Commissioned by:	Syfo Ltd.
<p>Abstract:</p> <p>The thesis follows a commission to conduct an international marketing strategy plan for Syfo Ltd. Syfo's product named Sofie is an innovation for doing social accounting and social impact measurement in all nonprofits, public organizations, and private firms. The thesis aims at providing strategic directions for Sofie throughout the internationalization process which consists of 3 stages: initial entry, local market expansion, and global integration. A marketing research of internal and external environments was done as the preliminary stage preparing foundation for the whole strategy plan. In each stage of the international evolution, Sofie has to deal with different issues which lead the company to define its goals and targets. The first stage concerns about choice of country, choice of scale and time, and choice of entry mode; stage 2 focuses on increasing sales and strengthening local market position; and stage 3 emphasizes on achieving sustainable growth toward global orientation. Through Sofie international strategy plan, the thesis also demonstrates some general learning lessons for other strategic plan makers. Because the international evolution is built on company's cumulate experiences, it is suggested that companies pursuing international path should take learning process seriously at all time, especially the most obvious lesson is to re-examine strategy plan when facing internal or external changes in order to prepare new strategies for appropriate responses.</p>	
Keywords:	International marketing strategy, international evolution, Sofie, Syfo Ltd., social accounting, social impact measurement.
Number of pages:	62
Language:	English
Date of acceptance:	

CONTENTS

Foreword	7
1 Introduction	8
1.1 Background	8
1.2 Aim of the thesis	8
1.3 Thesis structure	9
2 Company background	9
2.1 Syfo Ltd.	9
2.2 Sofie – method and tool for social impact measurement	10
3 Literature review	11
3.1 International strategy	11
3.1.1 <i>Internationalization driven factors</i>	11
3.1.2 <i>Types of international strategies</i>	13
3.1.3 <i>Standardization vs. adaptation in international strategy</i>	14
3.1.4 <i>Entry modes in international strategy</i>	16
3.2 Evolution of international marketing strategy	18
3.2.1 <i>Pre-internationalization</i>	18
3.2.2 <i>Phase one: Initial international marketing entry</i>	18
3.2.3 <i>Phase two: local market expansion</i>	19
3.2.4 <i>Phase three: global orientation</i>	19
3.3 Criticism and application	20
4 Planning method	22
4.1 Planning process	22
4.2 Report planning	23
5 Sofie International marketing strategy Plan	Error! Bookmark not defined.
5.1 Vision and goals	Error! Bookmark not defined.
5.2 Executive summary	Error! Bookmark not defined.
5.3 Limitation	Error! Bookmark not defined.
5.4 Pre-internationalization.....	Error! Bookmark not defined.
5.4.1 <i>Social impact measurement worldwide</i>	Error! Bookmark not defined.
5.4.2 <i>Identification of current problems in SIM</i>	Error! Bookmark not defined.
5.4.3 <i>Understanding Sofie key customers' behaviors</i>	Error! Bookmark not defined.
5.4.4 <i>Analysis of Sofie's positioning</i>	Error! Bookmark not defined.
5.4.5 <i>SWOT analysis</i>	Error! Bookmark not defined.

5.4.6	<i>Factors driven internationalization</i>	Error! Bookmark not defined.
5.5	Phase one: initial international market entry	Error! Bookmark not defined.
5.5.1	<i>Re-branding Sofie</i>	Error! Bookmark not defined.
5.5.2	<i>The choice of countries</i>	Error! Bookmark not defined.
5.5.3	<i>Scale and timing of entry</i>	Error! Bookmark not defined.
5.5.4	<i>The choice of entry mode</i>	Error! Bookmark not defined.
5.6	Phase two: local market expansion.....	Error! Bookmark not defined.
5.6.1	<i>The choice of adaptation strategy</i>	Error! Bookmark not defined.
5.6.2	<i>Exploring market participations</i>	Error! Bookmark not defined.
5.6.3	<i>Product and service offering</i>	Error! Bookmark not defined.
5.6.4	<i>The value chain</i>	Error! Bookmark not defined.
5.6.5	<i>Marketing approach</i>	Error! Bookmark not defined.
5.7	Phase three: Global orientation.....	Error! Bookmark not defined.
5.7.1	<i>International social accounting network</i>	Error! Bookmark not defined.
6	Discussion and Learning	25
6.1	The thesis's values and limitation.....	25
6.2	The author learning diary	25
	References	27
	Appendix 1: Sofie's goal in international market	I
	Appendix 2: Target countries key resources	I
	Appendix 3: SIM methods definitions	III
	Appendix 4: SIM methods comparison tables	V
	Appendix 5: Customer experiment survey	VII
	Appendix 6: Sofie international market survey	IX

List of Figures

Figure 1. Conceptual framework of international strategy.....	13
Figure 2. Relationship of international strategies and business performance	15
Figure 3. DDC model	17
Figure 4. Evolution of international marketing strategy.....	20
Figure 5. Sofie international strategy plan outline	21
Figure 6. Sofie international evolution	Error! Bookmark not defined.
Figure 7. Factors hindering Social impact measurement	Error! Bookmark not defined.
Figure 8. NGOs purchasing behaviors	Error! Bookmark not defined.
Figure 9. SAA process.....	Error! Bookmark not defined.
Figure 10. SROI process.....	Error! Bookmark not defined.
Figure 11. Model of strategic alliance	Error! Bookmark not defined.
Figure 12. Sofie national partner network	Error! Bookmark not defined.
Figure 13. Sofie value chain	Error! Bookmark not defined.

List of Tables

Table 1. International entry modes	16
Table 2. Multi-domestic strategy vs. global strategy.....	17
Table 3. Outline of Sofie marketing strategy plan.....	23
Table 4. Samples of SIM methods	Error! Bookmark not defined.
Table 5. Comparison among Sofie, SAA and SROI	Error! Bookmark not defined.
Table 6. SWOT analysis	Error! Bookmark not defined.
Table 7. Social accounting concept vs. Sofie concept.....	Error! Bookmark not defined.
Table 8. A sample of strategic partnership agreement	Error! Bookmark not defined.
Table 9. Strategic partner's profile.....	Error! Bookmark not defined.
Table 10. Sales and revenue estimation in 1st year	I
Table 11. Methods comparison in TRASI data	V
Table 12. Methods comparison in Proving and Improving data	VI
Table 13. SIM online tools comparison.....	VI

ABBREVIATION

CEO	Chief executive officer
GRI	Global reporting initiatives
Ltd.	Limited company
HR	Human resource
NGOs	Non-governmental organizations
NPOs	Not-for-profit organizations
SA	Social accounting
SAA	Social accounting and audit
SAN	Social auditing network
SEs	Social enterprises
SIA	Social impact assessment
SIM	Social impact measurement
SROI	Social return on investment
R&D	Research and development

FOREWORD

First and foremost, I would like to express my appreciation to Sofie's team members who supported me during my time working in Syfo, and especially to Ms. Jatta Vikström. Her inspiration encouraged me to be more independent and creative in my work. I am grateful to be given opportunity to conduct the commission for Syfo. Though the time was intensive, I was truly excited in the new study field of social impact measurement.

I would like to thank my thesis supervisor, Mr. Peter Mildén, for instructing the direction and helping correct my thesis, and my good friend, Minh Nguyen, for his timed proofreading on my final thesis version.

Last but not least, I could not be in my best performance to complete the thesis without great supports and cares from my aunt, my friends in Finland and my beloved parents in Vietnam. Therefore, I wish to express my most sincere gratitude to them.

Helsinki, 11th April, 2012.

1 INTRODUCTION

1.1 Background

In the era of globalization, a question of whether a firm should expand business to international markets and how to internationalize is the most concerning issue for managers, especially in matured domestic businesses. International strategy plan at its best directs company to access enormous opportunities in the international playground.

Planning is at the heart of the strategic management process and global strategic marketing planning is the culmination of managerial efforts to reconcile environmental change within the resource constraints of the corporation. (See Chae & Hill 2000 p. 538)

With a background in international business studies, the author looked for her final thesis topic in preference of finding a real international case study. Therefore, in this situation, Syfo Ltd., a Finnish company whose social mission to “enable enterprises to act in a more socially responsible and sustainable business way”, has been chosen as the case study of which the author found a great interest in the company’s innovative product called Sofie. Sofie is a comprehensive tool to measure social impacts of organizations’ activities, especially primarily for nonprofits, social enterprises, voluntary and community organizations whose main purposes are to deliver social, community, local economic or environmental benefits.

Along with a big vision in future growth, Syfo has been making plans for the introduction of Sofie in other countries outside Finland. Understanding the importance of strategy planning, especially strategic marketing planning in contribution to success of internationalization process, the author accepted to conduct an international marketing strategy plan for Sofie as her final thesis.

1.2 Aim of the thesis

The thesis is a commissioned-type one which aims to produce an international strategy plan for Sofie, a Finnish innovative method and online system for measuring social impacts in nonprofit, public and private sector. The expected outcome of the thesis is a proposal structure for Sofie’s operation and growth in international markets which comprises of strategic directions for planning implementation activities.

1.3 Thesis structure

The thesis is structured with six chapters. The first chapter of the thesis introduces the thesis's background and objectives in which a clear expected outcome is presented. For the second chapter, brief information about the company and its product is demonstrated. In the next chapter 3, theoretical knowledge about international strategies is reviewed with a focus on marketing strategies for a good framework which can be applied to formulate the international marketing strategy plan for Sofie. Chapter 4 describes the planning process and the content of Sofie's international strategy report. Chapter 5 contains the international strategy plan reported to Syfo and it will be kept away from publication because of confidential concern. In the last chapter, the author discusses some viewpoints of general procedure in planning international marketing strategy. The value of this thesis is demonstrated through the author's learning.

2 COMPANY BACKGROUND

2.1 Syfo Ltd.

Syfo Ltd. is a Finnish limited company which was established in Helsinki in 2007. The company expertizes in social entrepreneurship, social and environmental responsibility and evaluation of social impacts.

The number of social enterprises in Finland has seen a significant growth from 25 registered firms in 2005 (Eurofound 2009) to 154 firms in 2010 (Sosiaalinen Yrittäjä 2011). Syfo's original background was to carry on the development of Forum for Social Entrepreneurship in Finland whose mission is to promote the growth of social enterprises and their successes in Finland. By definition, a social enterprise refers to organization or venture which operates to primarily help solve a social problem using business way of doing (Social enterprise alliance 2012). In Finland, social enterprises have been motivated by the need to improve employment opportunities and support for people with disabilities and those who are long-term unemployed (Eurofound 2009). Currently, Syfo consists of nine expert consultants, providing a range of training and consulting services. The company's mission is stated as "to enable possibilities to make responsible choices that improve welfare and cooperation by combining social, financial

and ecological targets”. (Syfo website) Syfo helps organizations and enterprises enhance social responsibility, develop work community performance and guide sustainable social entrepreneurship. Syfo has worked with different organizations from private, public to nonprofit sectors.

Syfo is operated based on social enterprise’s framework. The company has 30 owners with restricted profit distribution. The main target of the company is not to maximize profit for the owners. Thus, 50% of profit re-invests in research & development and to continue the promotion of responsibility. (“Syfo in a nutshell” 2007)

2.2 Sofie – method and tool for social impact measurement

Sofie is an innovative method developed by Syfo for measuring social impacts of organizations’ activities. Sofie online system was launched in 2010 as a comprehensive tool accompanying the Sofie method with two language versions in Finnish and in English (launched in 2012). Sofie reveals the means of social, financial and ecological impacts of organizations which increasingly attract attentions from government officers, philanthropies, and business managers to individuals in local community.

The increasingly demand of measuring social responsibility and its impacts has spread to all sectors. As a result, there are hundreds of methods and tools invented for social impact measurement. Social accounting and auditing method (hereafter SAA) and social return on investment method (hereafter SROI) are seen as appropriate methods in the field. However, both two methods have existing advantages and disadvantages that Syfo found a new solution by combining SAA and SROI methods from which Sofie was started. The definition, objectives, challenges and development of social impact measurement (SIM) methods worldwide in which Sofie is positioned are discussed in details later.

After the introduction in Finland, Sofie has received general interests from the public with currently 20 clients using Sofie online tool. The company’s Chief Executive Officer (CEO) has a vision to build up an international Sofie network to expand the practice of Sofie in both the method and the tool since “good thing should be spread around”. Thus, the study’s commission is to provide an international access plan for Sofie.

3 LITERATURE REVIEW

While many small, medium firms used to make informal domestic and international strategic plan, it increases a demand of planning process formality, especially in international strategy planning in order to not only draw a future vision but also ensure appropriate implementation and evaluation (see Chae & Hill 2000 p. 538). Yet “efforts to plan on a global basis have seemingly always been met with obstacles” (Chae & Hill 2000 p. 538) in which planning must include strategic direction, tactics of integrating sourcing, research and development, operation, and marketing worldwide (Zou & Cavusgil 1995 p. 52). Since the thesis aims to conduct a global marketing strategy plan, a knowledge review of different concepts and frameworks is discussed below.

3.1 International strategy

3.1.1 Internationalization driven factors

A wide-accepted view was that external driven factors dominated a choice of international strategy (Zou & Cavusgil 1995 pp. 55-56, ex. Yip 1989 p. 29). However, Zou and Cavusgil (1995 p. 56) argued that the concept has neglected the importance of internal factors such as organizational capability in determining international strategy. Through their comprehensive review of available theories, Zou and Cavusgil proposed an integrated conceptual framework which emphasized the equal significance of both internal and external influences. Chae & Hill (2000 p. 546) acknowledged this concept in their model of strategic planning formality. Figure 1 shows Zou & Cavusgil’s framework (1995 p. 61).

Yip (1989) presented an inclusive study of external driven factors, also called industry globalization drivers in his article. According to Yip (1989 pp. 35-39), industry globalization conditions can be divided into four categories including market drivers, cost drivers, governmental drivers and competitive drivers while Zou & Cavusgil’s added technological drivers in external factors.

- Market drivers determine customer’s behaviors toward global products and industry’s characteristics.

- Cost drivers concern about economies of scale which aims at reducing production costs, adding funds for product development, and/ or receiving experience learning benefit...
- Governmental drivers relate to host country's regulation barriers such as trade policies, economic restrictions, or encouragements which have significant effects in firm's choice of country. In a broader meaning, environmental drivers also cover other influent aspects such as environment protection trend (Hutt & Speh 2000 p. 265).
- Competitive drivers have the most aggressive power pushing firms to follow internationalization, either to prevent the effect of "interdependence of countries" or response to match competitors in international level. (Yip 1989 pp. 38-39) Unlike other factors which are usually given firmly competitive issues can be raised at any time and in any level.
- Technological drivers: technologies invented in the past few decades has affected everything in business, brought opportunities to expand globally for almost any companies. For instance, the superior power of internet enables people to be connected from every part of the world; information to flow freely. Technology has created new types of business (e-business), new types of customer (global customer), and new types of supply chain... (See Anderson 2009)

While external drivers create incentives for firms to go internationalization, internal organizational factors decide whether firms are able to do that or not. Internal factors not only influence how a company enters global markets (international strategy) but also have significant effect on the international performance later (see figure 1). Zou and Cavusgil (1995 p. 61) defined different elements of organization which have been proven to have strong effects in international strategy include:

- Market orientation: company's flexibility to capture and lead the market's changes.
- Managerial orientation and commitment provide vital influence on company's future directions, including globalization.
- Organization's culture: companies which determine to develop an international oriented culture within the companies will likely succeed in international markets.

- Organizational capabilities such as human resources, financial resources...
- International experience is one of the most important key factors effecting selection of applicable strategies. For instance, firms without previous experience might have a slow pace in international markets and tend to resist risks.

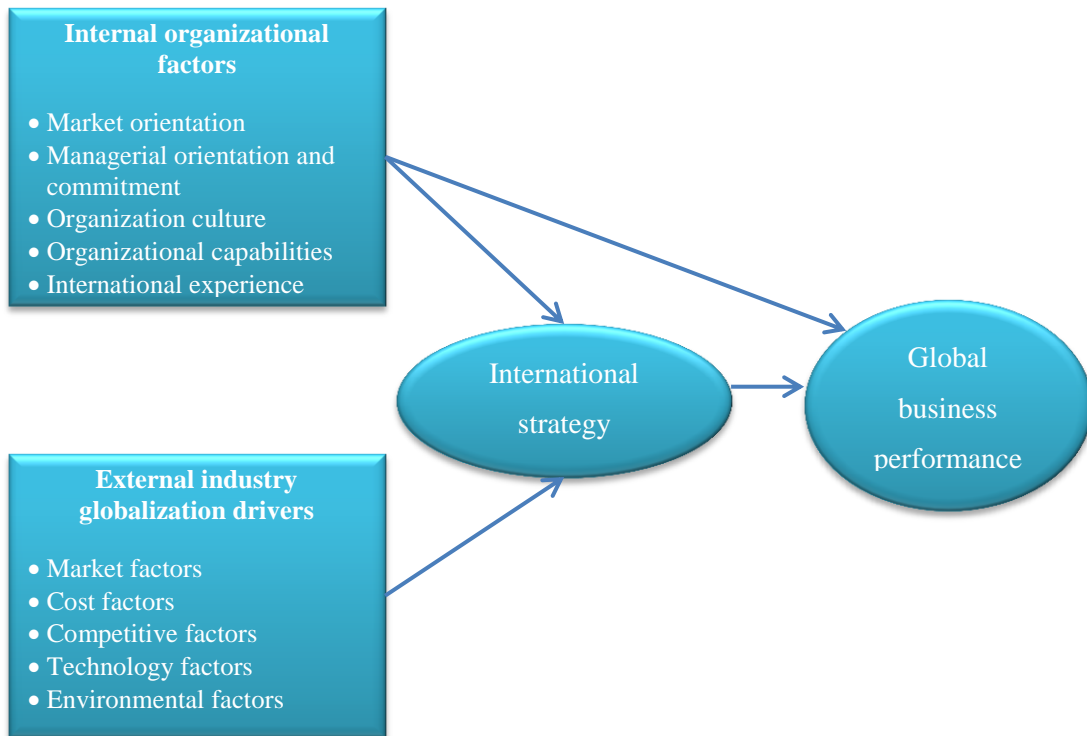


Figure 1. Conceptual framework of international strategy (Zou & Cavusgil 1995 p. 61)

3.1.2 Types of international strategies

International strategy is defined by Zou & Cavusgil (1995 p. 52) “as the way a business competes in the global market, plays a vital role in determining the performance of a business in the global market.”

Solberg & Durrieu (2008 p. 521) reviewed the dynamic and complex international strategies’ theories in “Strategy development in international markets: a two-tier approach”. They suggested that international strategies could be divided into two levels: generic strategies and internationalization strategies. While generic strategies such as cost leader, differentiation, or focus strategies (ex. Porter 1980) are seen to be simple, direct approaches toward customers and competitors, internationalization strategies

contain more strategic issues. Firms' international strategies can be classified into four categories (Solberg & Durrieu 2008 p. 535):

- Competitive strategies: the key issue is how to establish and maintain market positioning. Examples are challenger strategy or follower strategy.
- Operational mode strategies: the key is to deal with firm's choices of governance and control overseas. Firms may choose strategic alliance strategy or integration strategy.
- Standardization or adaptation strategies: the key issue is the consideration of pursuing economies of scale or local acceptance of marketing mix (product, price, value chain, promotion...)
- Pace and geographic scope strategies: firms determine degree of risk and control of internationalization process, whether to make slow moves, step by step or to speedily take opportunities and risks: whether to expand in many countries at a time (simultaneous entry) or concentrate on one country at first (alternative entry).

Their examination's result showed that generic strategies, even though have received many criticism of their narrow view, give a fundamental contribution to develop internationalization strategies. Furthermore, generic strategies were found to have strong positive effect on international performance. Internationalization strategies, on the other hand, have little direct effect to firm's performance in which only challenger strategy and integration strategy showed significant influence. (Solberg & Durrieu 2008 pp. 534-537)

3.1.3 Standardization vs. adaptation in international strategy

“Standardization vs. adaptation of the marketing mix is one of the most important hallmarks of international strategies and has been treated by a host of writers over the years.” (Solberg & Durrieu 2008 p. 523) Researchers have argued two opposing streams of the topic which are (1) standardization is good because it provides economies of scale and branding globally; (2) adaptation is vital because local differences occur between buyers in different countries and regions and success depends on ability to satisfy individual desires.

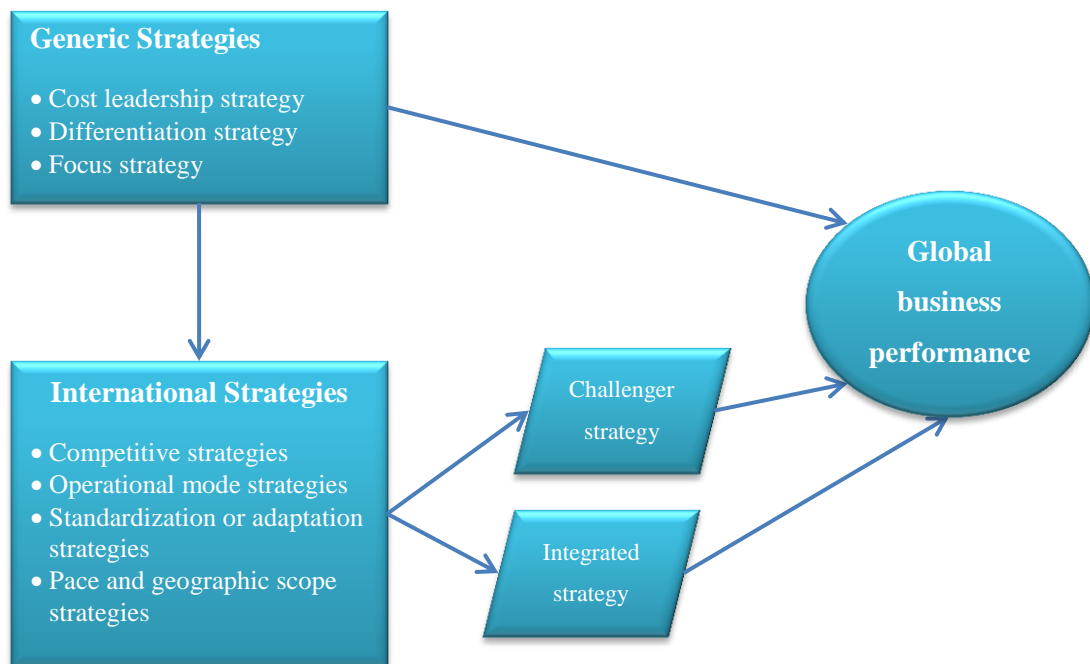


Figure 2. Relationship of international strategies and business performance (see Solberg & Durrieu 2008)

Whether company should pursue standardization or adaptation strategy depends on the industrial unique characteristics which can be defined through its value chain. According to Porter's framework about relation between value chain's focuses and choice of international strategy (see Hutt & Speh 1998 pp. 275-276), activities in value chain is divided into upstream value activities which are not closely tied to buyer's location (inbound logistics, operations, and outbound logistics) and downstream value activities whose performances are closely on-side customers (marketing and sales, services). Products which rely heavily on downstream activities to create differential advantages should pursue country-specific adaptation strategy. For instance, marketing reflexing local tastes, customized services to adapt local demands... In contrast, products which use upstream activities to create lower cost competitiveness should pursue standardization strategy. Yip (1989 pp. 34-35) also mentioned about "globalization potential of industry" to discuss possible level of standardization or adaptation applied in international strategy decisions.

3.1.4 Entry modes in international strategy

Table 1. International entry modes (Hutt & Speh 1998)

Low Commitment			High Commitment		
Exporting	Contracting	Strategic alliance	Joint venture	multi-domestic strategy	Global strategy
Low Complexity			High Complexity		

A very first step in international marketing strategy formulation is to decide which entry model a company will follow to enter to and operate in local market. There are several factors affecting the choice of entry mode which Hutt & Speh (1998 pp. 267-268) mentioned consideration of firm's oversea experience level as well as degree of firm's commitment to international development. Table 1 shows different types of international entry modes ranging from the lowest complexity/ commitment, export, to the highest complexity/ commitment, global strategy.

- Export: company's product will be distributed through local importers/ re-sellers in local market
- Contracting: parent company makes agreement with one or many local businesses to lend company's intellectual property (form of licensing), to grant business' model and brand (form of franchising), or to outsource a management contract to local expert who has skills and local knowledge that parent company is lacking of.
- Strategic alliance: is defined as "collaborations among partners involving the commitment of capital and management resources with the objective of enhancing the partners' competitive position" (Frederick 1992 p. 8)
- Joint venture: involves a joint-ownership arrangement which results a creation of a new firm in oversea market (Hutt & Speh 1998 p. 271).

Multi-domestic strategy and global strategy are two forms of high level international entry modes where a company commits to long-term strategy to invest resources in operating its whole business structure overseas. The principle of multi-domestic and global strategies comes from theory of standardization vs. adaptation. Yip (1989 p. 31) compared the distinctions between multi-domestic strategy and global strategy by five dimensions including market participation, product and service offering, location of

value-added activities (value chain), marketing approach and competitive moves. Table 2 shows the summarized comparison.

Table 2. Multi-domestic strategy vs. global strategy (Yip 1989 p. 31)

Dimension	Multi-domestic strategy	Global strategy
Market participation	Select countries based on their single potential performance alone.	Select countries in consideration of their effects in global markets.
Product/ service offered	Fully customized in each country	Fully standardized worldwide
Location of value chain	Operate full value chain in each country	Operate separately each activity in different country (concentration)
Marketing approach	Locally adapted	Uniform worldwide
Competitive moves	Within country based decisions	Integrated across nations

Moon & Kim (2007) proposed a framework for global expansion called “dynamic diversification-coordination model” (abbreviated as DDC) which argues that at the start; company can pursue only either multi-domestic strategy or global strategy to achieve the extreme points of market explosion but indeed cannot follow both strategies at the same time because of scale of resources. Figure 3 shows the DDC model with three stages of internationalization from “domestic” to “transnational” (Moon & Kim 2007 p. 141). The term “transnational” describes the idea of company building capability of global efficiency and local flexibility in its international strategies. The idea was original from Bartlett (1988) and Goshal (1991) (see Zou & Cavusgil 1995 p. 54).

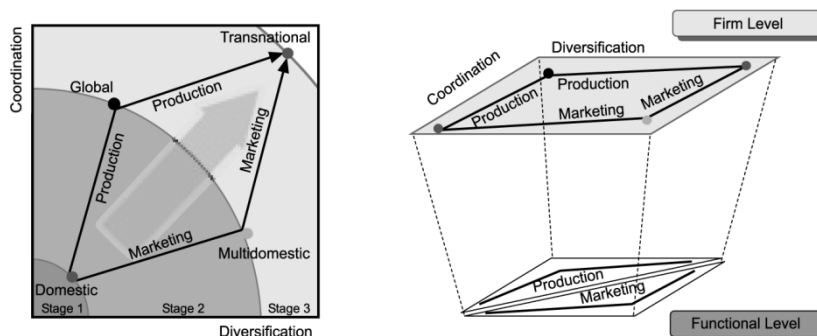


Figure 3. DDC model (Moon & Kim 2007 p. 141)

3.2 Evolution of international marketing strategy

“International strategy planning is an evolution process in which the central direction of strategy and key decisions varies at each phase involving in international expansion.” (Hutt & Speh 1998 p. 279) International strategy depends on several internal and external driven factors which have been discussed in previous chapter. Among them, competitive factor and internal factors can be changed by time; especially competitive factor can suddenly arise because of competitor’s activities. Therefore, it is expected that international strategy cannot be prepared in a fix form, but will be revised from time to time. When changes occur in internal or external environment, they affect company’s current strategy. It will require a prompt response which can lead company to swift from lower stage to higher one and vice versa. Usually, as company experiences in international markets, it goes through three stages: initial market entry, local market expansion and global integration. The next steps often assume higher level of market know-how from company.

3.2.1 Pre-internationalization

Nearly almost every company faces this stage when it first realizes a promising opportunity of internationalization. In this period, it is vital that the managers have discussions about company’s visions and objectives of its international expansion while conducting a deep investigation of external influenced factors and company internal capabilities before making any strategic decisions and planning implementation.

3.2.2 Phase one: Initial international marketing entry

When company chooses to go international, it has to make decisions on four issues:

- Which country/ countries to enter?: the choice of target countries based on the evaluation of both potentials and risks from numerous aspects such as market size, growth rate, political, legal, financial issues... managers often tend to look for countries which they are familiar with or having prior contacts.
- Will company be the first entering to markets or wait to follow others?

- Will company expand to country by country alternatively or pursue many countries simultaneously? The decision depends on company's goal, resources capability and level of commitment...
- How is company's operation abroad? Models of international entry can be exporting, contracting, strategic alliance, joint venture, multi-domestic, global strategy in which exporting and contracting are the least risks taking while multi-domestic strategy and global strategy are the most complex ones. Many companies choose cooperate with strategic alliance or joint venture with local firm in order to minimize risks while still keep control of the business.

3.2.3 Phase two: local market expansion

In this phase, company's objective is to build a strong position and expand in its local markets. Strategic decisions focus on developing organizational structure in order to leverage costs, utilize product's core competencies. Besides, areas that need to pay attentions are R&D, market knowledge, production, distribution channel, and marketing.

3.2.4 Phase three: global orientation

When company has achieved local market position and expansion in individual countries, it is inefficient if company only keeps exploiting in local scale because the local market has limited potential growth. Instead, some companies already increase effective coordination and integration across countries. They are stepping to the global orientation stage.

In this stage, company's goal is a global leadership position in which the company needs an optimal allocation of resources across country to reduce costs of production and development, maximize profits. At the same time, the company will formulate a new global strategy to adapt new market's conditions. The global strategy will change from country-focus to regional focus and global focus in areas of R&D, target segments, production, distribution channel, and marketing. At the highest level of international development, firm will likely achieve "transnational capability" which reaches global integration and local flexibility.

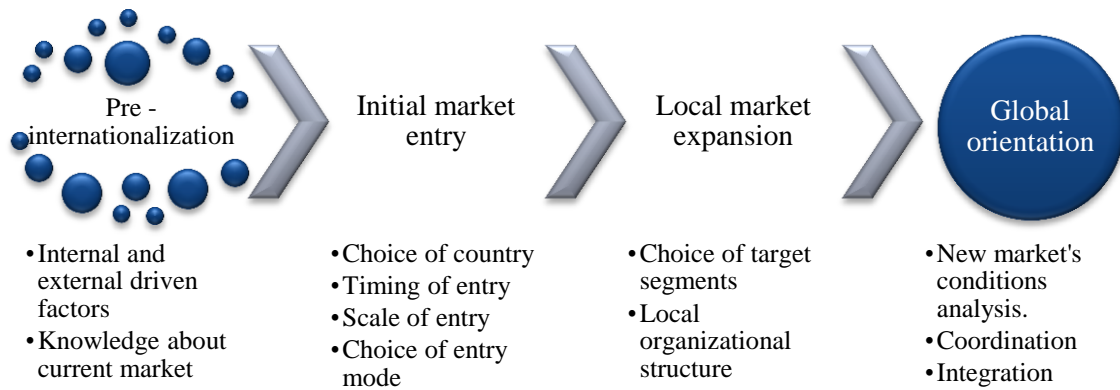


Figure 4. Evolution of international marketing strategy

3.3 Criticism and application

The author's initial purpose in the literature review was to establish a well-constructed international strategy framework to support her thesis. While having a broader knowledge in business international strategy, the author has also found some critics in which some theories could be revised in special cases, for example in this study. The company has an exceptional product which does not belong to any normal business industries. Moreover, Sofie's customers are neither usual industrial firms nor common consumers. It prioritizes for nonprofits, social enterprises, and community organizations. As a result, not all elements in the theories can be used. For example the organizational culture factor in internal organizational drivers cannot be defined within the study context. Hence, the author has modified and combined when applicable in order to produce a logical and real business report for Syfo.

From the study of Solberg & Durrieu (2002), only companies consistently pursue strategies such as cost leadership, differentiation, challenger strategy, integrated strategy which have strongly influences in performance, can succeed in international markets. What if because of different circumstances (either internal or external driven factors); none of the above international strategies would be suitable to apply in a company, would the company still perform well in other schemes? The author suggests rather than a forced strategy, the choice of strategy must closely reflect internal and external driven factors which are different in different stages of the evolution, sometimes those factors even change within each stage. When applicable, a mix of different strategies can be used within one stage in which each strategy responds to one particular condition.

In response to Moon & Kim model (2007), a critical view whether firm can use the mix of standardization and adaptation theories at the same time to treat the five marketing dimensions including market participation, product and service offering, location of value-added activities (value chain), marketing approach and competitive moves. It would be the optimal choice leading firm to achieve transnational capability in the shortest way. If the problem of lacking resources occurs, the company can use external resources by cooperating with strategic alliances, joint ventures...

Firm's international experience, one of the internal factors driven international expansion, is exclusively valuable resource which attributes to the firm's success in global markets (see Zou & Cavusgil 2002 p. 53, Rundh 2003 p. 255) Given Sofie's situation with non-international experience, Sofie's international strategy should expand step by step following the evolution of international marketing strategy in order to leverage risks and benefit from learning experience. Therefore, the author prepared Sofie's international strategy plan based on three stages which include initial international entry, local market expansion, and global orientation. In each stage, the choices of strategies are given with explanation, following by the author's suggestions on some practical issues (see figure 5).

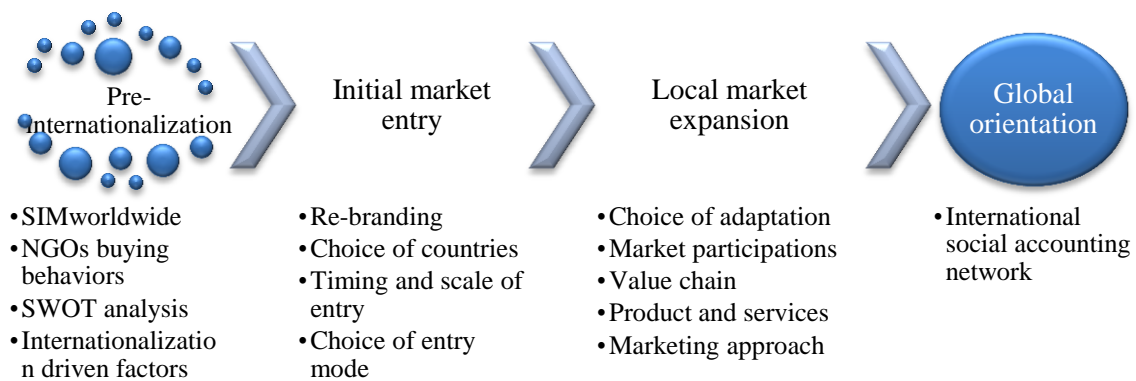


Figure 5. Sofie international strategy plan outline

4 PLANNING METHOD

4.1 Planning process

The planning process of Sofie's international strategy is defined including the following steps: (Chae & Hill 2000 p. 544)

- 1) Formulation of goals/objectives
- 2) External environmental analysis
- 3) Internal environmental analysis
- 4) Generation of global marketing strategies
- 5) Strategies selection
- 6) Implementation and control.

First of all, the author has discussed about goals and objectives of the commission with the company's CEO and senior manager (also the author's supervisor) in align with the author's study requirement. The goals are stated in the introduction part.

External and internal marketing researches were carried out using different methods: customers experiment survey, international experts' survey, internal interviews (with Syfo's CEO, sale manager, marketing manager, technical support...) and secondary data research. The survey questionnaires are included in appendices.

Based on the information in marketing research, the author designed international strategy proposals comprising an overall international development and international operational model. Two workshops were organized in Sofie's team to gather comments and new ideas contributing to the author's proposals. In addition, a revised plan was presented to senior managers to get approved.

Furthermore, due to the author's effort in contacting international experts for her survey at the beginning, Sofie has attracted attentions from SIM experts in several countries. Especially, after first contacts, potential partners from the Netherlands, Australia and the UK have expressed their interests to cooperate with Sofie in the future. While the company has already started the first stage in this plan, due to new demand arisen, Sofie has also been taking its learning process which results in some changes and added information in the final plan report.

4.2 Report planning

An outline of content for the marketing strategy plan was drawn from the beginning based on theories reviewed above; in which the author defined topics of research, models of analysis, and models of strategy formulation. Table 3 shows the summary of Sofie international marketing strategy plan.

Table 3. Outline of Sofie marketing strategy plan

Sofie marketing strategy plan	Theoretical view
1. Vision and goals	Vision and goals need to be defined clearly at the first stage of planning.
2. Executive summary	Summary of the whole plan though the most important points are focused.
3. Limitation	
4. Stages of international evolution	Stages of international evolution
4.1 <u>Pre-internationalization</u> <ul style="list-style-type: none"> • SIM worldwide • Identification of current problems in SIM • Understanding Sofie key customers' behaviors • Analysis of Sofie's positioning • SWOT analysis • Factors driven internationalization 	<ul style="list-style-type: none"> • Pre-internationalization <ul style="list-style-type: none"> - Gather information about industrial characteristics, customers' behavior. - Internal analysis of position, strengths and weaknesses. - SWOT analysis. - International driven factors analysis of both internal and external factors.
4.2 <u>Phase 1: initial market entry</u> <ul style="list-style-type: none"> • Re-branding Sofie • The choice of countries • Scale and timing of entry • The choice of entry mode 	<ul style="list-style-type: none"> • Phase 1: initial market entry <ul style="list-style-type: none"> - Choice of countries - Scale and timing - Choice of entry mode
4.3 <u>Phase 2: local market expansion</u> <ul style="list-style-type: none"> • The choice of adaptation strategy • Exploring market participations 	<ul style="list-style-type: none"> • Phase 2: local market expansion <ul style="list-style-type: none"> - Marketing strategies concerning the 4Ps: product, price, place, promotion.

<ul style="list-style-type: none"> • Product and service offering • The value chain • Marketing approach 	
<p>4.4 <u>Phase 3: Global orientation</u></p> <ul style="list-style-type: none"> • International social accounting network. 	<ul style="list-style-type: none"> • Phase 3: global orientation - Global connection - Sustainable growth

5 DISCUSSION AND LEARNING

5.1 The thesis's values and limitation

Because of the commission for Syfo, the thesis aims at delivering a feasible marketing strategy plan for Sofie in its international markets. Sofie is an online tool which helps organizations, especially NGOs, social enterprises, and other social-mission organizations to do social accounting. Since Sofie does not have full functional elements such as production process like other industrial products, the research has some limitations in defining full elements like in a standard marketing strategy plan. Rather pushing some irrelevant items in the plan, the author chose to address only important areas for Sofie itself. In addition, due to the lack of a benchmark price making it difficult to predict the costs and prices in other countries, the author did not prepare financial calculation in this plan but leave it to be decided later.

Despite of its limitation, the thesis still has certain values. First of all, the thesis provides a general knowledge of international strategy planning process which follows the natural learning evolution. The thesis mentioned the importance of internal and external factors which drive internationalization. Furthermore, it presents an analysis of different types of international strategies and entry modes which are helpful in designing strategies later. Secondly, the theories are practically demonstrated through the author's study of Sofie case. Learning focuses and obstacles will be discussed in the author learning diary part.

5.2 The author learning diary

Marketing strategy planning for companies to pursue the path of internationalization is truly important. Facing the dynamic international environment, it is challenging for all plan makers to conduct a finest strategy plan. Depending on different companies setting different goals, the scope of planning is also required differently: general plan or detail plan. Nonetheless, throughout the planning process for Sofie international strategy, the author learnt the importance of conducting a good marketing research at the starting point. Information gathering in marketing research, both internally and externally is the foundation for strategy planning which is interpreted through SWOT analysis, product

positioning analysis, competitor analysis, driven factors analysis... The mistake that many companies make, especially with the ones with little or no international experience, is underestimate the role of marketing research. Possessing little knowledge about the world outside, those companies tend to assume the best winning situation but not prepare for the worst failing.

Another mistake is that once a strategy plan is done and approved, it is assumed to be unchangeable because the strategy is for long-term period. Good strategy plan is required to be able to cover as many predicted and unpredicted situations as possible. However, conditions change all the time which a fine strategy yesterday might not suit today's circumstance. Therefore, as a plan maker, it is necessary to be aware that strategy planning is indeed a continuous process, so called an evolution. Strategy plan needs to be reviewed and evaluated in order to response to changes in internal or external driven factors, especially before decision to move to new stage is made. Along the evolution, experience learning process should be taken seriously all the time.

REFERENCES

- Anderson, Chris. 2009, *Free: the future of a radical price*, New York, 274 pp. ISBN 978-1-4013-2290-8.
- Barrow, C. J. 2000, *Social impact assessment: an introduction*, Arnold, Great Britain, 230 pp. ISBN 0340742178.
- Boonekamp, Lucie C.M. 1994, *Marketing for Health-care Organizations: An Introduction to Network Management*, in: *Journal of Management in Medicine*, MCB University Press, Vol. 8, No. 5, pp. 11-24. ISSN 0268-9235.
- Bulla, Martin & Starr-Glass, David. 2006, *Marketing and nonprofit organizations in the Czech Republic*, in: *European Journal of Marketing*, Emerald Group Publishing Limited, Vol. 40, No. ½, pp. 130-144. ISSN 0309-0566.
- Buzady, Zoltan. 2005, *Which club does your alliance belong to? An empirical classification of strategic alliance in post-transition Hungary*, in: *Journal for East European Management Studies*, Vol. 10, No. 2, pp. 131-155.
- Chae, Myung-Su & Hill, John S. 2000, *Determinants and benefits of global strategic marketing planning formality*, in: *International Marketing Review*, MCB University Press, Vol. 17, iss. 6, pp. 538-563. ISSN 0265-1335.
- Clark, Catherine. Rosenzweig, William. Long, David. Olsen, Sara. 2004, *Double bottom line project report: assessing social impact in double bottom line ventures. Methods catalog*, 71 pp.
- Dawson, A. 2010, *A case study of impact measurement in a third sector umbrella organization*, in: *International Journal of Productivity and Performance Management*, Emerald Group Publishing Limited, Vol. 59, No. 6, pp. 519-533. ISSN 1741-040.
- Eurofound*, Last updated on 29.10.2009, Accessed on 21.3.2012.
<http://www.eurofound.europa.eu/areas/socialcohesion/egs/cases/fi002.htm>

- Frederick, E. Webster Jr. 1992, *The changing role of marketing in the corporation*, in: Journal of Marketing, Vol. 56.
- Gonzalez, L.I.A., Vijande, M.L.S, Casielles, R.V. 2002, *The market orientation concept in the private nonprofit organization domain*, in: International Journal of Nonprofit and Voluntary Sector Marketing, Vol. 7, No. 1, pp. 55-67.
- Hutt, Michael D. & Speh, Thomas W. 1998, *Business marketing management: a strategic view of industrial and organizational markets*, Orlando: Dryden press, pp. 777. ISBN 0-03-020633-2.
- Mano, RitaS. 2010, *Marketing and performance evaluations in non-profit services. "Missed" targeting in communicating stakeholders' expectations*, in: International Journal of Productivity and Performance Management, Emerald Group Publishing Limited, Vol. 59, No. 6, pp. 555-570. ISSN 1741-0401.
- McLoughlin, Jim. Kaminski, Jaime. Sodagar, Babak. Khan, Sabina. Harris, Robin. Arnaudo, Gustavo. Brearty, Sinead Mc. 2009, *A strategic approach to social impact measurement of social enterprises. The SIMPLE methodology*, in: Social Enterprise Journal, Emerald Group Publishing Limited, Vol. 5, No. 2, pp. 154-178. ISSN 1750-8614.
- Mockler, Robert J; Gartenfeld, Marc E. 2001, *Using multinational strategic alliance negotiations to help ensure alliance success: an entrepreneurial orientation*, in: Strategic Change, ABI/INFORM Complete, Vol. 10, No. 4, pp. 215-221.
- Mulgan, Geoff. 2010, *Measuring social value*, Stanford Social Innovation Review.
- Peattie, Ken & Morley, Drian. 2008, *Social enterprises: diversity and dynamics, contexts and contributions: a research monograph*, ESRC Centre for Business Relationships, Accountability, sustainability and Society, London, 38 pp.
- Rickson, R.E., Western, J.S., Burdge, R.J. 1990, *Social impact assessment: knowledge and development*, in: Environmental impact assessment, Vol. 10, No. 1, pp. 1-10.
- Rundh, Bo. 2003, *Rethinking the international marketing strategy: new dimensions in a competitive market*, in: Marketing Intelligence & Planning, Vol. 21, Iss: 4 pp. 249 – 257.

- Social accounting and audit manual guide*. 2011, SAN, UK
- Social enterprise alliance*, Accessed on 21.3.2012, <https://www.se-alliance.org/what-is-social-enterprise>
- Solberg, Carl Arthur & Durrieu, Francois. 2008, *Strategy development in international markets: a two tier approach*, in: *International Marketing Review*, Vol. 25, Iss. 5, pp. 520-543.
- Sosiaalinen Yritys*, Last updated on 17.10.2011, Accessed on 21.3.2012. http://www.sosiaalinenyritys.fi/sofi_english
- Syfo in a nutshell*. 2007, SYFO Oy.
- Syfo website. www.syfo.fi
- Taylor, Andrew. 2005, *An operations perspective on strategic alliance success factors: An exploratory study of alliance managers in the software industry*, in: *International Journal of Operations and Production Management*, ABI/INFORM Complete, Vol. 25, No. 5/6, pp. 469-490.
- The SROI guide*. 2012, SROI network, UK. Access 10.3.2012, http://www.thesroinetwork.org/publications/cat_view/29-the-sroi-guide
- The UK legislation*. Accessed: 03.04.2012 <http://www.legislation.gov.uk/ukpga/2012/3/section/1/enacted>
- Wilderom, C.P.M. & Joldersma, F. 1996, *The Netherlands in the twenty-first century. High-quality management of private, non-profit organizations*, in: *International Journal of Public Sector Management*. MCB University Press, Vol. 9, No. 7, pp. 60-71. ISSN 0951-3558.
- Whipple, Judith M & Frankel, Robert. 2000, *Strategic alliance success factors*, in: *Journal of Supply Chain Management*, ABI/INFORM Complete, Vol. 36, No. 3, pp. 21-28.
- Yip, George S. 1989, *Global strategy... In a world of nations?*, in: *Sloan Management Review*, Vol. 31, No. 1, pp. 29-41.

Zappala, Gianni & Lyons, Mark. 2009, *Recent approaches to measuring social impact in the Third sector: an overview*, in: CSI Background Paper, The center for social impact, No. 5, 24 pp.

Zou, Shaoming & Cavusgil, S. Tamer. 1995, *Global strategy: a review and an integrated conceptual framework*, in: European Journal of Marketing, MCB University Press, Vol. 30, No. 1, pp. 52-69. ISSN 0309-0566.

APPENDIX 1: SOFIE'S GOAL IN INTERNATIONAL MARKET

- Five different language versions available in Sofie: Finnish, English, Dutch, German, and Swedish.
- Total revenue in 1st year: 42 000€
- Total revenue in 2nd year: 84 000€

Table 4. Sales and revenue estimation in 1st year

	Sofie	English Version		Dutch version		German version		Swedish version		Total revenue	Total revenue
	Price (€)	Sales estimation	Revenue (€)	Sales estimation	Revenue (€)	Sales estimation	Revenue (€)	Sales estimation	Revenue (€)	1st Year	2nd Year
Start-up	300 €	50	15 000 €	40	12 000 €	30	9 000 €	20	6 000 €	42 000 €	
Annual licence	600 €	50	30 000 €	40	24 000 €	30	18 000 €	20	12 000 €		84 000 €

APPENDIX 2: TARGET COUNTRIES KEY RESOURCES

Australia

Personal contact: Marcelle Holdaway (marcelle@sun.big.net.au). She is SAN member with accredited practitioner certificate. Her attitude toward SIM and cooperation with Sofie is very positive. See more one of her article published on philanthropy Australia:

<http://www.philanthropy.org.au/publications/journal/77/Growing-Social-Accounting-Marcelle-Holdaway.pdf>

Organizations and communities

- Social ventures Australia (SVA) <http://www.socialventures.com.au/>
- Center for social impact (CSI) <http://www.csi.edu.au>
- http://www.parracity.nsw.gov.au/work/economic_development/social_enterprise/social_impact_assessment
- <http://www.westpac.com.au/about-westpac/sustainability-and-community/reporting-our-performance/>

<http://www.netbalance.com/services/social-sustainability/social-evaluation>

England

Personal contacts: Servane Mouazan (servane@ogunte.com)

Organizations and communities

- <http://neweconomics.org/>
- Charities evaluation services (CES) <http://www.ces-vol.org.uk/>
- SROI network (Social return on investment network in UK)
- SAN (Social auditing network)
- The inspiring impact group <http://www.civilsociety.co.uk>
- Community evaluation Northern Ireland <http://www.ceni.org/>
- UK evaluation society <http://www.evaluation.org.uk/>
- <http://www.clearlyso.com/> biggest network for funders and social enterprises in EU whose head-office is located in England
- Charities aid foundation <https://www.cafonline.org>
- UK evaluation society <http://www.evaluation.org.uk/>
- The big society capital in the UK <http://www.bigsocietycapital.com/> will soon be launched end of 2012 as a funding source for social sector. It is said that they will push the SIM as a mandatory part for all organizations which want to apply for funding.
- <http://www.eastsideconsulting.co.uk/> consulting firm.
- Social impact analysts association (AIAA) <http://siaassociation.org/about/> was established in 2011 consists of professionals working in SIM field.

Scotland

Personal contacts: Alan Kay; Ute Johnston; Rick Rijdsdijk.

Organizations and communities:

- <http://www.socialenterprisescotland.org.uk/>
- http://www.theacademy-ssea.org/programmes/social_impact offers a range of courses and consultancy. Education includes both SROI and SAA and general SIM.
- CEIS <http://ceis.org.uk/supporting-enterprise/impact-measurement/> provides training, support and finance for community businesses in over 26 years. Office is based in Glasgow.
- <http://www.senscot.net/index.php>
- <http://www.scotland.gov.uk/Topics/People/15300>
- <http://www.socialimpactscotland.org.uk/about-.aspx>
- <http://www.philanthropycapital.org/>

- Association of Chief Officers of Scottish Voluntary Organizations
<http://www.acosvo.org.uk/>
- http://www.forthsectordevelopment.org.uk/pages/impact_measurement.html

The Netherlands

Personal contact: Jillis Kors, Chair of SROI NL/VL network, (j.kors@travers.nl)

Sweden

Personal contact: Erik Nilsson (erik@serus.se)

APPENDIX 3: SIM METHODS DEFINITIONS

Balanced scorecard

Definition: Balanced Scorecard is a performance management methodology. It measures operational performance in terms of four outcome perspectives: financial, customer, business process, and learning growth. It helps enhance organizational capacity and competencies.

Scope: focuses on managerial performance with internal perspective. Though the process starts with desired outcomes, the result doesn't reveal deep, actual impacts. Therefore, it is less relevant to Sofie. It has been used mostly by private organizations.

Cost-benefit analysis

Definition: Benefit-cost analysis is a type of economic analysis in which the costs and social impacts of an investment are expressed in monetary terms and then assessed according to one or more of three measures: (1) net present value (the aggregate value of all costs, revenues, and social impacts, discounted to reflect the same accounting period); (2) benefit-cost ratio (the discounted value of revenues and positive impacts divided by discounted value of costs and negative impacts); and (3) internal rate of return (the net value of revenues plus impacts expressed as an annual percentage return on the total costs of the investment).

Scope: the main purpose is impact assessment, general applicability.

Limitation: the method is missing important intangible impacts/ costs.

Global Responsible Initiatives (GRI)

Definition: GRI Reporting Framework offers a method to assess the sustainability of an organization's activities.

Scope: Sustainability reports based on the GRI framework benchmark organizational performances with respect to laws, norms, codes, performance standards, and voluntary initiatives and compares organizational performance over time. It has been used by international, private organizations.

Logframe (logic model)

Definition: This framework is a step-by-step guide for articulating and connecting organizational or program goals, resources, activities, outputs, and outcomes.

Scope: Logframe starts with desired outcomes, is used in planning projects. It has been widely accepted internationally.

Social accounting and auditing (SAA)

Definition: SAA establishes a framework of social accounting for ongoing monitoring, evaluation and accountability to stakeholders both internal and external to the organization. SAA investigate organization's performance against social, environmental and economic objectives. SAA is now promoted by Social Auditing Network in UK (SAN).

Scope: it has been used by several social enterprises, NGOs but not by private sector.

Social return on investment (SROI)

Definition: Originally developed from cost-benefit analysis, SROI is a participative approach that is able to capture in monetized form the value of a wide range of outcomes, whether these already have a financial value or not.

Scope: SROI is relatively well-known. There are different models of SROI which address different purposes, for example SROI framework, SROI calculator (Calvert Foundation), SROI lite as a short version of SROI process (Santa Clara University GSBI); SROI toolkit (SVT Group).

Benefits: "organizational learning" is seen as the key benefit of applying SROI. The principles of "involve stakeholders" and "understand what changes" are most perceived benefits for users while "monetary value" is considered as the least useful principle.

Limitation: The key barriers are perception of complexity and lack of recognition from funders as well as authorities. (Reported by Aitken Hall, 2011)

APPENDIX 4: SIM METHODS COMPARISON TABLES

Table 5. Methods comparison in TRASI data

	Suitability	Thoroughness	Scope	HR involvement
Balance scorecard	scale and sustain	somewhat thoroughly	comprehensive	medium
Cost-benefit analysis	scale and sustain	very thoroughly	intermediate	medium
GRI	demonstrate and refine	very thoroughly	comprehensive	medium
Logic model	demonstrate and refine	very thoroughly	intermediate	medium
SAA	N/A	N/A	N/A	N/A
SROI framework	demonstrate and refine	very thoroughly	comprehensive	high
<u>Sofie</u>	demonstrate and refine	to a limited extent	intermediate	medium

- Determine suitability: examines which stage the solution addresses, including “frame the problem”; “develop approach”; “demonstrate and refine the solution”; and “scale and sustain”.
- Solution stage thoroughness: examines history and real application experiences of the solution (how well has it been tested? understood? recognized?), including “very thorough”; “somewhat thorough”; “to a limited extent”
- Determine scope: examines solution’s comprehensiveness, including “comprehensive scope” (assessment, managerial and certification purposes; to prove organizational performance and impacts; involve all stakeholders; apply in all sectors); “intermediate scope” (assessment and managerial purposes; to prove either impact or performance; involve some stakeholders); “limited scope” (either assessment or managerial purpose; unclear targeted results)
- Determine staff and stakeholder involvement: examines which degree the solution requires staff and stakeholders inputs, therefore be able to anticipate the

total costs, including “high involvement (> 5 staff days/ quarter, significant input from external stakeholders); “medium involvement” (2 – 5 staff days/ quarter, input from external); “low involvement” (< 2 staff days/ quarter, little or no input from external).

Table 6. Methods comparison in Proving and Improving data

	Benefits	Limitation	Support available
GRI	International recognized report; comparability.	For big corporations, high costs for implementation.	Online resources, consultants, training, handbook, publication.
SAA	Inclusive process linking stakeholders; full covered issues; external audit.	Limited recognition; difficult implementation and high costs.	Online resources, consultants, training, publication.
SROI	Visible trade-offs; external audit.	Misinterpret and over-use monetary values; complicated calculation and high cost.	Online resources, consultants, training, publication.
Balanced scorecard	Strategic management tool.	Exclude external stakeholders; not focus on impact measurement	Consultants, training, publication.
Sofie	Comprehensive tool	Onside training needed.	Manual guide, offline training, consultancy, auditing.

Table 7. SIM online tools comparison

	Sofie	Social e-	Socialewaarde	PointK
--	--------------	------------------	----------------------	---------------

		valuator		
Countries	Finland	Netherlands, UK, Germany, Denmark	Netherlands	America, others
Method	SROI + SAA	SROI	SROI	Logic model
Costs	Not defined yet	User registration basic. 250 euros/ year	Free registration	Free registration
Services	Training, consultancy, auditing.	Training (online & offline), consultancy.	No	Training, consultancy.
USP	Flexible process, user- friendly, comprehensive tool.	Handy tool, good instruction.	N/A	Available samples, easy to understand.
Limitation	Lack of instruction inside the tool. Training is a must.	Inflexibility	Only used to calculate value of social investment	Simple online database; exclude external stakeholders
Development capability	Yes	Yes	N/A	N/A
Recognition	No	Limited	No	Yes

APPENDIX 5: CUSTOMER EXPERIMENT SURVEY

This survey is designed for Sofie users to give feedbacks on our product and services. Your information is crucial to help us develop Sofie system and improve the services'

quality in the future. A part of this survey will be used for market research in international level.

1. What are the main purposes for your organization to measure social impacts of your activities?
2. Give your ranking for the issues below (5: very positive; 1 : not at all)

	Issues	5	4	3	2	1
Method	How well does Sofie help reveal your ideally social impacts?					
	Is the method easy to understand?					
	Is the process easy to conduct?					
Online system	Does the online system work probably?					
	Is it easy to navigate?					
	Is it enough supported features?					
	Does it help in communication and social learning?					
Services	Do our product packages/ services meet your needs?					
	Are the training sections helpful?					
	Are you happy with the customer support service?					

3. What will you say about Sofie in one sentence?
4. Please suggest one development/ improvement that you want to have in Sofie in the future?
5. Would you be interested in having a phone-interview with us? As part of the market research, I will contact you later with more information. Please leave your contact information here.

APPENDIX 6: SOFIE INTERNATIONAL MARKET SURVEY

The survey used SurveyMonkey.com service. Online version is available at <http://www.surveymonkey.com/s/95CHRVW>

The research aims at exploring "social impact measurement" methods and services in international markets. The survey targets 19 experts in different countries in order to seek for accurate and professional information. As a specialist in the field, we'd like to ask for your opinions from your country perspective. The survey would take approximately 10 minutes to complete and all information will be treated confidentially. In addition, we are pleased to send you a summarized report of this survey upon requested. Thank you in advance for your time and effort.

Note: Social impacts refer to social, financial and environmental impacts, as a long-term result of identified activities.

1. Which country is you located?
2. How common is the measurement of social impacts in organizations operating in different sectors in your country?

	Very common	Common	Rare	Not at all
Private sector				
Public sector				
Third sector				

Comments, questions or additional information

3. Please name the 3 most popular methods used in social impact measurement in your country.

4. How do organizations in your country conduct their social impact measurement?

	Very common	Common	Not common	N/A
Buy an external analysis				
Self-conduct an analysis with training and ongoing consulting				
Self-conduct an analysis after getting training				
Conduct an own analysis				
Self-conduct using software tool				

(technical help)				
------------------	--	--	--	--

Comments, questions, or additional information

5. For those organizations which are NOT doing social impact measurement, what would be the common reasons?

- Not aware of social impact measurement
- Lack of incentive purposes (not have practical use; not required by law, investors or other stakeholders...)
- Lack of internal resources (human, financial resources...)
- Tools are too complicated or not available
- Lack of supporting services (training, consulting services...)
- Other (please specify)

6. If there are training/ consulting services for social impact measurement available in your country, what is the average cost for:

(Note: one working day = 8 hours, Unit: Euros)

- One training day (for 10 – 12 people)
- One consulting day

Comments, questions or additional information

7. How many organization you know would have the need to buy social impact measurement tool, method, training or consulting services?

- Private sector
- Public sector
- Third sector

Comments, questions, or additional information

8. Would you suggest 1 - 3 concrete ideas what should be done to expand social impact measurement in your country?