

How social media usage can support the internationalization process of B2B IT software providers

An explanatory study



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## Abstract

The purpose of this explanatory study is to shed light on how high-tech IT software companies can apply social media for enhancing the internationalization process.

The approach includes both deduction and induction with multiple cases. The deductive dimension consists of systematic literature review where the synthesis of the content presents five propositions. These five propositions become topics for a template analysis, where primary qualitative data, from interviews, is assessed. The template analysis, for each case respectively and the cross-case assessment, constitute the inductive dimension. Each case differs, one of the awaits exponential growth and is currently conducting all operation from the home country through the use of both online and offline activities. Another case has a hierarchical foreign entry mode where internet-based activities are supportive. The last case company operates as an intermediary for a IT software developing firm.

Findings propose that the underlying driving value is the neo-liberalistic view which materializes through marketing, sales, business development and enhancement of practices and performance. LinkedIn is the preferred social media platform, due to its attributes and the presence of all relevant stakeholders on the internet-based platform. The phenomena of the study can be grouped into two main categories, namely business network theory and intelligence gathering, which constitutes the how social media can be used in relation to internationalization. Offline presence is a must for conducting sales in two out of the three cases, due to the price, importance and sophistication of software services. Internationalization processes are not necessarily path and pace dependent or born global but merely a mixture of business networking and marketing opportunities where the role of LinkedIn can have a vital role in creating opportunities. LinkedIn serves as a networking platform and as an information portal, where connecting, monitoring and communicating with others both privately and publicly can provide or initiate business opportunities abroad.



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### Introduction

In a globalized world where the internet increases the connectivity (Loane, 2006) then it might be expected that internationalization can take a different form in contrast to what traditional theories proclaims. Because the internet might increase internationalization and the visibility of SMEs (Loane & Bell, 2002). Furthermore, the internet lessens internationalization barriers, provides collaboration and exploitation opportunities (Hamill, Tagg, Stevenson & Vescovi, 2010). Additionally, the internet facilitates rapid internationalization of SMEs and close collaboration and co-creation (Bell & Loane, 2010). A renown classical theory regarding internationalization which assumes that because of psychic distance and learning then companies would incrementally expand to near markets (Johanson & Vahlne, 1977). This deterministic and risk avoiding process, where path and pace of foreign entry modes are dependent of location of a foreign market in relation to the home market might not have any value when dealing with intangible things such as software. Furthermore, proliferation of the internet could have rendered the theory obsolete. Furthermore, the increase of born global firms tend to have a niche focus or high-tech dimension or be centered around software or IT (Knight & Liesch, 2016; Bouncken, Muench & Kraus, 2015; Kuivalainen, Saarenketo & Puumalainen, 2012; Wentrup, 2016; Aspelund & Moen, 2012). The born global concept contradict the previously mention deterministic notion of internationalization with its rapidly and early internationalization characteristics (Knight & Liesch, 2016; Bouncken, Muench & Kraus, 2015; Kuivalainen, Saarenketo & Puumalainen, 2012; Oviatt & McDougall, 1994; Wentrup, 2016; Freeman, Hutchins & Chetty, 2012). The penetration rate of internet users globally is at 57 percent, which growing with a million people each day. Furthermore, the penetration rate of social media users globally is 45 percent, with an annually growth of 9 percent (Datareportal, 2019). The revisit version of the incremental internationalization theory includes business network theory and regional focus (Johanson & Vahlne, 2006) whereas born global firms expand internationally through their networks (Freeman, Hutchins & Chetty, 2012). Moen, Gavlen & Endresen (2004) proclaims that network relationships determines foreign entry modes, where the internet makes it possible to find and maintain international partners regardless of geographic distance.



## CHAPTER 1 – METHODOLOGY

#### **Problem Statement**

How can social media support the internationalization process of B2B IT software providers?

- Which social media platform is the preferred option?
- Which drivers incentivize application of social media?

#### Research Philosophy

Transcendental realism, i.e. critical realism, was developed as a critique against the dominating philosophy of science at the time, namely classical empiricism, i.e. positivism. With its insufficiently explanatory capabilities of reality and its inadequately processes of dealing with reality provoked Roy Bhaskar to develop a new mega theory. The philosophy of science of critical realism has three levels of ontology, namely phenomenon, mechanism and underlying driving value (Bhaskar, 1978). Furthermore, it grasps both the subjective and the objective aspects of science, where reality is contingent of interactions and perceptions of social phenomenon and the latter refers to independently existence, in reality, without the influence of social actors and thereby being external (Saunders, Lewis & Thornhill, 2012). Furthermore, critical realism bridges determinism and voluntarism (Kuada, 2012), which provides a great middle ground that describes human beings as free within limits. The three level of ontology includes both something tangible, i.e. the phenomenon or event, and something intangible, i.e. the underlying driving value. Whereas the system or mechanism bridges the metaphysical aspect of reality with a phenomenon, which be the visible aspect of ontology. Uncertainty is an embedded feature of critical realism and it dismisses absolute causality, because multiple factors can be the cause for a specific outcome. Furthermore, transcendental idealism and transcendental realism are permissible within critical realism (Bhaskar, 1978). Transcendental idealism refers to closed systems whereas transcendental realism refers to open systems. This epistemology resembles the scientific paradigm of system-based view (Arbnor & Bjerke, 2009). The implication of applying critical realism is that theories might not constitute the complete truth of something, but contribute with knowledge to a given system, and thereby be an argument for a partial truth. This in a combination with the balanced position in objectivism and subjectivism (Kuada, 2012; Saunders, Lewis & Thornhill, 2012) and uncertainty (Bhaskar, 1978) mitigates potential implications by applying academic literature of different types in this research.



#### **Research Objective**

The purpose of this study is explanatory, hence, to retrieve a glimpse of circumstances, involve elements, their relations and attach all of it with existing theory in order to generalize findings.

#### Research Approach

The research is divided into two parts, a deduction part and an induction part. In might be the case that new knowledge development is purely inductive (Bhaskar, 1978), but to commence an ourely inductive study without preparations and attaining insight is not a recommendation (Glaser & Strauss, 1967; Bhaskar, 1978; Saunders, Lewis & Thornhill, 2012). Gathering of literature and constructing a theoretical framework or conceptualization is the deductive aspect, which is in the first part. The second part consists of data collection, theory formulation and connecting literature to the theories, which constitute the inductive part of this research. Furthermore, rigid analytical framework is referred to as deductive, whereas boundaryless processes with an inbuilt emergence or discovery facet is called inductive. The intention is to transform the conceptualization into proposition and thereafter into boundaries for the inductive assessment.

#### **Research Strategy**

Multiple case study with a single-phase research design, which includes analyzing cases independently prior to a cross-case assessment. The time horizon is definable as cross-sectional, because internet-based platforms are volatile in nature and they may change over the duration of time, which makes a longitudinal study problematic.

#### Methodic & Method

The literature chapter contain notes on essential literature for the foundation of the research. The content is purely descriptive with some methodology related content at the end of each of them. The philosophy of science of each study is highlighted for providing insight to potential philosophical implications. The underlying reason for this is to include content that enables a discussion of potential methodical implications. The chapter is not meant to serve as a traditional literature review chapter, but it serves a purpose of arguing against a potential comment regarding lack of including articles. Furthermore, it serves fulfillment of learning criteria of a master's thesis at Aalborg University. It is absolutely not a necessity to read chapter two, because the following chapter has an academic literature review in the beginning of it.



Extraction of literature is done by multiple search strings on Aalborg University Online Library search engine, where all searches include peer-review, English, articles, business and a publishing date from annum 2008 until 2019 criteria as standard for the first three searches. These three searches have the following search strings "Internationalization IT industry B2B"; "Internationalization marketing social media IT industry B2B"; "Internationalization marketing social media". These three searches present 1579, 223 and 83 articles, where 29 articles manage to have a relevancy with internationalization and internationalization of high-tech IT firms. Supporting the mention literature extraction, then thematic searches on Born Global and Uppsala, where 12 articles suffice the requirement of explaining the nature of these two concepts of internationalization. Literature regarding internationalization is embedded in the articles but highlighted in this study by referring to conventional reading material of Danish universities. Several principles of systematic review are adopted, such as phase one formulation of search questions, i.e. the titles of themes which are Uppsala, Born Global, internationalization, entry modes, social media and high-tech IT industry. Phase two, applying online search engine to gather literature, i.e. Aalborg University Online Library. Phase three, selection and evaluation of academic papers with the purpose of including and excluding literature for the review, i.e. The screening process mention above where 39 plus 15 articles manage to pass the writing criteria for searches and themes in the preliminary screening process, where after reading the articles in for the secondary screening process only 29 plus 12 manage to pass. Some of the literature are mention in chapter two and three, where the rest of them are reserve for the last part of the qualitative study. Phase four concerning literature review chart with content analyses and where syntheses are supposed to occur are not included for the literature in the first part, whereas the additional articles are in a reviewing chat in appendix D. The analytical aspect consists primarily of methodic reflections in chapter two and cross content analyses of content in the beginning of chapter three, while syntheses are partially reserve for the establishment of conceptualization and the semistructural questions for interviews and the concluding propositions in first part of this research. The remaining phase regards reporting results which this systematic review process provides. Here the content is applicable for the introduction, conceptualization and initiation of the primary data collection process (Saunders, Lewis & Thornhill, 2012, pp. 112-113). Far from all articles, which passed the screening process, are applied in the introduction, conceptualization chapter or in findings, but they are dispersed to separate chapters of this thesis. Furthermore, some of the 41 articles regard the internet and internationalization, where their publishing data are prior to annum 2008.



Initial coding combine with focus coding are potential methods to apply in the analytical section of the study. But this approach is purely inductive, and it lack relation to the three levels of ontology. Hence, applying it would diminish the coherency and relation to the selected philosophy of science and its three levels of ontology. Additionally, then it presents no guarantee for identifying and assessing the ontologies (Saunders, Lewis & Thornhill, 2012, pp. 569-571).

Analytical template analysis (Saunders, Lewis & Thornhill, 2012, 573) is an applicable method for this study. It includes a hierarchy of three levels regarding questions which easily can be modified into the ontologies of critical realism (Bhaskar, 1978), hence, fit the philosophy of science of this study. The method includes both an inductive and deductive dimension. The deductive dimension relates to the rigor procedure which relies on rules and structure, i.e. the three levels of questions and applying meaning to the upcoming coded content. Whereas, the interpretation of the meaning of the content is partial determine by existing theoretical knowledge regarding the content. The last part is in the cross-case analyses chapter. The generic approach to qualitative assessments is an integral of applying the analytical template analysis method. The five steps consist of a. identifying codes, b. attach data or integrate codes, c. develop analytical categories to identify patterns and relationships, d. develop testable propositions, e. verifying and drawing conclusions (Saunders, Lewis & Thornhill, 2012, pp. 556-557). The categories are predetermined, due to the literature review in chapter three and applied as questions in chapter four where the following is the application of analytical template method, hence a part of step c does not occur independently in this study. Furthermore, step e. is allocated to chapter 6 where the cross-case assessment is.

In order to ensure reliability and internal validity of this qualitative study, the consistency in replies and recording them serves this purpose. Furthermore, by relating replies to existing theories enhances the generalizability of the findings, hence the reservation of a proportion of extracted articles for the findings chapter of this project. Bias from the interviewer and interviewees (Saunders, Lewis & Thornhill, 2012, pp. 380-384) is limited as well with repetition of similar questions differently. The ongoing pursuit for retrieving answers by pounding the interviewee with similar questions differently, might extract answers which the interviewee attempts to withhold. Repeating similar questions differently ensures breadth in replies and content for assessing consistency in replies. Furthermore, Eisenhardt (1989, 537) states that the "*selection of an appropriate population controls extraneous variation and helps to define the limits for generalizing the findings*", which translates into similarities



of companies for case studies support generalizability. The following list regards similarities for selecting the three companies for this study. High-tech services, IT embedded services, business enhancing services, department situated in Denmark, multiple employees, focus on software, international relations or departments and specialize focus. Contrasting the similarities, then each company focuses on different industries, such as offering digital marketing software, where another company is focusing on selling, consulting and educating businesses in using modular process mapping and optimization software and a company focuses on developing and selling IT services for the medico industry which drives the need for related products. Furthermore, the digital marketing software company is a young entrepreneurship, which differentiate from the rest. The modular process optimization companies have several collaborative suppliers or partners, which positions the company different according to entry mode definition contrary to the rest. But the company is active in multiple countries and thereby not limited by geographic boundaries similar to the two other companies. The digital marketing software company has two direct competitors where one of them operates in the Netherlands, Sweden and Norway. The concept of applying advergames for search engine optimization while entertaining stakeholders is completely new and innovative. Similarly, the medico industry operating in Denmark which provides IT infrastructure has a few direct competitors globally. The sales partner for modular process optimization processing software is an intermediary for a IT software developer internationalization process, but it has two main competitors, Software AG and QualiWare. Hence, each case represents a large proportion of its population in each sector, due to few global competitors, and therefore they fulfill Eisenhardt (1989) recommendation for enhancing generalizability in relation to qualitative case studies.

Transcription is translation or transformation of oral language into written language. Some elements are bound to get lost in the transcription process due to the non-verbal language is not included, such as breath, pause, tone of speech, gesticulation, mimic and other physical interactions (Kvale & Brinckmann, 2014, 236). There exist no global standards for transcription, but choices. Consistency is a requirement, and if huh and hmm is transcribed in one paragraph, then it should continue. If direct transcription is ruled out, then the transcription may follow a course of a formal written language (Kvale & Brinckmann, 2014, 239). The purpose of interviews and thereby the transcriptions is to focuses on content and meaning and not on interviewees, hence there is no reason to include markings of huhs, breaks in speech, breaths, and tone of speech (Kvale & Brinckmann, 2014, pp. 240-241).



Reliability of the transcribing person can be asserted by different means, in this study a comparative assessment of the transcription with the audio recording is done (Kvale & Brinckmann, 2014, pp. 243-244), by carefully translating and transcribing the content. It is a part of the transcribing process to listen to audio recordings multiple times. Validity of a transcribing person can be assessed either by transcribing directly or by adapting the language use to the connected culture of an interviewee (Kvale & Brinckmann, 2014, pp. 245-246). When focusing on the meaning and transforming oral language into written language, then the validity is brought forth by attaching a more academic language to the transcribed content and focusing on meaning of statements from respondents.

The purpose of interviews is to extract data with relevancy to the study. This includes questions regarding the interviewees and their perceptions and their companies, which are partially meant for the descriptive aspect of the case studies and to partially categorize them within the spectrum of internationalization, i.e. Uppsala incremental or born global categories, based on the content of the articles in chapter two and three. Furthermore, to initiate the interviews with easy question so that the interviewees feel more comfortable (Baines & Chansarkar, 2002). Additionally, to avoid the double barrel effect, then formulation of questions emphases on simplicity (Baines & Chansarkar, 2002, 104). The third aspect is to relate questions to the three levels of ontology, i.e. phenomenon, mechanism and driving value or factor. Achieving this is simply done by attaching follow up questions which includes how, how come and why. The questions are direct extraction from literature on the topic, which are writing in chapter three and formulated as questions in chapter four. The majority of questions are similar and the purpose of repeating the same questions is to ensure consistency in replies, collecting analyzable content and scope in answers. Depending on behavior of respondents or more exactly their level of tolerance in a given interview, then some of the repetitional questions may be circumvented, but that does not exclude repeating similar questions differently.

The translation and transcription of each interview is in appendix. The first part of each interview is not transcribed, but merely written, because the simple nature of the questions. The transcription process contains highlighted word which identify codes and that is the first process of the five related to generic approach in assessing qualitative data. Each transcription represents a case study. The second process is integrating codes, which is done by collecting the content, i.e. replies regarding the questions, into their respective predetermine category. The categories are an outcome of the literature review and conceptualization in chapter three. Furthermore, the questions design relates to the



different levels of ontology of critical realism. Additionally, applying the analytical template framework fits the epistemology of critical realism, more precisely, transcendental idealism (Bhaskar, 1978) which is similar to closed systems in system-based view (Arbnor & Bjerke, 2009). This highlights the fit between methodology and method. The third process consist of identifying patterns and relationships within the respective categories. The fourth process entails formulating synthesis in each category and thereby developing testable propositions. The last process of the generic approach is reserve for the cross-assessment of findings in the multiple case study, which is in chapter 6. The results from theoretical studies are combined with the cross-analyses of each category between cases and the inclusion of additional literature and grouping proposition into higher-order themes are meant to increase the generalizability. Chapter 6 constitute a transition in method, where transcendental realism, i.e. open system analysis, is performed.



## CHAPTER 2 – THE LITERATURE REVIEW

#### Uppsala Internationalization Process Model

#### The original version of the Uppsala Internationalization Process Model

This model stems from data of nine plus four cases, where insufficient statistical samples and assumptions form theory formulation on account of Swedish multinational enterprises (MNEs) historical activities. The Uppsala model focuses on the development of companies, which regards gradual acquisition, integration, knowledge usage in foreign markets, operations and incremental commitment in foreign markets. Lack of knowledge regarding foreign markets is an assumption for impeding the internationalization process. The Uppsala model deals with two main parameters, namely increase involvement in amount of markets and incremental operations in foreign markets.

Managers and board members decision-making processes are except from the model, but the common traits of various exporting processes are the foundation of the model, i.e. different entry modes.

**Observations** of Swedish companies' incremental investment in entry modes in foreign markets is the base of the model. Furthermore, selection of foreign markets is in these cases in line with the notion of psychic distance. Psychic distance refers to a sum of factors preventing information flow. This includes difference in education, language, business practices, industrial development, infrastructure and culture.

**The basic mechanism** includes resource commitment and market commitment, which entails knowledge regarding foreign markets and operations. The change in these four parameters illustrates the incremental internationalization process.

**Assumptions** include lowering risk while chasing opportunities, hence the incremental investment in foreign markets, and that market knowledge and commitment affects decisions regarding performance activities, which transforms into change in knowledge and commitment. Additionally, the aim of increasing long-term profits is the assumption driving decisions for the basic mechanism of internationalization.

**Interpretation of information** are of two kinds, the market information and from inside a company. Both types require interpretations for generating knowledge. Some of the knowledge are tacit and is contingent of experience, while the other type is explicit knowledge, which is similarly based on



experience, but it is mainly objective market information, i.e. psychic distance related information such as language, culture, formal business practices, etc. Ergo, knowledge in respect of the Uppsala model is based on a company and its employees understanding and acquisition of it. Market opportunities are dependent on experience.

Uncertainty is minimized when foreign markets are homogeneous with the home market, which lowers the requirement for experience in relation to those markets. Furthermore, the available resources of a company occupy an important role when dealing with internationalization. Because resource allocation for foreign market entry are contingent on the ability to actualize it, which require resources.

Unless companies have large resources available or extensive experience regarding a foreign market, market conditions are homogeneous and stable, then companies increase their internationalization incrementally where integration with foreign market environment occurs to lowering the attach expansion risk. This will inevitably form the pace, growth and direction of the internationalization process of firms. Ultimately, it will result in penetrating near-markets and gradually expanding into other markets. The definition of market is countries, i.e. geographical area (Johanson & Vahlne, 1977).

#### Highlighting scientific aspect of the theory.

The first edition of Uppsala internationalization process of MNEs is based on invalid statistical calculations (Håkanson & Kappen, 2017) and assumptions. It belongs to the category of positivism due to the epistemology and ontology and the deterministic path and pace of internationalization (Saunders, Lewis & Thornhill, 2012).

#### The 2006 revisit version of the Uppsala Internationalization Process Model

Johanson & Vahlne (2006) introduces fundamental changes to the initial model. The description of these changes is in the following text.



The Uppsala model focuses on knowledge development and increasing foreign market commitments, and not necessarily on incremental foreign market entry mode. Commitment of knowledge development in foreign markets to develop opportunities are in focus. The classification of markets and its previous paper is countries, which is no longer valid because of the new focus on networks and relationships. Commitment from partners in foreign networks with the objective of lowering uncertainty, i.e. risk, and developing business opportunities. The following citation describes the change remarkedly well.

"When a focal firm and another firm are mutually committed to future business with each other, they have a basis not only for learning about and from each other, but also for creating new knowledge through interaction." (Johanson & Vahlne, 2006, 168).

Knowledge have different dimension in the new edition of the Uppsala model. Some of it is tacit and other explicit. Furthermore, learning by doing is the experiential knowledge development. Additionally, a different type of knowledge can reside in the collective, which require insight to the group for taping into it. Learning is important and it can stem from customer inquiry or through cooperation, such as joint venture. The learning process and creating process are intertwined and the perception of it is socially constructed. Business relationships and networks are pivotal in relation to attaining or developing market knowledge.

History of interaction creates social capital. The following citation describes social capital well "*networks of strong, crosscutting personal relationships developed over time that provides the basis for trust, cooperation, and collective action*..." (Johanson & Vahlne, 2006, 171.)

The cognitive dimension of social capital includes shared interpretation, representation and systems of meaning in groups or among parties.

This addon to the internationalization model end with propositions.

(Johanson & Vahlne, 2006, 175):

"Proposition 1. Opportunity development in a country market is positively related to mutual relationship commitment with firms in the market.

Proposition 2. Opportunity development in a country market is positively related to the partner firms' network embeddedness in the market."



Joint learning and joint commitment between firms are the basis of path dependency, but the outcome is not deterministic, even though it entails exploration and exploitation of relationships and networks to create opportunities which has an incremental aspect attach to it.

#### Highlighting scientific aspect of the theory.

The detachment from statistics and adaptation of learning, creating knowledge, relationship theory, network theory by classifying markets as networks and not as countries, proclaiming a social constructed aspect where the system of meaning, with its shared interpretation, aspect clearly indicates a shift from the previous philosophy of science of positivism to interpretivism (Saunders, Lewis & Thornhill, 2012).

#### The 2009 revisit version of Uppsala Internationalization Process Model

Trust-building and knowledge creation is added to the Uppsala model and replacement of psychic distance is done by adding oustidership to relevant networks, as the source of uncertainty.

A requirement for internationalization is mutual commitment, between companies and their counterparts. The components of relationships are interaction, intention, interpretation and expectation, because relationships are social constructions.

According to Johanson & Vahlne (2009) foreign market entry mode decision is not relevant, whereas the position-building process when entering a foreign market network is of the outmost importance.

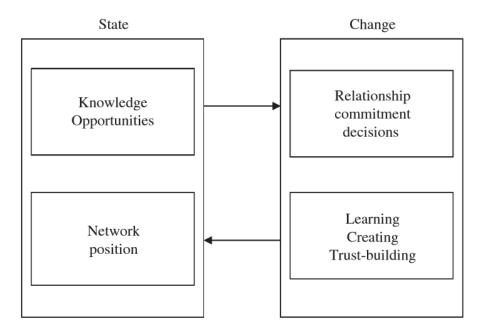
**Institutional market knowledge** is knowledge regarding rules, laws and language, which refers to psychic distance. Whereas, lack of comprehending business conduct in foreign business networks refers to **liability of foreignness**. Finally, the **liability of outsidership** is when a firm have no position in a business network, i.e. market.

Addition to the Uppsala model is general relationship knowledge, which refers to the knowledge about network business partners. Furthermore, inclusion of emotional or affective feature of relationships are in the revisit model.

Trust relates to commitment.



**Opportunity** creation depends on incremental learning (recognition) and commitment (exploitation), while trust between the parties in networks ensure, potential, successful opportunity search.



## Figure 2.1. The revisited Uppsala Internationalization Process Model (Johanson & Vahlne, 2009, 1424)

#### Highlighting scientific aspect of the theory.

Network position is market commitment in the original edition of the Uppsala Model. Causality of two variables does not relate to determinism according to the authors, which indicates the use of a qualitative research method, which states that causality is not a necessity for theories (Kuada, 2012, 118) even though it is an embedded feature of positivism (Kuada, 2012, 73). This revisit version of the model is founded on inductive theoretical arguments which argues for a subjective approach, which includes that reality is a social construction and thereby refers to interpretivism (Kuada, 2012; Saunders, Lewis & Thornhill, 2012). The focus on relationships, networks, learning, knowledge development in groups with respective shared interpretive, representational configuration in systems of meanings argues for the philosophy of science of interpretivism. The perception of born global, by the authors of this research paper, is that most of them are born regionals and therefore fit in the theoretical framework of Uppsala, which do not include anything resembling a global dimension. Furthermore, the regional centric internationalization process is similar to entrepreneurship, hence Johanson & Vahlne (2009) attempts to bridge a critique toward the Uppsala model by annulling



contradicting findings and classifications (Knight & Liesch, 2016; Oviatt & McDougall, 1994; Kuivalainen, Saarenketo & Puumalainen, 2012; Bouncken, Muench & Kraus, 2015; Rennie, 1993).

#### The 2010 note of strategy regarding the Incremental Internationalization Process

Companies are embedded with their customers, it is a networking reality, which affects selection of suppliers and transcend national boundaries, hence the perception of markets is business networks. Furthermore, exchange of information, adaptation to demands and interactions are core components of business relationships. The insider advantage to a network is the opposite of liability of outsidership. An outsider may not be able to detect and comprehend a network or the dynamics of its members. Knowledge is developed jointly by networking partners, and it is assumed that complete control of resources is not reserved a particular company, but partial ownerships of resources is reserved to customer demands.

The perception of **strategy-making** is a process, which does not include properties of the planning school, i.e. Michael Porter inspired approach where identification and development of opportunities regardless of network related responsibility. The strategic process involves interaction, mutual trust, commitment, time and relevancy to interdependent actors.

**Uppsala assumes** that knowledge development and commitment are the variables for the internationalization process of a firm. Liability of foreignness is modified to liability of outsidership of networks, hence the change in focus from markets to networks to determine potential internationalization path and pace. Furthermore, **strategy** is action and actions when the network is in focus includes benefits for the network and not solely the focal firm.

#### Highlighting scientific aspect of the theory.

Comparing the schools of thoughts regarding strategy, then the process aspect of planning resembles Grounded Theory approach (Glaser & Strauss, 1967), which encompasses the learning aspect of defining something and the emergence dimension of clarifying patterns or classifying something scientifically. Grounded theory is a scientific paradigm and method within interpretivism (Saunders, Lewis & Thornhill, 2012). The Michael Porter planning school of strategy includes deterministic features and that everything can be planned in detail, which is positivism (Kuada, 2012). Critics of this approach believes that it does not suffice business realities or portray an authentic image of



successful business conduct. An eclectic approach which includes the emerging aspect of strategy and thereby learning is what the Honda Case clearly demonstrates as a requirement for successful business strategy (Mintzberg, Pascale, Goold & Rumelt, 1996). The last input to the Uppsala Model affirms changes of the theoretical construct and cement the impact of interpretivism.

#### A critique of the Uppsala Model and the changes that has occurred

Forsgren (2016) highlights some interesting contemplations regarding Uppsala Model and the changes that has been attached to it.

**Business network theory** mixed with Uppsala model. Fallacy of foreign markets similarities to the hosting market, when industrial markets differs inside a country, then no one can expect that near markets has similar attributes as the domestic market. Lacking position within networks in foreign markets is referred to as "liability of outsidership". Consequently, the difference between the hosting market and foreign markets is founded on network position from outsidership to insidership. Ergo, the business context regarding network position is the focal point of assessing a market as part of the home market or foreign market, when focusing on internationalization.

Liability of foreignness and outsidership. Network embeddedness affects behavior of companies, hence analyzing the characteristics of business network embeddedness to ascertain the distance to potential foreign markets, i.e. networks. Embeddedness are of two types, structural and relational, who you know and how well you know them, respectively. Structural refers to potential advantage, while relational concerns learning, exchange of information and close relationships. Deep relationships in existing networks will facilitate internationalization by positioning a business in a foreign network.

**Internationalization a relationships development process**. Internationalization is improving relationships inside networks, hence the geographic expansion is a by-product. The lack of information in the incremental expansion process is countered by business relationship networks, but the incremental path dependent approach might not be the case when dealing with internationalization.

Part two – Entrepreneurship and Uppsala.



Combining the Uppsala model with entrepreneurship does not resonate well with every aspect. The incremental internationalization process is replaced with risk taking and opportunistic decision-making instead of risk reduction and path dependency. But if experimentation, learning, resource assessment, commitment assessment, risk assessment and sound judgement is incorporated, then the Uppsala framework can be applicable to portray the internationalization process of entrepreneurships.

#### Part three – Entrepreneurship and business network theory.

Internationalization has the characterization of corporate entrepreneurship. But the traditional 1977 model emphasis is on learning, where business network theory focuses on obligations which hinders the entrepreneurial opportunity taking dimension. Hence, the combination of these three themes does not coincide.

The revisit Uppsala model should distinguish between relationship network development and the internationalization process.

#### Highlighting scientific aspect.

The discussion format of this paper includes rational assessments of various themes which might have been brought to life through a brainstorm followed by arguing against elements from the brainstorm. This method is called eduction and is a method within transcendental realism. The method can only be justified when dealing with closed systems (Bhaskar, 1978). But the lack of multiple ontologies suggest that the philosophy of science is direct realism (Saunders, Lewis & Thornhill, 2012).

#### Reassessing the Uppsala Model, the creation of casino model of internationalization

**Revisiting** the empirical studies that formulated the Uppsala model, and interpreting it differently for the sole purpose of presenting a new internationalization model, namely the Casino Model of Internationalization.

The changes in the Uppsala model has transform the theory into a paradigm, because it focuses on how to perceive the world instead of the original view of how companies internationalize, with emphases on market knowledge, psychic distance, incremental experiential learning and commitment regarding foreign markets.



**Reassessing** the data for the original Uppsala model with more modern statistical method, then the psychic distance is solely supported for establishing sales offices abroad. Furthermore, early establishment in psychically distant markets are more likely. Additionally, the agency approach in psychic distant markets is supported by half of the samples, i.e. in two out of four cases.

#### The Uppsala model is based on an outdated statistical assessment.

Successful internationalization is dependent on developing or acquiring capabilities for deployment and exploiting the non-location bound capabilities. Capabilities in this regard refers to the internal capability in the home market which administrate activities in foreign markets. Hence, lowering risks by committing to several markets while exploring opportunities along with having responsible personnel to administrate foreign activities and options constitute the Casino Model of Internationalization.

The casino model of internationalization process is based on a trial and error approach with momentarily available information and resources for penetrating foreign markets.

Similar to the born global concept, mass-expansion is a mean for searching and developing opportunities.

Similar to Uppsala, the home market is important, and detecting or recognizing local opportunities and incremental international entry expansion is a part of the casino model, to lower risks while operating in partial ignorance.

The Casino Model of Internationalization acknowledges the experiential learning regarding trustworthiness of foreign partners and foreign market conditions. Furthermore, costs relate to learning and administrating foreign activities is a part of the model, with the emphases on internal managerial costs and opportunity costs.

In its essence, then the casino model of internationalization is a combination of born global and Uppsala internationalization model (Håkanson & Kappen, 2017).

#### Highlighting scientific aspect of the theory.

The foundation of this academic paper is based on statistics, hence, the epistemology of positivism (Saunders, Lewis & Thornhill, 2012).



#### Born Global

Knight & Liesch (2016) take on the change from incremental to global approach description for companies is in the following text.

International new ventures are similar to born global firms, because they seek to utilize resources and sell in a multitude of countries after inception. Born globals are entrepreneurial start-ups which seek to acquire revenue internationally within three years after inception. Most born globals initiate a regional focus prior to a global expansion. These companies are normally small with restricted resources, but the push from managers or founders enables international opportunity seeking, i.e. sales, and they occupy distinctive capabilities and intangible resources. The features of born globals are profit orientation, opportunity creation and effective innovativeness, despite financial constraint. The born global phenomenon is associated with international entrepreneurship.

Born global firms are normally young SMEs and a characterization of them includes rapid internationalization despite limited resources.

The born global concept suffers from clear definition, even though some might use international expansion within three years after inception and 25 percent of revenues must come from foreign markets. These criteria cannot fit for all countries, because some home markets might be small whereas others large. The time of inception might be criticized as well, because is the public registered date of the company the actual date of inception or should inclusion of pre-registration time be taken into consideration. Additionally, some countries are part of a trading block. Is the perception of a regional trading block as the home market or is the country criteria sufficient for that definition.

There exist contradictory research findings on the concept and no one provides a theoretical framework for the concept. The global mindset and past experience regarding internationalization by managers and founders of born global firms might be the driving force for the rapid internationalization process. But this notion is not supported by any empirical evidence.

#### Highlighting relevant content.

The basic characteristics of a born global company is the age, size, structure, age of internationalization, industry and performance objectives. Born global firms are typically in the high-



tech industry and the age of these types of companies are young, hence early internationalization. But studies on the matter are insufficiently and there exist contradictory findings regarding this topic.

#### Highlighting scientific aspect of the theory.

It is a literature review regarding existing knowledge, the inconsistency of findings and lack of theoretical frameworks. Philosophy of science can not be established on account of a literature review.

Oviatt & McDougall (1994) confirms that international new ventures (INV) is a synonym for born global. Furthermore, they proclaim that the trend stems from employees past international experience and increase in global connectivity supports rapid expansion. Additionally, the born global concept includes upstream, horizontal and downstream activities. This is evident due to the proclamation of international manufacturing, sales, capital investments, research and development from inception is not a new concept, but there has just not been academic theoretical focus on the topic.

The definition of international new venture "international new venture as a business organization that, from inception, seeks to derive significant competitive advantage from the use of resources and the sale of outputs in multiple countries" (Oviatt & McDougall, 1994, 49).

#### **General description**

International new venture directs their attention, i.e. commitment, of resources, such as employees, materials, time and finance, to more than one country, while being a fresh start-up entrepreneurship, i.e. the company is young. These new ventures have a proactive strategy toward internationalization without necessarily owning foreign assets. Financing, international mobility of people, technology, companies unique and competitive assets paves the path for sustainable advantage and internationalization of firms despite their size or age. Furthermore, these features or conditions argues against incremental foreign expansion by enabling rapid global expansion, i.e. expansion to multiple markets. The INV concept includes a primary focus of generating revenues from outside the home market and thereby may exclude sales in the home market after inception.

#### Highlighting scientific aspect of the theory.



The usages of emergence, social phenomenon, networks and interactions in the article indicates the philosophic positions of the authors is interpretivism (Saunders, Lewis & Thornhill, 2012).

Kuivalainen, Saarenketo & Puumalainen (2012) confirms the similarity of born global, international new venture and the international entrepreneurship concept. Furthermore, they confirm the characteristic of rapid expansion in the initial years of inception concept. Defining internationalization can be done by a process which adapt resources of a company operations to internationalization process might occur within the first 6 years to be classified as a born global. Having activities in at least five countries is a questionable characteristic. They asserted that in order to differentiate from the Uppsala theory of incremental internationalization, then a born global firm must be active in more markets than the surrounding countries of the domestic market. Their empirical study of Finnish SMEs in the ICT industry reveals three categories of internationalization. Namely born global, incremental or sporadic internationalization and born again global, which might succeed from mergers and acquisition, either to acquire necessary resources to their markets.

#### Highlighting scientific aspect of the theory.

The deductive approach in a combination with causality and the epistemology of statistics advocates that the researchers for this study apply positivism (Saunders, Lewis & Tornhill, 2012).

Bouncken, Muench & Kraus (2015) presents three reasons for the existence of born global companies which can initiate international sales. The reasons are niche focus of a company, or a more resourcebased view aspect highlight the non-inimitable aspect of what a company can offer or that the internet is the cause for increasing born global companies, because its ability to easily connect and transfer people and software.

Furthermore, business model influences the scope, speed and degree of internationalization, and hence, it plays an important driving role for a rapidly and early internationalization process for SMEs.



The business model is the distinguishing factor for born global firms' internationalization and the ability to adapt it to fulfill expectations of foreign markets and thereby perform well, e.g. gaining niche related market shares and revenues.

#### Highlighting scientific aspect.

The article consists of a systematic literature review, which renders an assertion of the philosophy of science almost impossible.

#### **Entry Modes**

Even though some might emphasize on sales (Bouncken, Muench & Kraus, 2015; Kuivalainen, Saarenketo & Puumalainen, 2012; Oviatt & McDougall, 1994; Knight & Liesch, 2016), then the characteristic of internationalization can have different facets. Should it have an incremental fashion, with transition from indirect sales to hierarchical foreign entry, which Johanson & Vahlne (1977) assumes or are there other available approaches which can be more convenient for some companies but not necessarily for them all. The following describes different concepts in relation to foreign entry which are based on both literature from the systematic review and from ordinary books reserve for business school teaching at universities. It begins with the direct and indirect classification, followed by the hierarchical entry modes, the differing entry types and the inclusion of academic articles are in the end of this section.

#### **Direct and Indirect Classification**

These two titles refer to the level of engagement or commitment to foreign markets. When companies sell directly to customers in foreign markets, then the classification suitable for this type of activity is direct market entry. If an intermedia is applied in the process of exporting services and goods, then the suitable term to classify the action is indirect foreign market entry. This includes usage of intermediary, such as exports houses, agents and other forms for middlemen (Hollensen, 2011; Syoum, 2009).

#### **Hierarchical Entry Modes**

This feature of internationalization and penetration of foreign markets refer to the level of investment in foreign markets. The typology of entry is categorized into three groups. These three groups are export mode, intermediate mode and hierarchical modes. Commitment, investment, control, returns



and risks differentiate in between these three categories. The different exporting modes has a low level of commitment, investment, control, turnover rate and risk attached to it. Whereas in the opposite end of the spectrum is hierarchical entry modes. The properties of hierarchical entry modes are completely opposite of the exporting modes. Whereas, the important facets of intermedia modes are positioned in between the two extremes regarding foreign entry (Hollensen, 2011).

#### **Different Types of Foreign Market Entry**

Within the hierarchical entry modes, where the company in focus own foreign facilities, includes control over the different types of activities within the foreign facility. Listing the functions of foreign facilities should not occupy the perception of an individual functions solely, because the combination of these functions in different ways are not unheard of. But to have a foreign facility with a single department and thereby function can be applied. **Hierarchical entry modes** include sales, service, production, marketing, research and development. The **intermedia entry modes** include contract manufacturing, licensing, franchising, joint venture, management contracting. The exporting modes includes both direct and indirect export classifications. The **indirect exporting modes** are export buying agent, broker and export management company. The **direct exporting modes** are distributor, agents and export marketing groups (Hollensen, 2011; Wentrup, 2016).

#### **Entry Modes**

Rask (2014) proclaims foreign market penetration is dependent on two parameters. These parameters refer to upstream and downstream operations. The selection of these parameters determines the sort of internationalization intentions suitable for a company. The formulation of relevant decisions is presented in a matrix, where domestic production contra global production relates to upstream operations and the domestic markets contra global markets refer to downstream operations. The focus of these parameters relates to business model decisions, which characterize the strategy of a business internationalization endeavors or at least the strategic intention (Bouncken, Muench & Kraus (2015).

In a multiple case study regarding online service providers, Wentrup (2016) examines the online offline foreign market entry of 16 Swedish companies. B2C firms internationalize faster than B2B firms. Short time after inception businesses tend to internationalize quickly, followed by a declining pace of geographic expansion. The supportive offline entry interval is shorter for B2B firms. B2B networks partially facilitates internationalization. The home market serves as proof of business



concept and it is therefore perceived as important. The network is less relevant in these cases and export decision are made on market knowledge and not on experiential learning, contradicting Uppsala. The offline presence will be established over time and it has a secondary level of importance in comparison with the online penetration of foreign markets. The near market approach is applied in all cases, which follows the Uppsala internationalization theory. Entry modes of Swedish online service providers tend to centralize their activities at home, but their preference is controlled entry modes through establishment of subsidiaries when internationalizing. Incremental entry modes are not the case, because aftersales services and networking are the only relevant activities for online service providers.

#### Highlighting scientific aspect.

By applying qualitative method in combination with secondary quantitative data, multiple case studies and a theory development approach, where the ontology is one, suggest subjectivism in the form interpretivism as the philosophy of science (Saunders, Lewis & Thornhill, 2012).

Ojala (2008) examines the entry into psychic distant markets of Finnish SMEs in the software industry. Employees experience or hiring locals can eliminate the psychic distant obstacles. The preference for applying a direct entry mode is seen, and those companies who did not initiate with a direct mode, initiated the transition to one short time after the indirect entry. High-tech SMEs in this study validate the psychic distant notion. The companies in this multiple case study are not born global firms, but they select foreign markets on account of size, maturity of industry specific conditions and opportunities.

#### Highlighting scientific aspect.

The reference regarding methods reveal a theory development approach with multiple case studies and a focus on coding qualitative data, which suggest that interpretivism is the philosophy of science (Saunders, Lewis & Thornhill, 2012) for this study.

Håkanson & Kappen (2017) reexamined the data from four out the nine cases forming the Uppsala Model. The statistic back in 1977 was at its infancy, because newer mathematical techniques annuls the psychic distant concept. The argue for another internationalization approach which focusses on trial an error while rapidly entering the region. Centralizing capabilities is important and the entered



markets in the region should follow the Uppsala approach with incremental entry modes. The theory adopts a born global concept regarding opportunity searching, which the rapid regional entry argues for. Likewise, to the Uppsala Model, the theory attempts to lower risks by highlighting the importance of the domestic market, with detection and recognition of local opportunities, while focusing on incremental regional expansion. Hence, lowering risks while operating in partial ignorance. The Casino Model of Internationalization acknowledges the experiential learning regarding trustworthiness of foreign partners and foreign market conditions. In its essence, then the casino model of internationalization is a combination of born global and Uppsala internationalization model.

Loane (2006) assessed the role of the internet regarding internationalization. Cyberspace and ecommerce are international phenomena, which are available for all companies regardless size, age or resources. Internationalization is related to the internet and the internet is the enabling factor for companies to transcendent time and geographic space, e.g. content uploaded on the internet can be available for stakeholder when it suits them and country boundaries and distance between them are just a click away.

The internet is a source of knowledge which can enhance business practices, both domestically and abroad.

The internet is used to enhance business practices, regarding every aspect of a company. Companies focuses on how to best apply the necessary technology to enhance the international strategic agenda. But far from every internet related technology or activity is adopted, because companies prefer applying that activity which ensures fulfillment of goals. Additionally, the business practice of reengineering occurs regularly for e-commerce and this phenomenon can radically change organizational operations and structure. Establishing and maintaining contact is important for companies and in this case the internet serves B2B companies particularly well. The internet is a great mean for B2B marketing, communication, distribution of software and sales. The internet facilitates early internationalization of small firms.

The internet is a necessity for competing and it provides collaborating opportunities. The application of the internet includes resource and knowledge generating activities. These activities lower internationalization barriers and increases international competitiveness and opportunities for firms.

#### Highlighting scientific aspect.



The combination of both statistics and qualitative coded analyses suggest the application of mixed methods or pragmatism as philosophy of science (Saunders, Lewis & Thornhill, 2012).

#### Social Media

Pascucci, Ancillai & Cardinali (2018) argues that active social media users are 2.789 billion people worldwide, which constitute 37 percent of the population on the planet. The most preferable social media platforms are Facebook, Twitter and LinkedIn. Social media platforms provide opportunity exploitation, co-creation, reach of new buyers, long-term relationship building, knowledge sharing, new knowledge development and facilitate collaboration. Social media offer the opportunity to collect big data and thereby enhance the understanding of a selected topic. Whereas, the negative aspect of social media is lack of richness from physical interaction, such as eye-contact, body language and emotional reaction or feelings and the display thereof. IT companies tend to perceive social media as relevant which is the opposite of businesses operating in more traditional industries. Security reasons regarding open conversation on the internet can be a hindering topic for adopting social media. Employees can damage the reputation of a firm and leak sensitive information while conversing online.

#### Highlighting scientific aspect.

The paper consists of a systematic literature review which makes assessment of philosophy of science almost impossible.

Guesalaga (2016) proclaims that the use of social media on a B2B level entails online platforms such as Facebook, YouTube, Twitter, LinkedIn, MySpace, Google+ and Flickr. Social media is internetbased communication platform where content creation, interaction and communication can occur. This includes blogs, articles, discussion forums, multimedia sites, social networks and wikis.

Social media usage increases the efficiency of sales, but the tradeoff consists of losing the intimate value derived from meeting others physically. Furthermore, elderly people are less incline to place a similar level of importance to social media than younger people. The most important determinant for social media usage is organizational competence. Customer engagement, individual personnel commitment and organizational commitment are the secondary elements of importance in



determining social media usage for sales. There are synergies between individual competence and organizational commitment. Furthermore, customer usage of social media influences adaptation of these medias by selling companies.

#### Highlighting scientific aspect of the theory.

The micro theory deal with hypothesis testing which relates to positivism (Saunders, Lewis & Thornhill).

Bernard (2016) argues that social media promotes individual profiles and thereby strengthen a corporate brand through the activities of employees. The social media era carries aspect of authenticity with it, where marketing activities are subdued to hard criticism. No one tolerates an overly commercialize blog or article on the B2B level and the corporate product or service is inseparable from derivative perceptions from social media content. When employees shed light on their meanings, values or achievements, then they reveal a connotation to an audience which includes the corporate brand. Hence, employees expose the corporate brand.

Key media are Facebook, LinkedIn, Twitter, YouTube and blogging. The application of social media entails various activities, but far from all of them should be adopted by every company. Companies should have some guidelines for employee usage of social media, without strangling them to comply rigorous to a set of comprehensive rules that limits their authenticity. Applying social media regards finding and establishing relations, demand and attention generation, PR and marketing communication, gaining market insight, data collection, business development by locating prospects and recruitment.

#### Highlighting scientific aspect.

Multiple qualitative case studies with the focus on the emergent aspect indicates that interpretivism is the philosophy of science in use (Saunders, Lewis & Thornhill, 2012).

Huotari, Ulkuniemi, Saraniemi & Mäläskä (2015) analysis of content creation on social media by B2B firms reveal some interesting findings. Companies can either control social media activities by



monitoring employees and removing content and creating content and engaging in online debates. This refers to the direct approach to influencing social media content creation. The indirect approach consists of training employees to develop and disseminate desired content online and initiate marketing activities that encourage employees and other online users to contribute with favorable social media content. Corporate user accounts represent the corporation and employees have a tendency to generate a more interactive aspect of shared information online by participating in discussions. General guidelines for employee social media usage is a recommendation. Employees should be aware of impermissible actions, because social media usage by employees can have some negative consequences for corporations. But the most important aspect of influencing content creation is encouraging and supporting employees regarding their social media endeavors.

#### Highlighting scientific aspect.

It focuses on qualitative data and apply them to construct a theoretical system with one level of ontology. Therefore, it is perceived as direct realism (Saunders, Lewis & Thornhill, 2012).

Schultz, Schwepkar & Good (2012) investigation of B2B salespeople and social media usage, with 273 respondents, reveals that age of salespeople and social media usage is negatively related, meaning that the study highlights that elderly salespeople apply social media less than the younger ones. When supervisors, competitors, customers and colleagues apply social media, then the salesperson is more likely to apply social media as well, i.e. norms influence the usage of "new" technology. Nothing supports the relationship between usage of social media and customer orientation selling behavior. Hence the long-term customer orientation is not dependent on applying social media. Social media increases sales performance. Customer orientated sellers perform better, which do not dependent on application of social media. Some managers discourage their salespeople from using social media, even though customers are active on these platforms. Social media is a low-cost medium for establishing and maintaining relationships. Salespeople from China, Brazil, UK and USA believes that social media is vital for their success.

#### Highlighting scientific aspect.



The epistemology of statistic equation modelling and the independent objective ontology clearly indicates that the applied philosophy of science is positivism (Saunders, Lewis & Thornhill, 2012).

Schlagwein & Hu (2017) study of how and why businesses use social media has some interesting findings. Firstly, social media came into existence in annum 2005 and more than two thirds of Fortune Global 500 companies applies it. Social media is constantly changing or evolving, which classifies it as a versatile phenomenon. Secondly, is the dimension of social media, which includes both an internal and an external aspect. Internal social media usage is when organizations applies social media solely for increasing internal communication and information sharing, i.e. as an intranet. External social media usage is a reference for when companies apply social media where customer, consumers and other stakeholders have access to information and interaction with companies on online platforms.

Broadcasting is an applicational feature of social media. It serves to deliver a message quickly with the aim of informing as many as possible within a short timespan. The intention of it is one-way communication and the application of it is both internally and externally. Dialogue differentiate from the push approach of broadcasting messages. The intention of dialogue on social media is to engage with both internal and external stakeholders, where retaining feedback by applying open ended communication. Collaboration is when the application of social media is not focusing on communication, but on facilitating work and actions. Collaboration is both conducted internally, in groups or across departments, and externally, with stakeholders of various types in different settings. Achieving collaboration on social media is by inviting or inciting engagement from stakeholders to co-creation, crowdsource ideas and troubleshoot issues or beta versions of something, e.g. commercials, products, services or concepts. Knowledge management serves the purpose of storing, maintaining and retrieving knowledge. Personnel can search in previous stored information and present it a later stage for inquiring potential collaboration regarding idea creation internally in organizations. This activity can be applied with external knowledge as well. Sociability refers to generating loyalty, fellowship and relations between online users. Internal aspect of the sociability feature is to create a togetherness feeling between colleagues and enhance social relations in the workplace. The external aspect of it focuses on improving relations with and between stakeholders, which serves the long-term positioning and development of companies. The sociability aspect does



not support any stage of absorptive capacity, i.e. explorative learning, transformative learning or exploitative learning. But nevertheless, it is a business applicative feature of social media.

### Highlighting scientific aspect.

Application of grounded theory which is a scientific paradigm within interpretivism (Saunders, Lewis & Thornhill, 2012).

Habibi, Hamilton, Valos & Callaghan (2015) conceptualization of existing papers on social media presents four important components regarding implementation of social media on a B2B level. Philosophical component. The internal culture of a company includes the attitude toward social media by all members of a company. The online output by companies should be cohesive and an up-to-date usage of technology is a recommendation. Initiation component. Refers to action taken and not the cultural attitude toward social media. Internal coordination, data collection and dissemination are facets of this component. Credibility is important and this includes the functional rational of messages. Online touchpoints are important and applying multiple platforms to deliver appropriate messages for the relevant audience. Similarly, to gather customer information requires online monitoring of relevant action taken by them. Implementation component. Refers to the internal ability to link internal resources for implementing activities, such as delegating and aligning skills and technological capability for e-marketing. Social media platforms continuously change and that requires update of organizational capabilities to apply these platforms to enhance performance. Furthermore, it is important to merge business strategy with technology to perform well on social media, due to the changes. Technologies concerning software which can monitor online activities and perform marketing analytics. This includes analyzing external activities and assessing internal activities in real time and the impact of shared content, e.g. online interaction, re-bouncing rate on websites, likes, sharing of content etc. Furthermore, to monitor market activities, e.g. activities of competitor, customers and potential customers, information flow and content. Adoption component. Refers to the learning of e-marketing tools and the application thereof by employees. Topics such as employee participation in online communities, infographics, storytelling, including relevant informational content to the right members of the buying center, avoiding irrelevant content, personalizing the brand to incite interaction and change perception into quality and credibility of the



brand and its employees. Additionally, to identifying passionate online advocates who can ensure viral reach and positive word of mouth, and appreciating them, should be part of the application process.

# Highlighting scientific aspect.

It is a conceptual paper, a literature review, hence problematic to assert the philosophy of science.

Müller, Pommeranz, Weisser & Voigt (2018) empirical study of social media, digital and mobile marketing for industrial buying reveals that purchasing frequency does not correlate with social media usage. No industrial group support the notion of social media usage for procurement. Future expectation of social media role in procurement is not supported.

# Highlighting scientific aspect.

This research paper includes hypothesis testing and an objective and independent ontology. It is based on the philosophy of science of positivism (Saunders, Lewis & Thornhill, 2012).



# CHAPTER 3 – CONCEPTUALIZATION

This chapter contain extractions from the literature review chapter, where the assessment of the content will form the following conceptualization of social media contribution for the internationalization process of high-tech companies from a marketing perspective. The end of this chapter presents propositions regarding the research topic.

# Internationalization Typology

In its essence, then the two spectrums of businesses internationalization process consist of an incremental expansion in stages i.e. Uppsala Incremental Internationalization Process Model, and rapidly global expansion, i.e. the Born Global concept. There exists literature proposing something in between the two extremes, and some of them are addressed in the previous chapter.

Uppsala basic principles are:

- 1. Incremental expansion (Johanson & Vahlne, 1977; Håkanson & Kappen, 2017).
- 2. Psychic distance (Ojala, 2008; Johanson & Vahlne, 1977).
- 3. Market knowledge has two dimensions. One of them is a derivative from studying a market from afar, i.e. learning from an objective perspective. The other one is experiential learning, which translates into learning by doing, i.e. a tacit marked knowledge (Johanson & Vahlne, 1977).
- 4. Market definition as countries (Johanson & Vahlne, 1977).
- 5. Market definition as networks, where the learning aspect changes into learning about foreign business partners (Johanson & Vahlne, 2006; Johanson & Vahlne, 2009).
- 6. Joint learning (Johanson & Vahlne, 2006).
- 7. Trust building (Johanson & Vahlne, 2009).
- Risk reduction (Johanson & Vahlne, 1977; Johanson & Vahlne, 2006; Håkanson & Kappen, 2017).

The updates to the Uppsala internationalization theory include business network theory (Johanson & Vahlne, 2006; Johanson & Vahlne, 2009; Forsgren, 2016). This notion entails that institutional conduct do not differentiate across borders, which is an assumption that might not portray something resembling anything real (Forsgren, 2016). Furthermore, the internationalization path regarding the incremental near market expansion (Johanson & Vahlne, 1977), has change into business opportunity



seeking through networks and joint learning (Johanson & Vahlne, 2006; Johanson & Vahlne, 2009). But the business network theory dependency on path and pace of internationalization might not be a valid notion in every case (Forsgren, 2016). Additionally, high-tech internet-based firms can penetrate market easily, but supportive offline entry tend to follow shortly after the online penetration (Wentrup, 2016). Nothing indicates any aspiration for increasing the foreign entry mode over time. The phenomenon of psychic distance (Johanson & Vahlne, 1977) exists, but the challenges attach to it can easily be eliminated by hiring locals or managers with business experience regarding conduct in foreign markets (Ojala, 2008).

Rennie (1993) was the first to mention the born global concept, but the concept was not new at the time (Oviatt & McDougall, 1994). International New Ventures (INV) have existed for centuries, where vertical and horizontal operations and activities have been spread across multiple countries. This includes finance, investments, supply, production, sales, marketing, research and development. Furthermore, the INV concept general characteristic is that resources are directed to multiple countries, meaning that the commitment from inception is toward generating turnover from several foreign markets (Oviatt & McDougall, 1994; Kuivalainen, Saarenketo & Puumalainen, 2012). In its essence, then the born global concept is the same as international entrepreneurship and INV (Kuivalainen, Saarenketo & Puumalainen, 2012). There is no consensus regarding which age a company must have when internationalizing before the born global typology can be attached to it. Some companies can achieve the born global classification if they internationalize up to 6 years after inception. Additionally, there are three types of internationalization, born global, incremental or sporadic and born again global. High-tech or IT centered businesses tend to have the ability of achieving the born global label (Kuivalainen, Saarenketo & Puumalainen, 2012). The internet enables rapid internationalization, because it increases connectivity and the usage thereof is not dependent on company size, age or resources. Furthermore, the internet provides the opportunity to transcend time and space. Applying the internet can benefit a company in regard to resource and knowledge generation, competitiveness, lowering entry barriers and provide opportunities, which includes international collaboration, affordable foreign entry and innovation, such as B2B marketing, communication, distribution of software and sales (Loane, 2006). Bouncken, Muench & Kraus (2015) proclaims that the increase of born global firms is due to the increase of connectivity regarding communication, transfer of people and software. Furthermore, the ability to adapt provides the



opportunity to tap into niche market shares in foreign market, by fulfilling expectations and thereby perform well. The born global firms are typically young companies with limited resources and a high-tech orientation, that tend to internationalize early. The global mindset or experience of top management might be the driving force for the rapid internationalization (Knight & Liesch, 2016).

Furthermore, business model influences the scope, speed and degree of internationalization, and hence, it plays an important role for a rapidly and early internationalization process for SMEs. The business model is the distinguishing factor for born global firms' internationalization and the ability to adapt it to fulfill expectations of foreign markets and thereby perform well, e.g. gaining niche related market shares and revenues (Knight & Liesch, 2016). Rask (2014) proclaims that the business model of firms, i.e. decisions regarding the business structure, determines internationalization path and pace, whereas Bouncken, Muench & Kraus (2015) proclaims that internationalization depends on the strategic direction of a firm, which adopts the business model argument for internationalization.

Born global basic principles are:

- Rapid and early internationalization (Knight & Liesch, 2016; Bouncken, Muench & Kraus, 2015; Kuivalainen, Saarenketo & Puumalainen, 2012; Oviatt & McDougall, 1994; Wentrup, 2016).
- 2. Niche or high-tech or software/IT focus (Knight & Liesch, 2016; Bouncken, Muench & Kraus, 2015; Kuivalainen, Saarenketo & Puumalainen, 2012; Wentrup, 2016).
- International experience or global mindset (Oviatt & McDougall, 1994; Knight & Liesch, 2016; Kuivalainen, Saarenketo & Puumalainen, 2012).
- International strategy or opportunity seeking (Rask, 2014; Bouncken, Muench & Kraus, 2015; Knight & Liesch, 2016; Håkanson & Kappen, 2017).
- 5. Accepting high risks (Kuivalainen, Saarenketo & Puumalainen, 2012).

In between the two extremes are the Casino Model of internationalization and a predetermine selection approach. A re-assessment of some of the data from the original Uppsala Internationalization Theory annulles the psychic distance notion and pave the path for establishing a more aggressive regional focus approach with a trial and error component. This will ultimately lower the risks associated with international expansion while seeking opportunities (Håkanson & Kappen,



2017). The born regional notion coincide with Johanson & Vahlne (2009) critique of the born global phenomenon, which was adopted to the Uppsala theory. Strategy making is a continuing process, and the network determines the path and pace of internationalization (Johanson & Vahlne, 2010). The new edition of the Uppsala Theory with inclusion of business network theory, where improving network position enhances internationalization is not a giving according to Forsgren (2016). Furthermore, companies are not born global, but they select their foreign markets on account of the size, maturity of industry specific conditions and opportunities of these markets (Ojala, 2008), which emphasis is on selecting foreign market to penetrate. Additionally, high-tech or IT companies can easily apply the internet when penetrating foreign markets. But these companies prefer to include an offline controlled entrance to these markets for maintaining supportive activities (Wentrup, 2016), which resembles Ojala (2008) findings of entering psychic distance markets. Contradicting the controlled foreign entry, then some proposes that born global knowledge-intensive companies prefer initial export through distributers and agents (Hashai & Almor 2004). Date of the study laying the foundation for this proposal might have an influence. This is because it stems from thein fancy time of the internet. Refraining from the joint development of internationalization opportunities (Johanson & Vahlne, 2010) and from the opposite extreme where born global includes opportunity seeking across multiple markets, which do not classify as near markets (Kuivalainen, Saarenketo & Puumalainen, 2012), then some suggest that internationalization depends on the configuration of the business model (Rask, 2014; Bouncken, Muench & Kraus, 2015). This notion focuses on the corporate strategic decision and available resources regarding internationalization which neglects the influence of external factors. The argument of centralizing activities in the domestic market and not increasing the offline entry in foreign markets to other categories of supporting activities (Oviatt & McDougall, 1994; Ojala, 2008; Wentrup, 2016) contradicts an assumption in the original version of Uppsala Model regarding the aspect of incremental entry mode in foreign markets (Johanson & Vahlne, 1977).

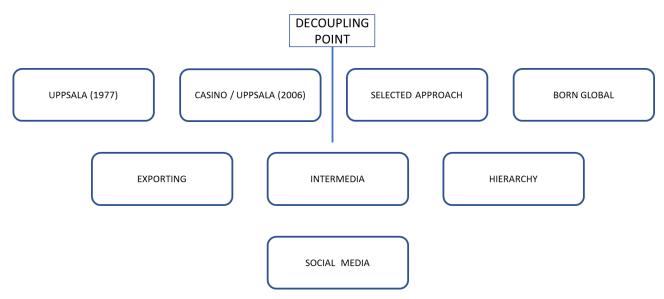
When dealing with export in general, then there are a direct and indirect aspect to it (Syoum, 2009). This aspect refers to the level of participation of the exporting firm in the foreign market, which include parameters such as investment, risk, control, earning ratio and involvement. In conventional literature there exist a hierarchy of exporting modes. This hierarchy can be divided into three categories, namely exporting mode, intermedia mode and hierarchy mode. Each mode changes the



parameters attach to exporting, from a low level to a high level. Where a low level is attached to the exporting mode and a high level is attached to the hierarchy mode (Hollensen, 2011). In a globalize world where the internet increases the connectivity (Loane, 2006), then online penetration of foreign markets can easily serve a more controlled foreign market entry. But online entrance into foreign markets will typically be followed by an offline entrance regardless of psychic distance (Wentrup, 2016; Ojala, 2008). An internet-based component which serves increase B2B connectivity is social media. B2B social media preference are LinkedIn, Twitter, Facebook, MySpace, Google+, Flicker, YouTube and blogging (Pascucci, Ancillai & Cardinali, 2018; Guesalaga, 2016; Bernard, 2016), and the continuation of additional social media platforms is emerging (Bernard, 2016). The notion that employees represent a corporate brand and therefore serve a marketing or branding dimension on social media provides the relevancy for adopting social media in a business context (Bernard, 2016). Huotari, Ulkuniemi, Saraniemi & Mäläskä (2015) and Bernard (2016) argues for implementing guidelines for employee online activities, but Bernard (2016) cautions too strict rulesets, because it diminishes the authenticity of content creators and their content. The typology of managing and influencing spillover effects of stakeholder online activities on social media, regarding content creation, are direct or indirect. Where the direct influence refers to corporate control and engagement, and the indirect refers to inspiring or provoking without editing or deleting online content (Ulkuniemi, Saraniemi & Mäläskä, 2015). Schlagwein & Hu (2017) acknowledge the internal and external dimension of social media for businesses, and present five features regarding application of it. The five features are broadcasting, i.e. push information, dialogue, i.e. online interaction, collaboration, knowledge management and sociability. Schultz, Schwepkar & Good (2012) proclaims that social media is a low-cost medium for establishing and maintaining relationships. Bernard (2016) proclaims that social media usage can contribute with finding and establishing relationships, demand and attention generation, public relation and marketing communication, gaining market insight, data collection, business development by locating prospects and recruitment. Guesalaga (2016) proclaims that applying social media can increase sale efficiency. Pascucci, Ancillai & Cardinali (2018) assessment portrays that social media usage can provide opportunity exploitation, co-creation, reach to new buyers, long-term relationship building, knowledge sharing, new knowledge development, facilitate collaboration and be utilized for big data collection. Elderly employees are not exited by social media usage and it is primarily applied by young employees (Guesalaga, 2016; Schultz, Schwepkar & Good, 2012). Furthermore, usage of social media in a B2B context is usually determine



by norms of stakeholders (Schultz, Schwepkar & Good, 2012). Habibi, Hamilton, Valos & Callaghan (2015) review of existing literature on the topic, of business application of social media in a B2B context, reveals four interesting components for the application of social media. These four components are internal culture, e.g. attitude, initiation, i.e. how a company can apply social media, implementation, i.e. linking internal resources to activities and thereby delegate work, adoption which refers to learning about social media platforms and how to apply them. Even though these academic papers refer to the positive B2B aspects for businesses, where some of them focuses on sales (Guesalaga, 2016; Schultz, Schwepkar & Good, 2012), then Müller, Pommeranz, Weisser & Voigt (2018) study reveals that social media is irrelevant in relation to industrial purchases now and in the future.



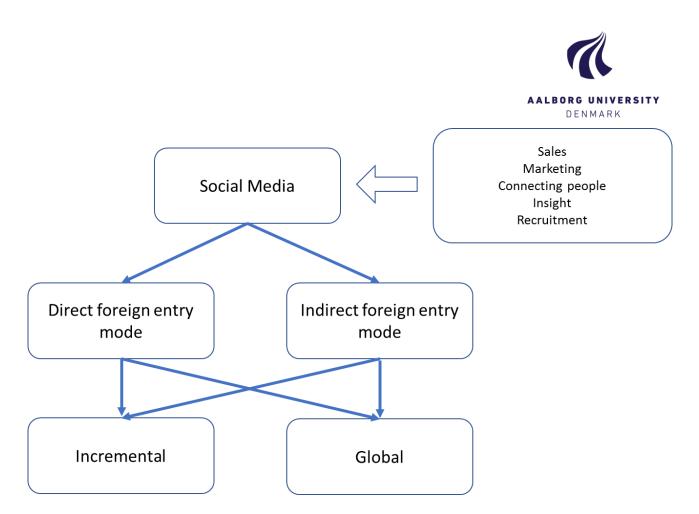
Conceptualization

# Figure 3.1. Overview – the reversed pyramid.

The figure illustrates three important levels of topics regarding the internationalization through use of social media. Firstly, there is the scope of a company internationalization aspiration within a timeframe after inception. The extremes are the original Uppsala theory from annum 1977, which assumes incremental internationalization to near markets. Whereas, the other extreme focuses both on international partnerships regarding establishing a business and on selling, marketing, manufacturing or distributing internationally regardless of the psychic distance. The Casino Model



of Internationalization illustrates a trial and error approach in a nearby region, which is similar to a conceptual addon note on the revisited version of Uppsala. The main difference is found on the transactional approach of the Casino Model contra a relational approach of the revisited version of Uppsala. The decoupling point illustrates a break in perception of internationalization scope, from near markets, where the psychic distance has a role, to where it does not play a role. Hence the selected approach, where firms determine which markets to enter based on the potential of markets and not founded on the psychic distance. Similarly, the risks avoidance feature of the original Uppsala model which assumes incremental internationalization to a foreign market by firstly adopting an exporting mode for thereafter establishing partnership before setting up a subsidiary, i.e. hierarchy internationalization mode, is decoupled by another approach. Partnership or establishing a local subsidiary and either hiring locals or people with experience in foreign markets eliminate effects of psychic distance. When hasting to establishing an office in a psychic distant foreign market, then that action challenges the risk avoidance notion with an opportunity seeking notion. Furthermore, the internationalization mode is not a giving. It is possible to desire and keep an exporting approach while emphasizing on branding a service or company globally. This relates to business model and concept decisions. The internet provides ease for sales, marketing, co-creation, communication and distribution of intangible products, i.e. services, and IT services fits perfectly into that category. An internet communication platform type is social media. Social media can gather experts globally to share knowledge regarding their interest, and thereby be a platform for information gathering, knowledge development and brand communication. Additionally, social media is an ideal platform type for detecting prospects regarding sales and identification of potential partners. Furthermore, the marketing aspect which entails promoting brands. Social media platforms support all categories of internationalization because it can connect people with brands and serve as a mean for establishing relationships and networks. Additionally, it can support offline activities and foster learning. Besides the partnership and sales aspect, then social media is applicable for recruiting potential employees, which can strengthen a business endeavor.



# Figure 3.2. Conceptualization figure.

Social media is applicable for either supporting or executing tasks, such as sales, marketing, initiating relationships, gaining insight to markets, competitors and customers, and recruitment. These facets of social media can be used supportively in relation to indirect foreign market entry or constitute the foreign market entry mode. Due to the increased connectivity that internet-based platforms provide, then the notion of penetrating a foreign market or region or partnering with others in foreign markets is easily facilitated by these networking platforms. Prioritizing a regional or incremental approach will most like lead a company internationalization process in that direction. Similarly, if a company prioritize some foreign distant markets due to their potentials, then social networking platforms can serve to connect a company with relevant stakeholders in that connotation as well. Some case studies reveal a desire for control foreign entry, which refers to direct foreign entry, but that solution might not be a preference for all, hence the indirect foreign entry mode. For instance, the connectivity of people through social media can support a company in finding appropriate collaboration partners or sales agents in distant markets.



## Propositions

Social media can support the internationalization process by different means. From a theoretical perspective then the approach to internationalization differs, but the differentiational aspects does not rule out the use of social media. Regardless of incremental expansion to near market, regional markets or selected markets or the world, then active participation in disseminating information, collecting information, connecting with relevant people, promoting a brand or event or concept, recruiting people and detecting prospects with intention of selling to them can be achieved by applying social media. Geographical restrictions do not apply to internet-based forums, even though some countries might limit their population access to certain social media platforms. For instance, the annual growth of 7 million social media users in Iran (Datareportal, 2019) might be due to change in governmental policy on that topic. The increase in social media users are 11 people globally per second, but the distribution of them regarding social media usage differs. Additionally, the penetration rate of active social media is here to stay and the application of it will continue for an unforeseeable future, but new platforms might emerge, and the distribution of users might change as well.

#### Proposition 1.

- Social media usage can support the internationalization process by facilitating sales.

Identifying prospect and establishing communication with them ensures that sales materials can be sent to relevant stakeholders which can transform a potential customers into a customer, either by luring them into a meeting, event or a presentation of some sort where sales negotiation can take place or at least the idea of purchasing an IT service can be shared. Another dimension to this is that everything happens online including sales transaction.

### Proposition 2.

- Social media usage can support the internationalization process by facilitating marketing communication.

Promoting a brand might lure the attention of some businesspeople or experts, which can support them in their problem-solution conundrum and thereby identify a need and a befitting IT solution which a particular firm can offer. Furthermore, it can promote employees at a given exhibition and thereby attract attention for more information regarding a brand. Additionally, online



communicational interactions can serve as consulting others and disseminate information. This include the level of expertise and thereby the competence of employees, quality of solutions/offers and promote a company brand to a large audience at low costs. Additionally, branding the competence and innovativeness of a company can be done by disseminating articles which reveals a connection between a company, its activities, its concept and how the company can provide value for potential customers. These articles can provide insight to the knowledge of a company and its ability to apply or develop high-tech solution for others. Furthermore, one-way communication can promote offline activities and events where company representative is, and thereby co-promote a company brand, at an event and with which employee, where the last part regarding the employee might not be relevant in all cases. The one-way marketing communication can promote achievements of companies and serve as a broadcasting medium.

### Proposition 3.

- Social media usage can support the internationalization process by connecting businesspeople.

The emphasis here is twofold. Firstly, the perspective of relationships to transform the liability of foreignness into the liability of outsidership, where accessing a network with the intend of creating opportunities in foreign markets are in focus. This includes accessing new suppliers, sales channels, marketing communication channels, potential foreign trade agents or business partners and information regarding business practices in foreign markets. Additionally, the marketing aspect of relationship marketing includes some sort of connection with other business-related people, hence the second perspective to this proposition.

## Proposition 4.

- Social media usage can support the internationalization process by gaining insight.

Data collection can stem from big data collection of online interactions, where comments and posts are monitored and assessed according to content. Similarly, closed or open forums with customers or stakeholders, with a wedded interest in something business related, can share information of requirements or new technology or perceptions that can be collected and assessed. This attribute of social media can serve an external knowledge management, co-creation and opportunity seeking



dimension of internationalization. Similarly, it can serve a company internally as well, to connect various people in different departments across the globe, and it has a collaborative feature in this regard as well. Additionally, it has an overlapping aspect regarding finding prospects, but it can support internationalization by gaining market insight, knowledge regarding competitors and their activities. Furthermore, the recruitment aspect where data of potential candidate or collaboration partner can easily be detected through searching online on a platform such as LinkedIn. Twitter accounts, YouTube and blogging platforms can provide insights to activities of competitors.

### Proposition 5.

- Social media usage can support the internationalization process by facilitating recruitment.

Besides detecting and headhunting relevant recruitment prospects, or prospects with adequate competence or network, then dissemination of job openings can serve both the recruitment process and the business branding process. Firstly, it reveals the values of a company and its standards. Secondly, marketing, sales and recruitment on social media are intertwined in that aspect, that it becomes visible for the same type of stakeholders, unless it is presented through some sort of commercial venue, where the job opening is directed toward a specific audience and thereby invisible for other stakeholders.



# Chapter 4 – Data Collection

In order to collect data from interviews, then initial work needs completion. This work regards question formulation, structure and type.

# **Question Formulation**

The purpose of interviewing is to gather information regarding firms and their perception of social media usage and related benefits in connection with internationalization. Formulating the questions is done with the intend of applying simplicity to avoid the double barrel effect (Baines & Chansarkar, 2002). The double barrel effect is when a question can be understood as multiple questions and thereby sidetracking respondents in replying on an identical question. Questions are based on literature content from the beginning of chapter three, where the content of born global, the original Uppsala model and the revise version are inclusions to comprehend the typology of the case in focus. Born global companies internationalize either prior to inception by having vertical or horizontal departments dispersed internationally or by having a foreign investor (Oviatt & McDougall, 1994). Another perception is collecting 25 percent of a company revenue from multiple foreign markets within the first 3 years after inception (Kuivalainen, Saarenketo & Puumalainen, 2012; Knight & Liesch, 2016). Hence, company age and revenue or investment are indicators for identifying the born global classification. Furthermore, the introduction of business network theory into internationalization changes the perception of markets. The transition from geographical boundaries into networks (Johanson & Vahlne, 2006) is an indicator of the revisited version Uppsala notion of internationalization process and thereby the classification. This is useful if the two other questions fail to yield positive results, because then the company in focus can be classified. Formality questions such as name, job title, company name and where the company is situated are meant to paint a picture of interviewees and the descriptive aspect of introducing the case. Furthermore, in order to accept the company, then a crucial question regarding the business concept reveals if a company is high-tech or not. The relevancy of this questions relates to the services they provide and the focus of this study.

Following the initial section of interview questions, then it can be necessary to inform interviewees about what internationalization consists of. The downstream and horizontal aspects are referred to by numerous scholars (Johanson & Vahlne, 1977; Oviatt & McDougall, 1994; Rask, 20114; Bouncken, Muench & Kraus, 2015; Kuivalainen, Saarenketo & Puumalainen, 2012; Knight & Liesch, 2016;



Hollensen, 2011; Syoum, 2009), where upstream activities and other company related features has received less attention by scholars, even though it is an aspect of the born global concept (Oviatt & McDougall, 1994; Loane, 2006). Briefly put, then internationalization consist of vertical and horizontal elements regarding company creation and expansion.

The last section of interview questions regards the pivotal point of collecting data, namely social media usage. In search for scope and content, repeating essential questions which relates to the propositions of the previous chapter, derived from the content of the literature review in chapter three. Follow up questions are attached to the original findings from studies in relation to social media usage (Schlagwein & Hu, 2017; Bernard, 2016; Pascucci, Ancillai & Cardinali, 2018). Furthermore, it is interesting to know who uses social media, why they use it and how old they are, because some proclaims that these platforms are reserved for young people (Guesalaga, 2016; Schultz, Schwepkar & Good, 2012). The focus of this study needs inclusion in questioning, hence, how can the application of social media support the internationalization process, must occur. Additionally, some argues for adding guidelines for employee usage of social media platforms (Huotari, Ulkuniemi, Saraniemi & Mäläskä, 2015; Bernard, 2016), hence the relevancy to inquire about that. Furthermore, Bernard (2016) raise the notion of spillover effects regarding employee usage of social media and related corporate brand. This notion seems both interesting and relevant. Furthermore, it could be interesting to check if stakeholders' norms initiate social media usage, which is argued by some (Schultz, Schwepkar & Good, 2012). Lastly, then to inquire regarding direct or indirect influencing content creation seems relevant, because Huotari, Ulkuniemi, Saraniemi & Mäläskä (2015) highlight these two dimensions of the topic.



# Interview Questions

The question formula is divided into three sections. The first section regards formalities and insight to a company. The second section relates to informing the interviewee about the concept of internationalization to ensure relevant attitude and ability when answering questions in the following section appropriately. The third section focuses primarily on questions regarding social media.

#### Introduction

Name:

Job title:

Age of the company:

Location of the company:

Revenue/finance of the company:

Business concept "high-tech":

Definition of market "country or network":

### Explaining Internationalization

Internationalization consists of both horizontal and vertical activities beyond the geographical space of a single country. This includes integration, collaboration and partnerships regarding finance, research and development, supply, production, administration, sales and marketing.

### Social Media Questions

The following questions includes three dimensions, such as which/what, how/how come and why.

- 1. Social media preference "which platform do you prefer for what, how come and why?
- 2. What can social media contribute with, how and why?

Collaboration "co-creation, crowdsourcing, partnerships"

Sales

Relationship



Knowledge sharing

Knowledge development,

Knowledge management

One-way communication

Interaction "dialogue"

Sociability

3. What do the marketing aspect of social media consist of?

Finding and establishing relationships

Demand and attention generation

PR and marketing communication

Gaining market insight, data collection, business development by locating prospects and/or recruitment

4. What will you recommend regarding influencing social media content creators, directly or indirectly?

(The directly approach refers to monitoring employees, removing content, creating content and engaging in debates. The indirect approach refers to educating, inspiring, initiating employees and others to create favorable social media content through marketing activities.)

- 5. What determines usage of social media?
- 6. Are there spillover effects from social media activities by employees and their workplace brand "corporate brand"? If yes, what, how and why?
- 7. How can social media serve your company's internationalization process? (how come and why)
- 8. Are guidelines for social media usage necessary for employees? If yes, how come and why?
- 9. Who uses social media? How old are they? Why do they use it?



# CHAPTER 5 – MUTIPLE CASES

This chapter presents the three cases individually and this includes both descriptive content, ontologies and initial proposition extractions with data from interviews.

# CASE 1 - RENT A GAME

Primary data collection and the treatment of it is in Appendix A. Case 1 includes an introduction to case 1 with a descriptive assessment section, where the following section focuses on ontologies, then the initial propositions section will appear and in the end is a summary of this case.

# Descriptive Assessment

The CEO and co-founder of Rent A Game name is Allan Windekilde and the company profile:

Company location:	Copenhagen Area (Soeborg), but the location is
	irrelevant.
Company age:	Two years, but the selling platform is almost ready to
	launch for the national and international markets.
Perception of a market:	Networks.
Revenue or finance:	An investor from the home market. It could have been
	one from a foreign market, but the Danish investor
	managed to seal the deal relatively quick.
Classification of business:	High Tech.
Business concept:	Produce and rent out advergames for marketing
	purposes. Games are programmed in HTML5 which
	ensures that every device can play them. They serve
	entertainment of customers, brand exposure, search
	engine optimization, data collection and subscription of
	newsletters option.
Preferred social media platform:	The interviewee mentioned lack of difference between
	LinkedIn and Facebook, but kept the focus on LinkedIn,
	hence LinkedIn must be the preferred platform in this
	case.



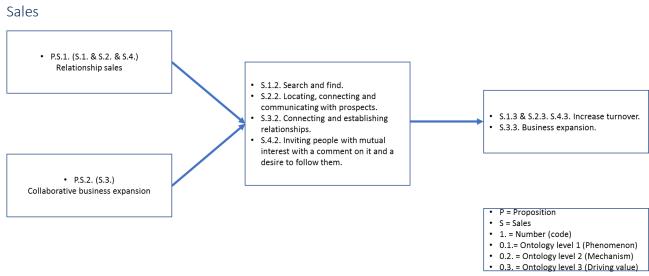
Perception of social media users:	All ages, everyone and the purpose of using it are
	newsfeeds and interactions.
Market research by applying social media:	An affirmative answer was given.
Guidelines and authenticity:	Basic guidelines are a requirement, but that should be
	understood without mentioning it. Rigid rules and too
	commercial content display fakeness and will be
	disregarded as something worth one's attention. It
	annuls the authenticity.

## Pattern & Relationships

An overarching pattern is clear, every category is connected, where marketing is everything and marketing content generate leads for sales and promote the company in relation to connections, collaborations and hiring new employees. Basically, the networking approach where transfer of ideas, knowledge and renting out capabilities to enhance business practices and performance of others with support of social media are the patterns in a nutshell in the case.

The figures reveal both patterns and relationships between the coded elements on account of their ontologies. The boxes to the left show propositions which includes the first level of ontology, i.e. the phenomena. The boxes in the middle illustrates different aspects of the second level of ontology, i.e. the mechanisms. The boxes to the right reveal the third level of ontology, i.e. underlying driving values.





### Figure 5.1. Propositions and ontologies of sales.

It is evident that sales through relationships and collaborative business expansion are the visible phenomena that can provides the opportunity for internationalization regarding sales through the usage of social media. It is assumed that consultancy sales are an integral aspect of it, but the coded content do not highlight this notion.

Mechanism to generate the phenomena are all one, because they reveal different aspect of the basic application of social media in relation to sales. Nothing argues for decomposing these elements, because their relationships are dependent of each other. For instance, it is almost impossible to communicate private with another without connecting with them. Furthermore, searching and finding others might be a prerequisite for connecting with them. Therefore, the mechanisms are search, find, invite on basis of mutual interests, communicate and establish relationship.

The underlying driving value which motivates the application of the mechanism for generating phenomena are increase turnover and business expansion. These two are facets of the same, because increased turnover is essentially business expansion. When companies do not grow, then they die, therefore the real value pushing the sales mechanism is either the will for existence of a company or the threat of its demise. Again, these two are different facets of essentially the same thing.



### Marketing

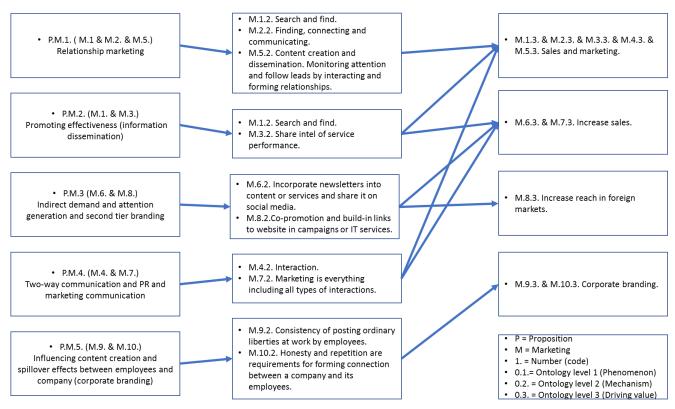


Figure 5.2. Propositions and ontologies of marketing.

The visual presentation clearly indicates that the phenomena of marketing on social media can be clustered into five categories. These categories are relationship marketing, promoting effectiveness, indirect demand and attention generation and second tier branding, two-way communication regarding PR and marketing communication, and finally influencing content creation and spillover effects.

Similarly, the mechanisms can be clustered, because some of them are overlapping others and additionally, some of them have a firm relation to others. These relations constitute connection between coded content which draws a pattern for each phenomenon respectively. Each phenomenon has its own composition of mechanisms, which is highlighted in the above. But the basic tenets of social media usage, with search, find, communicate, connect and sharing of information are included in every category, but inbuild marketing functions in IT services with an additional feature of co-promoting differentiate from the rest. Furthermore, honesty and the liberty to repeat ordinary posts highlights different properties of the basic principles regarding LinkedIn usage.



Majority of driving values are attached to each mechanism and they are either based on marketing and sales or just one of these two elements. The driving values are divided into four categories, where the essence of them can be interpreted into a singular notion, namely the will for continuing existence by enabling favorable revenue. But, in this case they are separated into sales and marketing, increase sales, increase reach in foreign market and corporate branding.

#### Connecting People

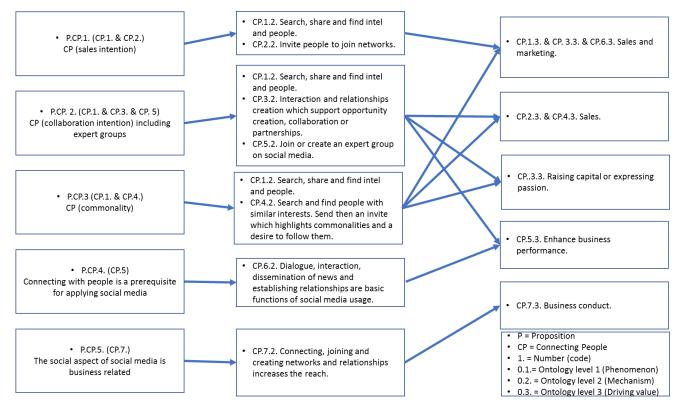


Figure 5.3. Propositions and ontologies of connecting people.

The phenomena are clustered and divided into five types, where the first three resembles each other, but their intention differ. These intentions are sales, collaboration and commonalties. The fourth type are a prerequisite for applying social media, namely connecting with people. The fifth and last one highlights that even the innocent social aspect can have a business-related dimension, hence there is no such thing as a free lunch.

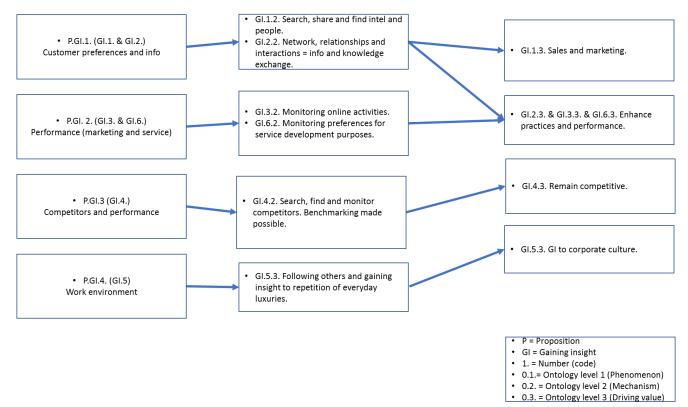
When dealing with the mechanisms for generating the mention phenomena, then there are overlapping elements and similarities in the five different mechanisms. The content of mechanisms



is visible in figure 5.3. But these mechanisms are the basic principles of LinkedIn usage, such as search, find, interact, invite to network, create networks, joining networks, create and share content.

The driving values are divided into five categories, even though only one of them differs from the rest. Enhance business performance, business conduct, sales and marketing are the dominating driving forces for the mechanisms to occur. Raising capital is ideally includable into the notion of will for existence, which sales, marketing, business conduct and enhancing business performance essentially constitute. Where expressing passion is an option for what can drive mechanisms reserve for commonality and collaboration intend.

#### Gaining Insight



### Figure 5.4. Propositions and ontologies of gaining insight.

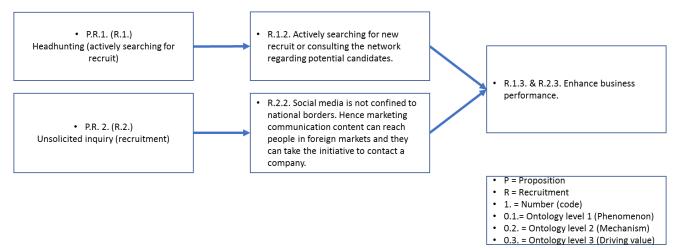
The main phenomena are five. These five entails gaining insight to customer preferences and information, performance of marketing activities and services, competitors and their performance, and the working environment of others.



The mechanisms for generating mention phenomena includes the notion that everything online is monitorable and everything that is observable is analyzable and improvable. Networking, relationship establishment and interactions are aspect of social media usage, especially on LinkedIn. These aspects include exchange of information and knowledge which can serve data collection regarding customer preferences. Monitoring online activities and IT services performance and serve data collection and data driven decisions. Similarly, the searching, finding and monitoring competitors provide data regarding them, which can be followed by an assessment such as benchmarking. Interestingly enough, then following others on social media provides the possibility to collect data regarding their organizational culture or working environment, by detecting repetition of everyday luxuries posted by employees.

The driving underlying forces for gaining insight to customer preferences and information are sales and marketing. Additionally, enhancing practices and performance will push the mechanisms into existence as well. Monitoring marketing and IT service performance are rooted in the urge to enhance business practices and performances. Whereas monitoring competitors and assessing them is rooted in the need to remain competitive. Lastly, gaining insight to others corporate culture is a need for identifying the working environment and to gain a glimpse of the organizational culture. This type of information can be useful in relation to sales and collaboration, but it serves a corporate branding function.

Recruitment



### Figure 5.5. Propositions and ontologies of recruitment.



The collected data reveals two phenomena regarding this topic. The two phenomena are headhunting and unsolicited inquiry.

What makes headhunting possible is partially the search and find function in relation to people and their personal profile information. The other facet which can ensure that it happens is the relationship, network and interaction aspect of social media usage. The latter mechanism relates to the give and take aspect of information between individuals, i.e. information sharing, which can result in detecting potential candidates based on recommendations from the network. Unsolicited inquiries are based on the reach function of marketing communication content on social media. It can inspire or provoke a reaction that includes inquiring for a job, license to sell or partnership with a company. Internet-based communication platforms are not restricted by national boundaries.

The sole reason to hire a new employee is to acquire required competences, but in this case it is assumed that enhancing business practices and performances are the underlying driving factors for the mechanisms to occur.

# **Testable Propositions**

The previous section regarding ontologies have propositions incorporate into them. This section will highlight the topic of propositions regarding the ability to serve an IT service provider in relation to internationalization through social media usage.

- 1. P.S.1. Relationship sales.
- 2. P.S.2. Collaborative business expansion.
- 3. P.M.1. Relationship marketing.
- 4. P.M.2. Promoting effectiveness (information dissemination).
- 5. P.M.3. Indirect branding (attention and demand generation and second tier branding).
- 6. P.M.4. Interactive marketing communication (two-way communication regarding PR and marketing communication).
- 7. P.M.5. Instigating content creation (employee promoting a company).
- 8. <u>P.CP.1.</u> Relationship sales. (similar to proposition 1).
- 9. P.CP.2. Connecting people for collaborative intention (Including expert groups).
- 10. P.CP.3. Connecting people based on commonalities.
- 11. <u>P.CP.4.</u> Connecting people is a prerequisite for applying social media.



- 12. <u>P.CP.5.</u> The social aspect of social media is business related.
- 13. P.GI.1. Gaining insight to customer information and preferences.
- 14. P.GI.2. Gaining insight to performance (marketing activities and services).
- 15. P.GI.3. Gaining insight to competitors and their performance.
- 16. P.GI.4. Gaining insight to the working environment of others (organizational culture).
- 17. P.R.1. Headhunting (actively searching for recruitment).
- 18. P.R.2. Unsolicited inquiry (regarding recruitment).

Three propositions are marked, because one of them is similar to a previous one, namely relationship sales. The second proposition is an embedded feature of social media and therefore, it is an aspect of each proposition, hence there is no need to include it. The third one solely highlights the business intend of applying social media for business purposes, which is redundant.

### Rent A Game Summary

Rent A Game is newly established and aims at conquering the world within its niche. The software they develop and rent out for marketing purposes is innovative and has a disruptive dimension. This is partially due to the different benefits of an old idea, namely games, for entertaining the masses and strengthen search engine optimization, data collection and increase the amount of newsletter receivers. The application of it are many, it can be to give back to communities, entertainment, branding, data collection and retrieving email accounts for newsletter subscription. The internet is a relevant parameter, because the service is transferable through it and dependent upon it when considering execution. The perception of markets is networks, where social media platforms such as LinkedIn is an excellent solution for gaining access for markets. LinkedIn is not confined to national borders and it can support both sales and marketing activities of Rent A Game globally. Additionally, it supports gaining insight to competitors, customers, expertise, potential investors, recruitments and collaboration partners. Therefore, it is safe to conclude that the born global and the incremental internationalization conundrum does not apply it this case, because principles or features of both theories are integrals with the usage of a social media platform such as LinkedIn. Furthermore, when transactions, delivery of services and communications can occur online, then it eliminates the conventional boundaries of internationalization theories. Automated translations can hinder language barriers, the institutional barriers, the distance barriers and infrastructural barriers are similarly



redundant because of internet-based social media platform such as LinkedIn enables communications and online transactions and deliveries.



# CASE 2 - AGILENT TECHNOLOGY

Primary data collection and the treatment of it is in Appendix B. Case 2 includes an introduction to case 2 with a descriptive assessment section, where the following section focuses on ontologies, then the initial propositions section will appear and in the end is a summary of this case.

# Descriptive Assessment

The former product manager and global product manager for the software systems of Agilent Technologies name is Angela Torres Duran, and the company profile:

Company location:	Global company with office in Denmark.
Company age:	20 years.
Perception of a market:	Networks within regions.
Revenue or finance:	Global revenues from software and products.
Classification of business:	High tech within the medico industry.
Business concept:	Develop software for the medico industry and related instruments and equipment.
Preferred social media platform:	LinkedIn, Twitter and Instagram are used, but LinkedIn was the only social media platform the interviewee focused on.
Perception of social media users:	Internally, employees with relation to marketing and sales. Externally, competitors, customers and partners. People from late twenties to seventy of the workforce use LinkedIn. It is used for networking, marketing, sharing information, monitoring prospects, signaling to competitors and observing competitors purposes.
Market research by applying social media:	Primarily to detect new prospects and monitoring the competition.
Guidelines and authenticity:	If common sense cannot prevail, then yes there is a need for guidelines. The main reason is that competing in this industry relies on patents and knowhow, and if



these secrets are disclosed, then there will be nothing
left to compete with.

# Pattern & Relationships

The overarching pattern is clear. Marketing department has a supportive role in ensuring that visual display of content follows company standards. LinkedIn is the primary social media platform in use. Employees connect with relevant stakeholders to establish contact and to enable dissemination of news. Marketing is announcements, highlighting e-learning seminars or conferences or new features or approvals. Additionally, visits to certain stakeholders can be announced as well, which reveals a relationships marketing dimension. Sending marketing content directly to customers can be done privately through use of LinkedIn. Competitors, customers and recruiters are on LinkedIn, hence the need to be active on that platform. Due to regulative rules and sensitivity issue of keeping corporate secrets, then sales do not occur online, and marketing differentiate from other industries. Regarding sales, then there is a heavy acquiring cost and switching cost attach to the software which controls operations of equipment in hospitals and laboratories. The sensitivity of this industry is why there is a need to take precautions and abstain from encouraging employees to create content without corporate consent, ergo the direct influence approach to content creation and a need to ensure that guidelines are there if common sense does not prevail. Sales occurs in face-to-face meeting and not online, which eliminates the usage of LinkedIn to conduct sales, but it has sales supportive actions, such as relationship marketing, lead generation and basic marketing communication.

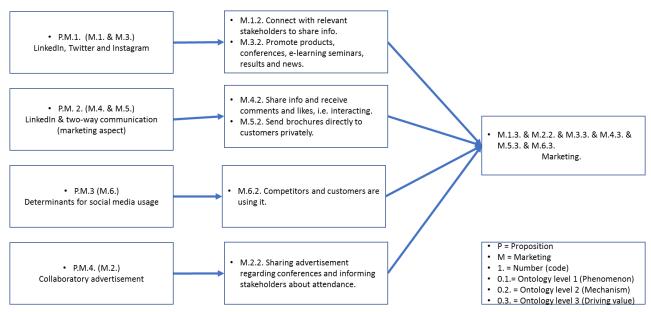
The figures reveal both patterns and relationships between the coded elements on account of their ontologies. The boxes to the left show propositions which includes the first level of ontology, i.e. the phenomena. The boxes in the middle illustrates different aspects of the second level of ontology, i.e. the mechanisms. The boxes to the right reveal the third level of ontology, i.e. underlying driving values.

### Sales

Nothing is available due to the high purchasing price for the software and the switching cost attach to it. This is best illustrated by the phrase "... if you own the software, then you own the customer..."



### Marketing



### Figure 5.6. Propositions and ontologies of marketing.

Marketing is restricted in the medico industry, this includes the usage marketing in relation to social media as well. The phenomena extracted from the interview are application of platforms, namely LinkedIn, Twitter and Instagram, where LinkedIn is mostly applied. Two-way communications are an embedded feature of applying LinkedIn. The notion that something determines usage of social media has been uncovered. Lastly, due to the marketing restriction companies tend to apply collaborative advertisement.

Mechanisms for applying social media are the ability to connect with relevant stakeholders and share information. Information in this regard is promoting what a company can offer, results and news. Mechanism for applying LinkedIn is the interactive feature and that includes the ability to send commercial content privately to customers. The determinants for applying social media is founded in the usage of it by competitors and customers, which forces a company to follow up and apply it as well. The mechanism of constructing collaborative advertisement for conferences consist of sharing advertising content regarding conferences or exhibitions and typing a text, on it, i.e. the post, that an employee will attend and with what.

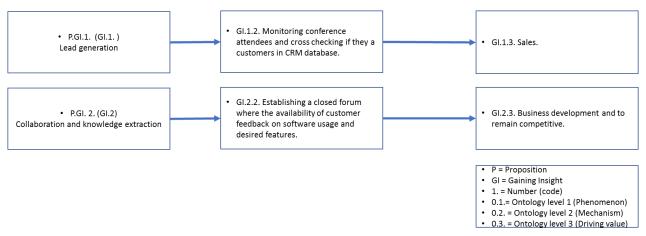


The driving force for every phenomenon and their respective mechanisms is marketing. Even though the medico industry is heavily regulated, then there exists a need to create awareness regarding what a company can provide of products and services.

### **Connecting People**

In this case the connecting people feature is similar to M.1.1.

### Gaining Insight



## Figure 5.7. Propositions and ontologies of gaining insight.

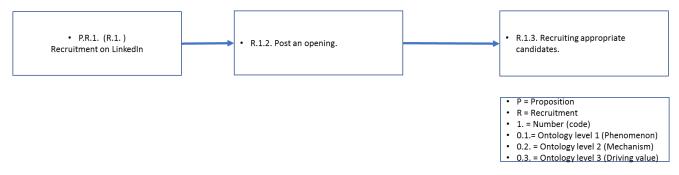
Lead generation and a proposed closed social media forum are the phenomena mention regarding applying social media for gaining insights. Leads relate to business development through acquiring additional customers. Whereas the collaborative and knowledge extraction regards utilizing existing customers to enhance existing software.

The mechanism of lead generation includes monitoring social media activities of stakeholders, to detect if anyone reveals their presence at a conference. The results therefrom are afterwards cross check with the CRM database to assess if the individual is an existing customer or a potential customer. If the latter is the case, then a lead has been generated. The mechanism for collaboration and knowledge extraction in this highly sensitive industry consists of transforming a manual task into a digital one, by establishing an interactive and closed social media platform, where opinions can be shared and collected.

The driving value for lead generation is sales. Whereas the collaborating with customers to extract knowledge happens because of the need to remain competitive through business development.



### Recruitment



# Figure 5.8. Propositions and ontologies of recruitment.

Within this industry sales personnel have a tendency to shop around and provide industrial knowledge from competitors when hired. Social media is used in relation to recruitment. LinkedIn is the platform a lot of recruiters apply for recruiting purposes.

The mechanism to apply LinkedIn entails posting an opening with desired qualifications of potential candidates in the post.

The reason why they do this, is to attract appropriate candidates for the position.

## **Testable Propositions**

The testable propositions regarding how social media can support the internationalization process of IT service providers.

- 1. P.M.1. LinkedIn, Twitter and Instagram are the relevant platforms.
- 2. P.M.2. Two-way communication on LinkedIn.
- 3. P.M.3. Determinants for social media usage (the presence of customers and competitors).
- 4. P.M.4. Collaboratory advertisement.
- 5. P.GI.1. Lead generation.
- 6. P.GI.2. Collaboration and knowledge extraction.
- 7. P.R.1. Recruitment (on LinkedIn).



# Agilent Technologies Summary

Agilent Technologies is a company born out of a spilt in the Hewlett-Packard corporation twenty years ago. The company focuses on development of software for hospitals, laboratories and forensic purposes, and it produces related products such as instruments and equipment. There is a significant switching cost related to the software and the acquiring price of it is high. This is the reason for transactions being offline activities. Furthermore, the medico industry is highly regulated, it deals with sensitive data and corporations patent new developments. Hence, competitive precautions and lack of marketing content in comparison to other industries. The niche industry focus forces the company to be global, with the aim of penetrating each market that can afford the software. Markets are perceived as networks within region, hence elements from both the revisit version of Uppsala incremental internationalization process theory and born global theory are combined. The dominating social media platform is LinkedIn, where employees related to sales, products, marketing and human resources are active. When customers, competitors and conference holders are active on this platform, then it argues for applying it. Furthermore, LinkedIn has a supportive role in relation to marketing communications and relationship marketing. Additionally, it facilitates lead generation and recruitment, where sales activities are done offline.



# Case 3 – Bizcon

Primary data collection and the treatment of it is in Appendix C. Case 3 includes an introduction to case 3 with a descriptive assessment section, where the following section focuses on ontologies, then the initial propositions section will appear and in the end is a summary of this case.

# Descriptive Assessment

The consultant for the software selling company Bizcon name is Yousaf Chaudhary, and the company profile:

Company location:	Roskilde (near Copenhagen region).
Company age:	Approximately 15 years.
Perception of a market:	Networks in combination with countries.
Revenue or finance:	From the Nordic countries.
Classification of business:	High tech, due to sales of modular process
	optimization software.
Business concept:	To sell, educate and consult businesses in enterprise
	architectural software.
Preferred social media platform:	LinkedIn, and the Twitter profile is inactive.
Perception of social media users:	Everyone in relations to the workforce, from the age
	of 18 to 80. It is a necessity to use it. It is used for
	creating awareness about yourself and to ascertain
	where you fit in, in addition to work related activities.
Market research by applying social media:	Monitoring changes in technology, observing the
	competition and customer perceptions. Furthermore,
	by detecting collaboration partners, headhunting new
	colleagues and acquiring inspiration for service
	development and marketing activities.
Guidelines and authenticity:	If reason fails and employees cannot behave
	professional and abstain from political discussions,
	then guidelines becomes a necessity, otherwise then
	no. Rigid guidelines and interventions become



inauthentic and the perception of unauthentic is
commercial. Commercials are ignored.

### Pattern & Relationships

LinkedIn is the dominating social media platform for IT software providers. Customers, competitors, suppliers and potential recruits are on the platform, hence its relevancy and the need to make use of it. The functions are simple and relates to different purposes of applying LinkedIn. Social media is an internet-based platforms and LinkedIn is used globally, hence every phenomenon can have an international dimension attached to it, if required. Selling requires insight and a potential proof of concept demonstration. The software is an investment that requires face-to-face meetings for convincing new customers that it works. This transforms LinkedIn usage into a connecting, knowledge sharing and communication platform where interactions, relationship marketing, marketing communication platform which serves personal branding, corporate branding, service branding, establishing relationships, observing market tendencies, data collection, inspiration portal for new ideas, supporting sales activities, supporting international partnership (formation and continuation) and strengthening business practices and performance through recruitment.

The figures reveal both patterns and relationships between the coded element on account of their ontologies. The boxes to the left show propositions which includes the first level of ontology, i.e. the phenomena. The boxes in the middle illustrates different aspects of the second level of ontology, i.e. the mechanisms. The boxes to the right reveal the third level of ontology, i.e. underlying driving values.



## Marketing

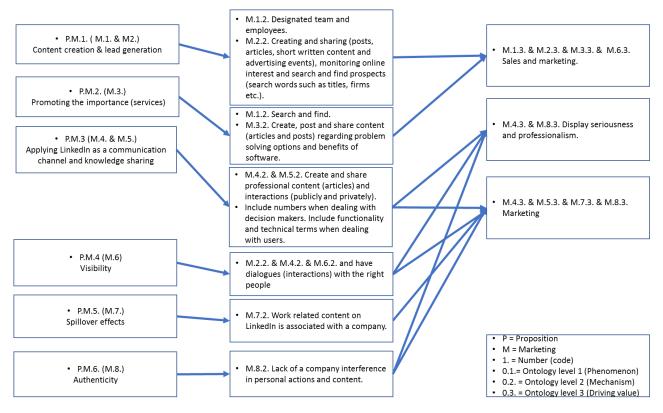


Figure 5.9. Propositions and ontologies of marketing.

The interesting phenomena are content and lead creation, promoting the importance of services, knowledge sharing by applying LinkedIn, visibility, spillover effects and authenticity. Content creation and leads generation are not necessarily mutual exclusive on LinkedIn. The importance is an integral aspect of content, because it should have a relation to a company and its services. Knowledge sharing is embedded with the use of LinkedIn, hence the merger of these two phenomena, because you cannot have one without the other. Visibility is a circulating phenomenon, because this notion affects and is a part of every function LinkedIn offers. Interesting enough then, visibility is both a means and a goal, i.e. reach which is a marketing aspect of LinkedIn usage. Spillover effects from employee related actions to a company and its brand can have marketing related consequences. Authenticity, this phenomenon is interesting and conflicting. Content on LinkedIn are not supposed to resemble commercial content, but if it has a personal touch from an employee, then the perception of the content or action, of an employee, differs and becomes acceptable.



The mechanisms which creates phenomena are a designated team and employees who create and share content. This includes posts and articles and advertising events, monitoring activities to detect interests and the search and find mechanism of LinkedIn for generating leads and content. Content with various options for solving problems related to services are the facets of promoting the importance phenomenon. Similarly, the mechanisms for applying LinkedIn and share knowledge resembles previous mention mechanisms, where public and private interactions are included. Furthermore, content is directed toward two groups, namely the decision makers and users. Decision makers prefer numbers, whereas users prefer functionality and technical terms, hence incorporating these aspects into content is important. Visibility has the same mechanism as mentioned earlier in this paragraph, but it is important to include the right people. Hence connecting with the right people is a condition for attaining fruitful visibility results. Spillover effects occur when the activities of an employee on LinkedIn is related to the individual's company. If the post, article or comment is good, then it reflects competent employees at the respective company and vice versa when it is perceived as being bad. The mechanism for generating authenticity is by providing employees liberty and not dictating rigid rules and activities.

What drives mechanisms into existence are primarily sales and marketing. But displaying professionalism and thereby indirectly demanding to be taken seriously relates to three mechanisms which are visible in figure 5.9. This in its essence, then professionalism is marketing, because it primarily deals with the perception of stakeholders.



## **Connecting People**

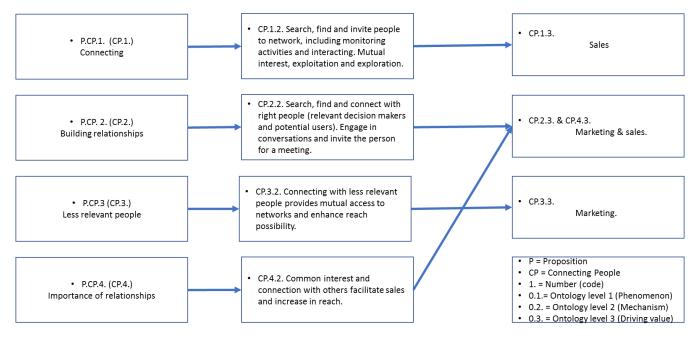


Figure 5.10. Propositions and ontologies of connecting people.

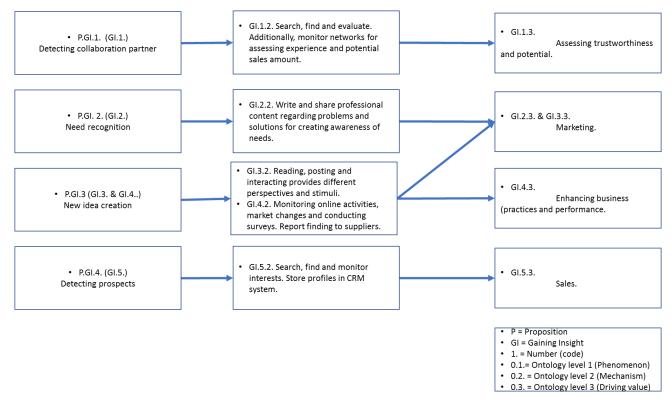
The phenomena are four, namely connecting, building relationships, less relevant people and the importance of relationships.

The mechanisms are similarly four, but in their essence then they are identical. Because search, find and invite people to a network based on mutual interests with the opportunity to explore and exploit each other and respective networks are the common elements for all mechanisms. Additionally, interacting and monitoring activities to awaken or detecting an interest is a part of applying LinkedIn. Furthermore, connecting with relevant and less relevant people provides access to additional networks and the possibility to increase reach of written or shared content.

What drives the impetus for connecting people on LinkedIn is either sales or marketing, but it can also be both.



#### Gaining Insight



#### Figure 5.11. Propositions and ontologies of gaining insight.

Phenomena related to the gaining insight category are detecting collaboration partner, need detection, new idea creation and detecting prospects. These phenomena are different facets of applying LinkedIn.

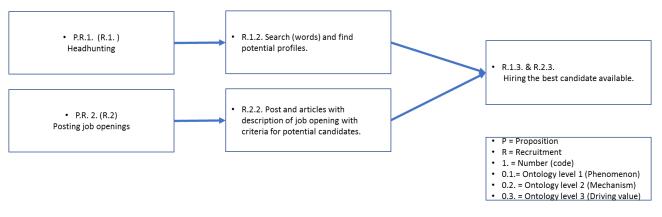
When dealing with acquiring collaboration partners, then assessing their experience with related topics and their potential to serve the mission becomes important. Firstly, there is a need for detecting them and LinkedIn search functions and the ability to monitor networks becomes important. The social media assessment can support track records of a firm and thereby advocate for forming a collaborative partnership with another company. The mechanism for need recognition is an integral aspect of using LinkedIn with marketing intend. The focus should be to write and share professional content which highlight problems and solutions for these problems, i.e. IT software a company can provide. Reading, posting and interacting on LinkedIn provides different perspectives and stimuli for new idea creation. Additionally, monitoring online activities, market changes and conducting surveys can contribute with broadening the horizon and create new ideas. Ideas should be shared with IT service developers, be it a collaboration partner or another department within the firm. Searching,



finding and monitoring of interests can serve a company by revealing prospects. Following the detection of prospects, then their profile can be stored in a CRM system.

The driving factors for mechanisms and thereby the phenomena are marketing, sales, enhancing business practices and performances, and assessing the potential and trustworthiness of future collaboration partners.

Recruitment



## Figure 5.12. Propositions and ontologies of recruitment.

There are two phenomena related to this category, namely headhunting and posting job openings.

The search and find feature of LinkedIn provides access to potential candidates. Whereas a less progressive approach is to write a post or article with description of the job and qualifications of potential candidate.

The driving force for this activity is to recruit the best candidate available.

## **Testable Propositions**

The testable propositions regarding how social media can support the internationalization process of IT service providers.

- 1. P.M.1. Content creation & lead generation.
- 2. P.M.2. Promoting the importance (of services).
- 3. P.M.3. Knowledge sharing through applying LinkedIn as a communication channel.
- 4. P.M.4. Visibility.
- 5. P.M.5. Spillover effects.



- 6. P.M.6. Authenticity.
- 7. P.CP.1. Connecting.
- 8. P.CP.2. Building relationships.
- 9. P.CP.3. Less relevant people (enhances reach potential).
- 10. P.CP.4. Importance of relationships (facilitates sales and reach).
- 11. P.GI.1. Detecting collaboration partners.
- 12. P.GI.2. Need recognition.
- 13. P.GI.3. New idea creation.
- 14. P.GI.4. Detecting prospects.
- 15. P.R.1. Headhunting.
- 16. P.R.2. Posting job openings.

#### **Bizcon Summary**

Bizcon is a Danish consulting and selling company which do not produce but sells enterprise architecture modelling processing software that can map processes of companies and serve incremental process optimization activities in firms. Selling requires offline meetings, but social media can facilitate need recognition, branding, awareness, relationships, marketing of services, lead generation and other sale supportive activities. The preferable and only active social media platform is LinkedIn. Customers, competitors, suppliers and potential customers are active on this platform and it is a low-cost medium to apply contra other marketing channels, hence the relevancy of applying it. The suppliers internationalize through this company. Bizcon has a regional focus, which entails the Nordic countries. Relationship establishment and building are important aspects of sales and marketing, and LinkedIn facilitates that. Furthermore, it reveals networks and the selling potential of an intermediary firm which can be monitored by potential suppliers. LinkedIn cultivates idea generation capability of employees and these ideas are shared with suppliers in order to enhance the software, i.e. IT service development. There are no indications of potentially expanding the geographic operational area, hence this company serves suppliers internationalization process as an intermediary. Similarly, there are no indications that suppliers wish to incrementally enhance the foreign entry mode, which could minimize their market shares, because selling is relationship based and acquiring new relationships instead using exiting relationships is time consuming. LinkedIn is a connecting and communication platforms for professionals, where gaining insight to markets,



customers, competitors, suppliers and potential recruits are done through the search, find and connect mechanism of the platform. Furthermore, marketing activities and gaining access to markets are similarly facets of applying social media. This case highlight how IT service developers can internationalize through use of social media. Additionally, it reveals how internationalization through intermediaries can occur by usage of LinkedIn. Connecting with decision makers and users in industries that can apply the software is a must. Furthermore, it is important to focus on the problem which the software can solve and numbers when communicating or creating content for decision makers. Whereas, users require insight to functionality and prefer the usage of technical terms. Visibility and reach to the right people serve marketing and sales purposes.



# CHAPTER 6 – CROSS-CASE FINDINGS & VERIFICATION

This chapter combines elements of all three cases with additional literature. The purpose is to gain an understanding of the circumstance by assessing everything in open systems. Additionally, for simplifying and generalizing purposes, then the content is grouped into higher-order themes, which encapsulates the propositions.

## The similarities and descriptive aspect of cases:

Each case deal with high-tech software are situated in Denmark. Case 1 is currently gearing for international expansion, where the current situation is that home market office is the sole one which might change in the near future. It is not clear if hierarchical or intermediary entry to foreign market will occur, it depends on future opportunities and the conditions for such collaborative partnership or acquiring an additional investor for financing hiring and establishment of a sales office abroad. Case 2 has hierarchical expanded globally and continues to penetrate markets selectively where they can afford the software. Case 3 is an independent sales and consultancy office with focus on enterprise architectural software. This case has a regional focus and facilitate the internationalization process others by being an intermediary. There is little interest for expanding geographically, whereas expanding horizontally by acquiring additional partnership agreements for selling slightly different software is on the agenda.

These companies apply social media, primarily LinkedIn. The basic mechanism of LinkedIn is personal profile, search, find, observe, monitor, invite to network, create networks, join networks, interact publicly and privately. Additionally, posting and sharing content such as short written text, videos, articles and pictures are integrals of the basic mechanism. Content directed toward decision-makers focus on numbers, whereas content directed on users of the software focuses on functionality with the inclusion of technical terms. Sales can hypothetically only occur in case 1 through LinkedIn, due to relatively low price and lack of complexity of applying the software. The interactive feature with private messaging and attaching files to messages can technically realize online sales. But the preferred approach to sales in all cases occurs in face-to-face meetings. Supportive sales activities, marketing, networking, intelligence gathering and recruiting are the main themes of how social media can support internationalization.



The neo-liberal ideology has won presence in supranational institutions (Mackinnon & Cumbers, 2011) and in business life as well, because ensuring competitiveness, revenue and growth prevail as the dominating factors which pushes the need for adopting sales, marketing, enhancement of business practices and performances. Even though that passion is mention as an underlying driving reason, then it is within the confinement of achieving economic growth.

Case 1	Case 2	Case 3
D.C. 1. Deterior atting and a		P.CP.4. Relationships (facilitate
P.S.1. Relationship sales.		sales and reach).
P.S.2. Collaborative business		
expansion		P.GI.4. Detecting prospects.
P.M.1. Relationship marketing.	P.M.1. LinkedIn, Twitter and	
	Instagram are relevant platforms.	P.M.4. Visibility.
P.M.2. Promoting effectiveness	P.M.3. Determinants for social	P.M.2. Promoting the
(information dissemination).	media usage (presence of	importance (of services).
	customers & competitors).	P.M.3. Knowledge sharing by
P.M.3. Indirect branding.		applying LinkedIn as channel.
P.M.4. Interactive marketing	P.M.2. Two-way communication	
communication.	on LinkedIn.	P.M.6. Authenticity.
P.M.5. Instigating content	P.M.4. Collaboratory	P.M.1. Content creation & lead
creation.	advertisement.	generation.
P.CP.2. Connecting people for	P.GI.2. Collaboration and	P.GI.1. Detecting collaboration
collaborative intent.	knowledge extraction.	partners.
P.CP.3. Connecting people		
based on commonalities.		P.CP.2. Building relationships.
P.GI.1. Gaining insight to		
customer information and		
preferences.	P.GI.1. Lead generation.	P.GI.2. Need recognition.
P.GI.2. Gaining insight to		
performance.		P.M.5. Spillover effects.
P.GI.3. Gaining insight to		
competitors and their		
performance.		P.GI.3. New idea creation.
P.GI.4. Gaining insight to the		P.CP.3. Less relevant people
working environment.		(enhances reach potential).
P.R.1. Headhunting.	P.R.1. Recruitment (on LinkedIn).	P.R.1. Headhunting.
P.R.2. Unsolicited inquiry.		P.R.2. Posting job openings.
		P.CP.1. Connecting.



## Table 6.1. Propositions.

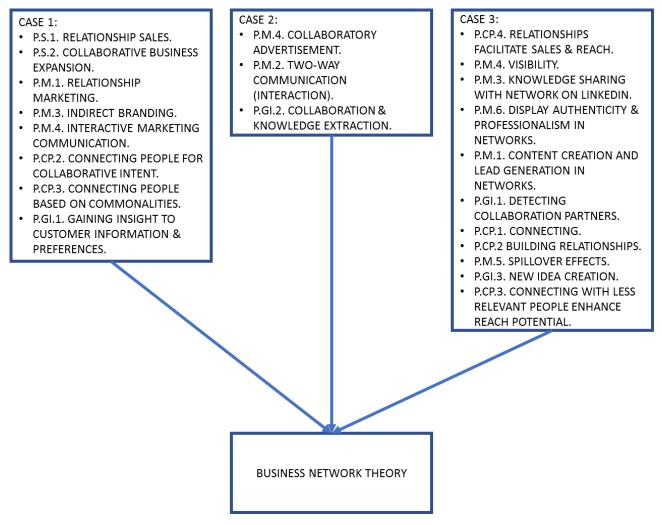


Figure 6.1. Propositions and business network theory theme.

The relation of multiple propositions reveals facets of business networking theory and different application opportunities of applying it on a social media platform, namely LinkedIn, for internationalization purposes. This supports the combination of business network theory with internationalization by Johanson & Vahlne (2006), and the notion that born global expand rapidly due to networks (Freeman, Hutchins & Chetty, 2012). Moen, Gavlen & Endresen (2004) study reveals that network relationships determines foreign entry, which is either through agents or partners or hierarchical, which supports business network theory as well. Eid & Trueman (2004) findings promote the relationships. Chamelian (2016) argues that usage of different types of networks support



sales of software. López, Ordaz, Sánchez & Moro (2015) study reveals that 39 percent of large Spanish enterprises apply online social networks, with indicators that highlights increasing tendency of applying social media. Hamill, Tagg, Stevenson & Vescovi (2010) special editorial review highlights that the internet lessens internationalization barriers where collaboration with international partners regarding co-creation and exploitation of opportunities, which supports application of business network theory for internationalization purposes on internet-based platforms. Harrigan & Miles (2014) study reveals that social media data is applicable for CRM decisions regarding sales, communications, campaigns and capturing communication norms. But multichannel and regular interactive communication is the norm for SMEs, hence LinkedIn has a supportive role, but not necessarily a complete dominating role. In the early years of the internet Loane & Bell (2002) study reveal that the internet may increase internationalization and visibility of SMEs. Additionally, high tech SMEs use the internet for intelligence gathering, coordinating relationships, develop relationship with new suppliers, intermediaries and customers. Furthermore, to investigate and expand connections (Tseng & Johnsen, 2011) which supports the business network theory with the attributes of LinkedIn. Additionally, then the perception of markets is defined as networks, where case 2 formulation is networks within regions.

Even though the additional articles may not support each proposition attached to business network theory explicitly, then it is reasonable to assume that the propositions constitute elements of network theory and are therefore perceived as indicators for it.

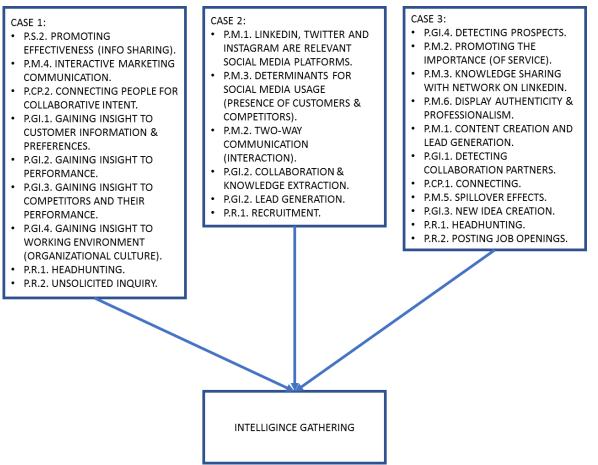
Nothing in the three cases argues for psychic distance, even though case 2 perception of a market is networks within a region and case 3 primarily engage in networking in the home market. But additional articles for the existence and relevancy of this phenomenon exist (Su, 2013; Moen, Gavlen & Endresen, 2004), but some argues that it is irrelevant in the beginning, but when a company has experienced it, then the thought of expanding to additional psychic distant markets is reevaluated (Sinha, Wang, Scott-Kennel & Gibb, 2015; Laanti, McDougall & Baume, 2009). Williams, Martinez, Gastelaars, Galesloot & Van De Kerke (2011) study reveals that psychic distant is relevant for expanding into developed economies, but not when entering developing economies. Another study which might removed the relevancy of psychic distance is Ahlbrecht & Eckert (2013). Their research indicates that most companies enter with low intensity and gradually increase, similar to an assumption of Uppsala model (Johansson & Vahlne, 1977) which coincidentally is the partial result



of a study (Su, 2013). Contradicting the incremental path and pace dependency to near markets, then the born global concept (Weerawardena, Salunke, Knight, Mort & Liesch, 2019; Su, 2013; Freeman, Hutchins & Chetty, 2012; Aspelund & Moen, 2012) clearly exists, even though some companies might be discourage from entering psychic distant markets due to experience with it (Sinha, Wang, Scott-Kennel & Gibb, 2015; Laanti, McDougall & Baume, 2009). The internet enables internationalization (Moen, Gavlen & Endresen, 2004; Eid & Trueman, 2004; Hamill, Tagg, Stevenson & Vescovi, 2010; Bell & Loane, 2010; Loane & Bell, 2002; Tseng & Johnsen, 2011) by lowering the barriers and easing the find and maintain aspects of relationships, gathering intelligence, marketing and communication. A balanced approach to exploitation (improvements, elaboration and refinements of export market knowledge by a firm) and exploration (seeking new markets and new knowledge) to enhance export performance (Lisboa, Skarmeas & Lages, 2013) seems to be a great approach. This resembles case 2 and case 3, because they prioritize certain markets, are less active in other markets and have absolutely nothing to do with markets where no one has the means to acquire the software or the need to do so. Besides, by hiring locals or people with experience in the particular foreign market lowers the influence of the psychic distance (Ojala, 2008) and it is assumed that it will provide access to business network as well.

Balancing elements regarding incremental internationalization approach and its contradicting theory seems to make sense in relation to the cases. Internet-based platforms can provide assess to selective networks globally, hence, a method for internationalizing through social media.





## Figure 6.2. Propositions and intelligence gathering theme.

Several propositions have a relation with intelligence gathering. This theme relates both to the inbound perspective and the outbound perspective, because every post on LinkedIn can be monitored. This includes the interest for shared content and extracting different perspectives or opinions from interactive communications. Similarly, the reach and attractiveness of a company can be assessed by observing interactions and shared posts, such as likes, comments or sharing of articles, no matter the content, e.g. recruitment, survey or marketing. LinkedIn is an information platform where the search and find mechanism can ensure overview and detecting whatever that is required, be it prospects, competitors and their activities or potential colleagues.

The cases highlight that a social media platform such as LinkedIn can be used to gather intelligence. Intelligence on performances, competitors, customers, potential customers, potential colleagues, interest for content and different perspectives for stimulating new idea creation.



Another interesting factor is that the three cases focuses on targeting niche markets, where the last case differentiate from the previous two by serving the internationalization process of their supplier. Each case has few competitors globally and that in combination with the IT software focus contributes to the niche argument. Furthermore, the global potential of each case, where the third case refers to their supplier, is actual. But case 2 has a hierarchical approach, case 3 illustrate a successful intermediary approach and case 1 is currently operating online an exporting mode, which might change in the future. The targeting of niche markets and having technological advance products are characteristics for born global companies (Aspelund & Moen, 2012). Freeman, Hutchins & Chetty (2012) study findings acknowledge the technological knowledge of born global firms and these firms expand rapidly through networks. Similarly, Tseng & Johnsen (2011) findings reveal that high-tech SMEs apply the internet for intelligence gathering, communicating with customers, coordinating and developing relationships, which resembles both the born global characteristics and the findings in the three cases.

Born global firms focuses on targeting niche markets, they have superior technology, they apply their networks for expanding rapidly and apply the internet for communicating and developing relationships with stakeholders.



# CHAPTER 7 - CONCLUSION

The concluding chapter includes a discussion, concluding remarks, implications and areas for further studies.

## Discussion

This section focuses on the uncertainty embeddedness of the research, the verification and generalizability of propositions and company selection for the multiple case study.

Uncertain embeddedness becomes visual through three actions. Firstly, each article is not perceived as completely explanatory for phenomena, hence they constitute a contribution to the ontology. Evaluating of each contribution is not founded on accumulative results, neither of samples, i.e. sample sizes, or amount of articles, i.e. academic studies. It is based on subjective reasoning which might be bias to a certain degree. Nevertheless, the subjective reasoning has connotations to findings in both articles and cases. Additionally, the search engine in use for retrieving articles might have produced different results if other search strings were applied, which can contribute with misleading effects or lack of content for the literature foundation and thereby the entire research. The critique includes interview questions as well, because questions were established on content from existing literature. Secondly, focusing on interviews, then the repetition of similar questions differently did provide a larger output for two out of three cases. It failed to yield additional results from the second interview, but it did provide insight to nuances regarding mechanisms and phenomena and confirmation of these, which increases the reliability. Thirdly, when reconfiguring information into knowledge, then different approaches are applicable. The decision to apply Template Analysis and thereby combining a deductive approach with an inductive, limits the scope of categories while it enhances the outcome in each category. Furthermore, it makes good use of primary propositions from the initial part to define categories for the template in the last part. This might have left something undetected in comparison to a purely inductive approach. Furthermore, the transcendental realism aspect of chapter 6 provides higher order themes into play while combining content different content. This might be perceived as bias, but the subjective reasoning does contribute with interesting finding which relates to existing knowledge. Uncertainty is a scientific assumption of critical realism, and even though that the critiques are plenty, then it does not transgress the principles of the philosophy of science, namely critical realism.



Verification of propositions provide a twist to the construct of this research. Firstly, then it is practically challenging to connect propositions with content in articles, even though all of the propositions are mention in the academic articles of the literature review chapter. Nevertheless, then the combination of primary data collection with assessments and secondary literature ensured that some elements from the review chapter was confirmed, which theoretically enhances the generalizability of the findings. Furthermore, the grouping of propositions into higher-order themes simplifies and strengthens the explanatory goal of this research. But nevertheless, the inclusion of all phenomena-based propositions might not be digestible reading. Adding a positivistic research with these phenomena could strengthen verifications and inclusion of propositions better. The mixed method approach is reserve for a higher level of research, namely a Ph.D. thesis. Yet, this does not mean that the propositions are invalid. Furthermore, the transition from transcendental idealism to transcendental realism pave the path for including higher-order themes supports generalizability. The argument for such is that it attaches the propositions with existing and valid theory, which enhances the validity of propositions.

Selection of cases is done based on similarities and differences. The differences provide scope, whereas the similarities provide consistency. Some ethical issues might arise if three direct competitors were interviewed. Furthermore, to find three companies with born global characteristics or potential which target niche markets within reachable distance might be problematic, because there might not be three companies available with an exactly similar concept. The similarities in the three cases outweigh the differences and the way these cases apply social media are similar. The second case have restrictions on social media usage because of the sensitivity, but that does not compromise the research. The preferred social media is the same in all cases, namely LinkedIn. Therefore, the critique regarding case selection is valid, but it does not compromise the integrity of the research.



## Concluding Remarks

It is proposed that the prevalence of neo-liberalism in supranational institutions with its pursuit for continuing economic growth is the main underlying driving value for businesses as well. This materializes through the third level of ontology as sales, marketing, business development, enhancement of practices and performances. These topics include professionalism and passion as an integral aspect of them.

Social media are internet-based communication and information platforms. The preferred platform is LinkedIn, which resonates well with the penetration rate of it and the concept of it, i.e. being a networking platform for professionals. The basic mechanisms of LinkedIn are applicable for different purposes. The searching, finding, posting, sharing, monitoring, network creating, network joining, network inviting, relationship forming, relationship maintaining, communicating both publicly and privately, are the main attributes of LinkedIn. There are various principles for these attributes, such as focusing on numbers when creating articles where the recipients are decision-makers and focusing on functionality while including technical terms when the recipients are users of the software. Furthermore, to highlight problems which the software can solve is another embedded feature of posted and shared articles. Additionally, some articles and posts may include videos or other forms for graphical content. An important aspect of LinkedIn usage is the search and find mechanism, which lead to potential customers, collaborative partners, recruits and competitors. Furthermore, it is possible to monitor everything on this platform, which include interest for a post or article, and public communications in relation to the created or shared content. This aspect reveals leads of different sort and reach of marketing communication content. There is such a thing as right profile, because when connecting with people, then it should be done with those where there are mutual exploitation opportunities, i.e. where both parties can contribute with something.

The phenomena are many, but they relate to sale enhancing activities, which includes marketing and relationship marketing and more. But generally, then social media, namely LinkedIn, can serve the internationalization process by facilitating activities related to business network theory and intelligence gathering. This includes phenomena in table 6.1. Their divide is visible in figure 6.1. for business network theory and in figure 6.2. for intelligence gathering. Social media is internet-based, which transcend beyond national borders. Furthermore, the perception of markets is networks. The combination of international reach and networks as markets reveal that neither the born global or the



Uppsala concepts are the given internationalization process patterns. A mixture of these two concepts is proposedly more accurate description of the circumstances. If opportunities in near markets presents itself, then an IT software producing and selling company would proposedly follow that opportunity. Whereas if a connection in a distant market presents itself, then an IT software producing and selling company would proposedly follow that opportunity. This does not exclude a proactive approach toward attractive networks regardless of their geographic location, which LinkedIn search and find mechanism can facilitate. Therefore, social media platforms can support the internationalization process of IT software providing companies by facilitating business network activities and gathering intelligence at low-cost. This includes business marketing, selling, developing, networking, monitoring, recruiting, communicating and enhancing activities.

#### Implications

Using the low-cost medium, LinkedIn, can have implications. Dissemination of unprofessional content or activities which occupies the perception of being fake or inauthentic or too commercially, can have negative consequences for the employee personal brand. These consequences include ignoring the following posts from that profile, adopting a negative perception regarding the professionalism of an individual. This includes lowering of content reach, which would be a counterproductive outcome of applying LinkedIn. Connecting with less relevant people can too have some negative consequences. This is because a profile's network becomes visible for the joining part, to the network, and the joining part may not find grounds for contribution from the other part if the network is useless, i.e. irrelevant regarding reach to the right types.

## Areas for Further Studies

Longitudinal inductive research on entrepreneurs and large-scale enterprises usage of social media as a marketing tool for internationalization would most likely yield some additional findings, especially if both the offline and online aspect are included. Furthermore, decision-making factors in relation to both business development, discovering and creating opportunities could contribute with relevant knowledge for those interested in applying social media in work related circumstances. Additionally, comparative assessments might distinguish between universal aspects of social media usage and properties reserved for either entrepreneurs or LSEs. But most importantly, then it could be interesting to collect big data on company and industrial usage of social media, assert the changes and predict the future usage of various platforms.



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# APPENDIX A.

This appendix concerns extraction of data from an interview with a founder of Rent A Game ApS. In the beginning of this chapter a brief translation of replies regarding the first section of questions. This part is followed by translation and transcription of the last section of the interview. In this part identification of codes is done by highlighting words and phrases. Following the translation attachment or integration of codes within prescribe categories, which resembles the propositions, i.e. the syntheses of the literature review. The following action is to identify patterns and relationships within the categories based on the extracted data. The last part of this chapter concerns developing testable proposition, which relates to formulating notions regarding social media possible applicational role for businesses internationalization process. Verifying and drawing conclusions are allocated to chapter 6, due to the aspiration of collecting assessments from all three interviews and then conducting a cross case analysis prior to attaching additional theoretical findings to primary data extrapolation and assessment.

## Brief Extraction.

Name: Allan

Job title: Co-owner and CEO

Company location: Hvidovre (Copenhagen), but in reality, location of the company is completely irrelevant.

Age of company: 2 years old

Revenue/finance: An investor.

Business concept: Renting games out for marketing purposes, by providing marketing companies this opportunity for their business customers. Marketing agencies are intermediaries who rent out games produced by Rent A Game. The Rent A Game business concept can be defined as high-tech.

Definition of a market: A network defines a market.



## Translation & Transcription

Social preferences regarding social media, what is use for what and why? "We apply **LinkedIn and Facebook**... There is <u>no mentionable difference</u> between the two platforms. Both platforms are mainly used as **information platforms**, where you **search** for something, **find** something you look it through when you **detect** something... the hope regarding applying social media is that content goes **viral**, <u>people liking it and comment on it</u> [i.e. online interaction of content posted on social media].

**LinkedIn** is better platform regarding **sales** than Facebook." How does that work? How can one sell something through use of LinkedIn? "What I have done is that I **invited** more than 2000 CMOs and marketing agencies and everything related to that into my **network**. <u>They can use my network</u>, which is the <u>core strength of LinkedIn</u>, where **contacts are transferable**. When I **post** something, <u>then the masses can see it and if they liked it</u>, then their network can see the post as well [e.g. creating reach and exposure]. The purpose of this is to **sell**."

Collaboration. Can social media be applied for the collaborative aspect in business related context? "Yes, it is what you use social media platforms for. You **connect** with people and **create relationships** with them. Then they tend to think how can I help this person or this <u>concept seems</u> <u>interesting</u>, then they **collaborate** with us... **Partnerships** is a possibility that we have to establish additional partnerships... to attract more **capital** for the **internationalization process**."

Relationships. How can someone establish relationships on LinkedIn? "I have **search** for CMOs and attached a **written comment** in the **invite to my network**. The written comment consists of an acknowledgement of that both parties are operating in the same industry, with a request to follow the CMO... the purpose of this is to **sell**."

What about marketing? "We have only applied this method until now, we have not applied marketing methods as such." Knowledge development, sharing and management, can the social media be applied to that? "Yes, it can. As soon as information are collected, in our case regarding who applies the games, when they have applied them, how many email accounts have they collected for newsletters and so on. We can **promote** the <u>effectiveness of our service</u> by **sharing** this **information**. This knowledge, regarding performance, is <u>shared with customers</u> 30 days after they have applied our service... We are in the process of collaborating with an expert group, that should help me with my



**behavior** regarding **sales and presentations**. We are currently in the process of establishing this group of experts."

Does one-way communication have any value on social media? "Not really, because then you cannot proceed. Social media usage is contingent of **initiating thoughts** and **communicating with me** on social media. If not, then nothing happens... **Dialogue** and **interaction** are **goals**... is about **communicating** and **attaining relation** with those who are **interested**, this can only be achieved by communicating... the **value** of it is that people **spread the news** of this and then they tell other that it is really smart and ask if it is something for you [i.e. PWOM]... **sales drives interactive** activities and it is our hobby, so we like to **tell** others about what we do. The more people can see that we are **passionate** about it, <u>the easier it is for us to **reach** more</u>... I would really want to reach more people than currently. That is the problem with social media, it is the **language** and the **same people** you relate to, whereas in offline network meetings, then it is a different group of people who really do not understand anything. It is easier to inform how the service can support their business ambitions... you can connect with these on social media, but then it becomes a mumbling, where writing with several people at once becomes a mess, quickly. Where the other approach facilitates a quick selection and proper presentation... offline networks are better in this regard."

What about the social aspect of social media? "Yes, I have **gained contact** to a lot of people, because of **establishing** a **network**. I regularly have **contact** with them regarding **inquiries** about how it **functions**. But <u>it is purely business related</u>... There are a lot of small and big groups where a lot of things happens. I am in a **group** with 18000 members where **it works**, even though it includes communicating with a lot of people."

The marketing aspect of finding and establishing relations with correct people. Can social media be use for that? "Yes it can." How? "We use our product for that, by making **short videos** which explains **how** it works and **what** it consists of. Then people **view** it and I can easily **monitor** who has watched our short video. Then I **contact** them by writing to them that I can see that you are interested in it, is there anything that I can help you with? Or do you have any questions regarding our services? And through this, **interactions** and **relations** with others can **emerge** with a **potential customer**."

The marketing aspect of demand and attention generation, in relation to internationalization. "In our industry, we know that there is a huge market. Sadly, then we know that we are lagging behind our



competitor. Two of our **competitors** have been active for some time and one of them have just received 200000 euro to transform into an international player, which will make it hard for us." So, it is easy to see if others create demand? "Yes, then it is incumbent upon us to **follow up** with the <u>changes of competitors</u>. Our service is better on some parameters and less competitive on other parameters. We have the **opportunity to benchmark** our services." So, it can be realized? "Yes" And why do you do it? "Everybody knows that these **newsletter sells**. When you receive a newsletter, from some company that you are interested in, then you will look at it and see if they have a **good offer**. What we provide is an opportunity for customers to <u>deliver newsletters to a larger audience</u>. Each time a user of our service wants to enlist a new score, then they can log in, where an <u>opportunity to received newsletters occurs</u>... This can be used on <u>social media platforms</u>... and it has a genuine **marketing value**.

How does PR and marketing communication function on social media? "**PR** is something that occur always, it is a part of **branding**. We are always <u>branding us with everything we do</u>. As soon as we answer a phone call, or do something, then it concerns branding. If a job application ticks in, then the reply is a part of **branding**. It is everything, if you do not have a decent PR policy, <u>then closure occur</u>... marketing communications regards activity and **incite the activity** level of others... This can be achieved through **games** and **inquiries** regarding **required expertise**... **Interaction** is what marketing consist of." The driving reason for why someone would do it? "**Sales**".

"Recruitment, here we use our network a lot. We will <u>look at those who we think can manage the</u> job and we do not intervene by stating they become our employees. We do not state that we are the bosses and we have the final say, but they have knowhow that we need, then the working title becomes less relevant." What about a <u>seller in a foreign market such as Germany or the US</u>? "Then it is hard to apply our network, because we do not know that many out there, but yes, it would be **possible to find someone** out there... We had contact with a **seller** from Germany who **found us through social media**. He found us through **Facebook**... He found us through our **marketing activities** including **commercials**... Social media are open, the are not **confine to national borders**. If people **search** for something, then they will find it. <u>People from the US have been visiting my profile through my posts</u>... They have seen my **posts** and if they <u>find it interesting, then they visit my profile."</u>

Data collection? "We are **collecting data**, is it part of our **business concept**, but we are doing it on the behave of our **customers**... it can be done **indirectly** through social media. They make a video



or an ad, which directs users to our service. When people see the game, then it can go viral on social media... We **monitor** which games are popular to **ascertain properties** regarding **development** of future games. If a game has been popular, then we will continue **developing** something in line with it...We do observe which apps games are popular, then we use that **knowledge** in our **research**... social media can be use in term of **market research**."

Content creation with direct influence and indirect influence, does it work on social media? "It does, if you take a look on the large corporation in the US, then they are doing it, by letting their **employees share stories** or something else regarding the company. It works well and provides a **good branding** value for the company if the <u>employees write something funny</u>."

Does it have a spillover effect with a company, when employees post something? "Yes, definitely... If you observe happy people in a company that are writing something funny, then it has a **positive effect** on **customers or potential customers**, because it looks like the company has a **healthy firm**. There is no doubt regarding if it works."

Do you evaluate the competences of employees based on their posts and relate it to the company or do you primarily focus on how well their working environment is? **"Working environment** and **passion** is what I focus on... You <u>cannot derive meaning</u>, if someone is good at their job, by the text of a post... the limit if something is **cunning or honest**, if someone write that they are incredibly great at what they do, then it creates the impression of being **fake**."

Guidelines in companies regarding use of social media, can it be detected that something is fake? "Yes, but those who seems to be **fake disappears quickly**, because you just continue scrolling. Whereas those who seems to be **honest**, they **receive attention** and you stop up and **read** what they have **posted**...**repetition increases authenticity**... <u>ordinary simple things that reoccurs in the same company</u>, then it sends the **signal** that this company is special, they treat their employees well, it seems to be **healthy**." It may not be too commercial? "No." What about guideline? "It is a frequently occurring debate we have, but no, I do <u>not share that opinion</u>... if someone complains on social media, then it is **healthy** for us to take up the problem seriously. If they do not dare to bring up the problem directly with us, but write about it out there, then that is the case and what becomes important is what can we do differently... It has a <u>negative effect on our potential customers</u>... But I think that I have a different opinion than other on this topic. I think that the majority do not wish to see it." Thing such



as rigid guideline? "The more liberty there are, the better it is... There are stories where someone post something negative on Facebook and the employee get layoff, it transforms into **bad PR for the company**... <u>There is a need for basic rules</u>."

What about motivating the use of social media in relation to internationalization and marketing? "It serves **attention generation**... to **deliver a message**. We have our games, and at the bottom of them is Rent A Game ApS. As soon as someone clicks on that, then the person is **redirected** to our **website**. This little thing makes people from the rest of the world visit us and if they perceive it as being interesting, then they might think of purchasing the service. We are online... Our **competitors** are active in the Netherlands, Sweden and Norway. This is a <u>motivation for us to use social media</u>. **Social media is an important aspect of the gaming industry**... Something drastic must happen for eliminating the relevancy of social media... Social media is a **competitive parameter**."

How do social media support your internationalization process? "... <u>Our customers do it</u>, because when they apply our service in **foreign markets**, then they are **promoting our brand in their campaigns**. This **increases our reach in foreign markets**. Another approach could be to **hire telemarketing people**."

Who uses social media? "**Everyone**." How old are they? "... **people in every age groups**." Why do they use social media? "Instead of doing something else. There are **newsfeeds and interactions**."

## Attachment & Integration of codes

The categories are listed and within them are extraction of codes.

#### Sales

- 1.1.Social media platforms such as LinkedIn and Facebook are information portals.
- 1.2. These information portals provide an opportunity for companies to search, find and disseminate information. The search function can be directed toward potential prospects.
- 1.3. The dissemination aspect includes typing in information and content creation, e.g. posts, that can go viral and thereby lure customers and potential customers attention, generate demand and leads. Hence the driving value for applying these functions are sales, marketing and ensuring revenues streams.



2.1. LinkedIn is the better platform for sales.

2.2. Inviting relevant prospects into one's network can facilitate two-way communications both privately and openly (in networks) and ensure that posts become visible for people in their respective network. Additionally, access to each other networks become a reality, which might serve as a point of contact regarding reference of the other person's credentials or trustworthiness. Furthermore, the access to the other's network can provide additional prospects.

2.3. The driving purpose of applying LinkedIn in relation to sales is to generate sales and thereby ensuring revenue streams, to the company in focus.

3.1. Collaboration regarding expansion of business.

3.2. This type of collaboration consists of connecting with others, creating relationships and attempting to help them with their endeavors. Another aspect of this is partnerships, be it finding an investment partner or a sales agent.

3.3. The driving notions are interest for the business concept and the urge to help another person.

4.1. Relationships on social media.

4.2. Can be achieved by inviting others to one's network with a written comment regarding mutual interests. Such as similar interests or industry and an aspiration to follow the other person.

4.3. The driving purpose of engaging in establishing relationships is the intend of generating sales, e.g. establishing and securing revenue streams to the company.

#### Marketing

1.1. Social media platforms such as LinkedIn and Facebook are information portals.

- 1.2. These information portals provide an opportunity for companies to search, find and disseminate information. The search function can be directed toward potential prospects.
- 1.3. The dissemination aspect includes typing in information and content creation, e.g. posts, that can go viral and thereby lure customers and potential customers attention, generate demand and leads. Hence the driving value for applying these functions are sales, marketing and ensuring revenues streams.

2.1. LinkedIn is a great platform to apply relationship marketing.

2.2. By inviting others to join one's network, with a written comment, is the mechanism that can facilitate this phenomenon.

2.3. The driving purpose of it is to generate attention and demand, while searching for business opportunities.



3.1. Promoting the effectiveness of services can be done by applying social media.

3.2. Sharing of information regarding service performance can facilitate this phenomenon. Everything on the internet can easily be monitored.

3.3. Assumable, the driving forces for this mechanism and phenomenon is to brand a company, its offers and thereby generate attention and demand, ergo marketing and sales are the driving forces.

4.1. One-way and two-way communications regarding marketing on social media. Creating content that activates initial thoughts and attention.

4.2. One-way communications do not work, because of lack of the interactive feature, which ensure spreading the message, e.g. ensuring reach and exposure. Attaining communication and relation with others are the primary mechanisms in marketing on social media. Another aspect of it is to inform people of what a company do, and thereby reveal the passion dimension in marketing interactions.

4.3. The driving value to do so, is to spread the news about a brand. Furthermore, interaction is a prerequisite for sales, hence marketing and sales drives this phenomenon into existence.

5.1. The marketing aspect of applying social media for finding and establishing relationships.

5.2. A mechanism for doing so is content creation. Short movies explaining the business concept, what it can offer and how they do it, generate attention. This attention can be monitored and become leads for establishing new relationships. Contacting people who have shown interest leads to interactions and forming of new relationships.

5.3. The driving reason to form new relationships is opportunity search, which can lead to attaining new potential customers and ultimately new customers and thereby revenue. Another driving reason is branding. Therefore, marketing and sales drives the phenomenon into existence.6.1. The indirect aspect of demand and generating attention, build-in the service, newsletter.

6.2. By incorporating the newsletter subscription possibility in services, then customers can apply social media in their campaigns, with advergames, and thereby acquire new newsletter receiving accounts, by sharing their online campaign on social media.

6.3. Newsletters sells, hence the driving force for the mechanism and phenomenon is to sell or increase sales.

7.1. The PR and marketing communication aspect on social media.



7.2. PR relates to everything a company does, hence marketing is everything. Activities and to incite the activity level of others refer to a dimension of this phenomenon. This can be achieved by interactions, such as applying online games or inquiring others' expertise regarding something.7.3. The driving force for PR and marketing communication is to establish sales.

8.1. Second tier branding in foreign markets. Marketing inbuild in services.

8.2. When customers apply the services, the company brand becomes visible. Hence, customers campaigns support the international branding aspect of Rent A Game ApS. Furthermore, there is a hyperlink attached to the advergames, which can redirect users to the game developer's website.

8.3. The driving value is to increase the reach in foreign markets, ergo marketing.

9.1. Influencing content creators, by encouraging employees in creating content.

9.2. The mechanism of it consist of employees having the liberty of posting ordinary benefits on social media, such as "we had lunch outside in the lovely weather". The consistency of these posts provides an impression of a heathy working environment.

9.3. This disseminates a branding value of a company, with the message that they take care of their employees who probably will provide a great service to you as well. Therefor corporate branding is the driving force.

10.1. Spillover effects from activities of employees on social media platforms to the company brand.

10.2. Honesty is the keyword in this context. Because, if social media content is either forced or dishonest, then the perception thereof is commercial and it will be drowned in the masses of advertisement, people will simply skip them while scrolling. Repetition increases the authenticity of content on social media.

10.3. The driving value is branding, both the company as a healthy working environment and the company as a whole.

#### Connecting People

- 1.1. Social media platforms such as LinkedIn and Facebook are information portals.
- 1.2. These information portals provide an opportunity for companies to search, find and disseminate information. The search function can be directed toward potential prospects.
- 1.3. The dissemination aspect includes typing in information and content creation, e.g. posts, that can go viral and thereby lure customers and potential customers attention, generate demand



and leads. Hence the driving value for applying these functions are sales, marketing and ensuring revenues streams.

2.1. Connecting with people in relation to sales.

2.2. The mechanism in this is to invite people into one's network, where personal contacts become visible.

2.3. The underlying driving value is to create sales.

3.1. Connecting with people for collaborative purposes.

3.2. The mechanism consists of interacting with another person, and thereby create a relationship with them. This has the tendency to evolve into at least one part want to help the other and thereby support opportunity creation, establishment of collaboration or partnership.

3.3. The driving forces for the mechanism to occur is either raising capital or assumable facilitating sales or promotion or passion.

4.1. Commonality can bring people together in relationships.

4.2. Searching for a specific type of counterparts and sending them an invite to join a network where there are commonalities, can initiate connection and communications. The written invite can include a short comment regarding a wish to follow the counterpart.

4.3. The underlying driving force for this is selling through connections.

5.1. Connecting and collaborating with expert groups can serve enhancements of business practices.

5.2. This can assumable be achieve by either joining an expert group or creating one on a social media platform.

5.3. The underlying driving factor for this is to increase performance by developing the skills or knowhow.

6.1. Connecting with people on LinkedIn is a pre-requisite for applying the platform.

6.2. One-way communication has little to no value on social media, whereas dialogue and interactions, disseminating news and establish relationships have value.

6.3. The driving values are to utilize social media platforms and thereby increase the reach of messages, commercial content or branding and sales, hence marketing and sales drives this phenomenon into existence.

7.1. The social aspect of social media usage is business related.



7.2. By connecting with others, and joining or creating networks, then give and take information regarding passion and what an individual does in a company emerge. This ultimately result in questions and answers, the interactive feature of social media usage, which is how messages and marketing are spread to a large audience of hopefully relevant segments. It can have a marketing dimension as well, where those interested in a specific post can be detected and contacted.

7.3. LinkedIn is assumable a low-cost platform to apply and a lot of professionals are active on that platform, hence the driving factor for the social aspect of social media is to conduct business.

#### Gaining Insight

- 1.1. Social media platforms such as LinkedIn and Facebook are information portals.
- 1.2. These information portals provide an opportunity for companies to search, find and disseminate information. The search function can be directed toward potential prospects.
- 1.3. The dissemination aspect includes typing in information and content creation, e.g. posts, that can go viral and thereby lure customers and potential customers attention, generate demand and leads. Hence the driving value for applying these functions are sales, marketing and ensuring revenues streams.
- 2.1. Gaining insight to customers preferences.

2.2. The network, relationship and interaction feature of social media facilitates exchange of information and thereby knowledge regarding customers and potential customers requirements and preferences.

2.3. The driving value for this is assumed to be enhancing business practices and thereby performance.

3.1. Gaining insight to marketing performance.

3.2. Everything online is monitorable. This can serve a company in monitoring its performance regarding marketing activities, to detect what works and vice versa.

3.3. The driving value is assumed to be enhancing business practices and performance.

4.1. Gaining insight to competitors and their performance.

4.2. The searching function and dissemination of information provides an opportunity to monitor competitors and thereby facilitate benchmarking of concept, service and performance. Furthermore, the follow up on features or initiative of competitors is a potential consequence of benchmarking.



4.3. The driving reason to do so is assumed to be aware of potential threats and opportunities, and thereby to be remain competitive.

5.1. Gaining insight to others' working environment.

5.2. By following activities on social media, then it becomes possible to determine if a company provides a great working place for employees. The foundation of such assessment is based on repetition of ordinary liberties at work.

5.3. The driving value for such a phenomenon is assumed to be a great organizational culture, where the wellbeing of employees is in focus. Hence, it serves a corporate branding purpose.

6.1. Gaining insight to service performance to further development of services.

6.2. Everything online can be monitored, and when advergames are included into online marketing campaigns, then the performance of these games can be evaluated, to gain insight on which games or feature of a games should be improved or to highlight the direction of further developments.

6.3. The driving value of this is to enhance the quality of services and thereby the business concept, hence enhancing practices and performance.

#### Recruitment

- 1.1.The searching function on social media can facilitate headhunting, be it with a foreign collaboration partner or investor, and it is assumed that finding a new employee can be included into this approach.
- 1.2. The mechanism behind it can either be actively searching for a new recruit or consulting the network regarding who they can recommend with relevant competences.
- 1.3. The driving value is to hire a suitable employee to enhance business performance.
- 2.1. Unsolicited inquiries regarding recruitments.

2.2. Social media are not confined to national borders, hence, some of the marketing content, such as posts and videos etc. can reach people in foreign markets. These people can have an interest or believe in the service and wish to sell them. This happens by contacting the company which produces the IT services.

2.3. The driving underlying value is assumed to be earning money, hence, enhancement of business performance.

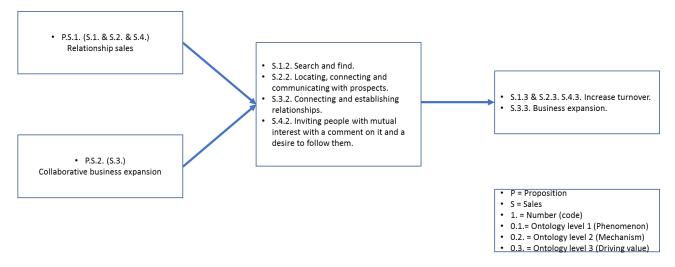


## Pattern & Relationships

An overarching pattern is clear, every category is connected, where marketing is everything and marketing content generate leads for sales and promote the company in relation to connections, collaborations and hiring new employees. Basically, the networking approach where transfer of ideas, knowledge and renting out capabilities to enhance business practices and performance of others with support of social media is the case.

The figures reveal both patterns and relationships between the coded element on account of their ontologies. The boxes to the left show propositions which includes the first level of ontology, i.e. the phenomenon. The box in the middle illustrates different aspects of the second level of ontology, i.e. the mechanism. The box to the right reveals the third level of ontology, i.e. underlying driving values.

Sales



#### Figure 5.1. Propositions and ontologies of sales.

It is evident that sales through relationships and collaborative business expansion are the visible phenomena that can provides the opportunity for internationalization regarding sales through the usage of social media. It is assumed that consultancy sales is an integral aspect of it, but the coded content do not highlight this notion.

Mechanisms to generate the phenomena are them all, because they reveal different aspect of basic application of social media in relation to sales. Nothing argues for decomposing these elements,



because their relationships are dependent of each other. For instance, it is almost impossible to communicate private with another without connecting with them. Furthermore, searching and finding others might be a prerequisite for connecting with them. Therefore, the mechanisms are search, find, invite on basis of mutual interests, communicate and establish relationship.

The underlying driving value which motivate applying mechanisms for generating phenomena are increase turnover and business expansion. These two are facets of the same, because increased turnover is essentially business expansion. When companies do not grow, then they die, therefore the real value pushing sales mechanisms is either the will for existence of a company or the threat of its demise. Again, these two are different facets of essentially the same thing.

Marketing

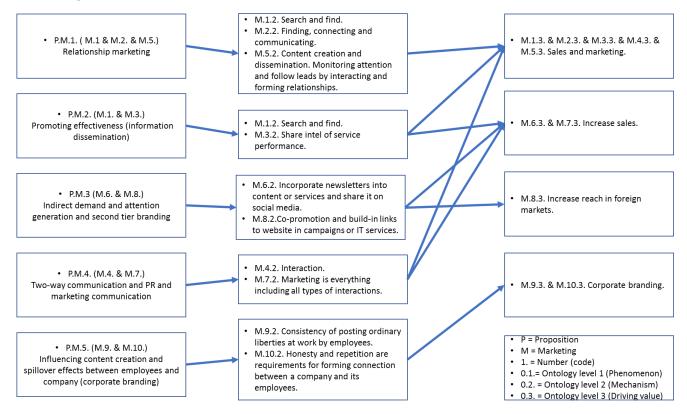


Figure 5.2. Propositions and ontologies of marketing.

The visual presentation clearly indicates that the phenomena of marketing on social media can be clustered into five categories. These categories are relationship marketing, promoting effectiveness, indirect demand and attention generation and second tier branding, two-way communication



regarding PR and marketing communication, and finally influencing content creation and spillover effects.

Similarly, the mechanisms can be clustered, because some of them are overlapping others and additionally, some of them have a firm relation to others. These relations constitute connection between coded content which draws a pattern for each phenomenon respectively. Each phenomenon has its own composition of mechanisms, which is highlighted in the above. But the basic tenets of social media usage, with search, find, communicate, connect and sharing of information are included in every category, but inbuild marketing functions in IT services with an additional feature of co-promoting differentiate from the rest. Furthermore, honesty and the liberty to repeat ordinary posts highlights different properties of the basic principles regarding LinkedIn usage.

Majority of driving values are attached to each mechanism and they are either based on marketing and sales or just one of these two elements. The driving values are divided into four categories, where the essence of them can be interpreted into a singular notion, namely the will for continuing existence by enabling favorable turnover. But, in this case they are separated into sales and marketing, increase sales, increase reach in foreign market and corporate branding.



## Connecting People

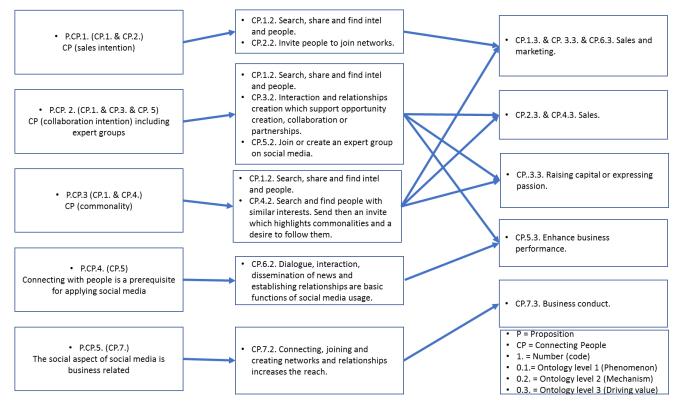


Figure 5.3. Propositions and ontologies of connecting people.

The phenomena are clustered and divided into five types, where the first three resembles each other, but their intention differ. These intentions are sales, collaboration and commonalties. The fourth type is a prerequisite for applying social media, namely connecting with people. The fifth and last one highlights that even the innocent social aspect can have a business-related dimension, hence there is no such thing as a free lunch.

When dealing with the mechanism for generating the mention phenomena, then there are overlapping elements and similarities in the five different mechanisms. The content of mechanisms is visible in figure 5.3. But these mechanisms are the basic principles of LinkedIn usage, such as search, find, interact, invite to network, create networks, joining networks, creating content and sharing it.

The driving values are divided into five categories, even though only one of them differs from the rest. Enhance business performance, business conduct, sales and marketing are the dominating driving forces for the mechanisms to occur. Raising capital is ideally includable into the notion of will for existence, which sales, marketing, business conduct and enhancing business performance



essentially constitute. Where expressing passion is an option for what can drive the mechanisms reserve for commonality and collaboration intend.

#### Gaining Insight

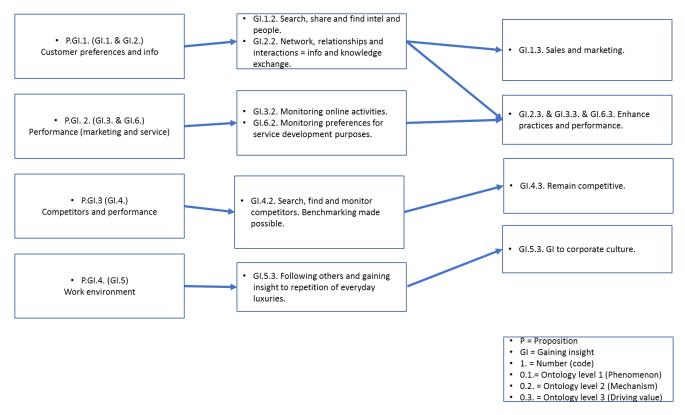


Figure 5.4. Propositions and ontologies of gaining insight.

The main phenomena are five. These five entails gaining insight to customer preferences and information, performance of marketing activities and services, competitors and their performance, and the working environment of others.

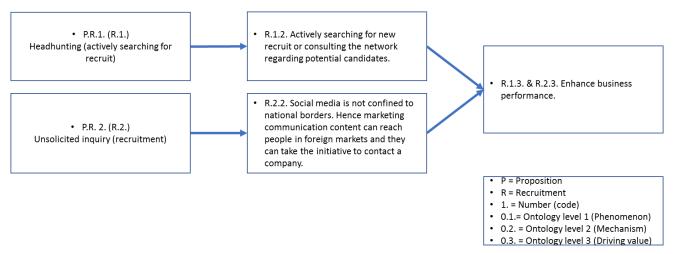
The mechanisms for generating mention phenomena includes the notion that everything online is monitorable and everything that is observable is analyzable and improvable. Networking, relationship establishment and interactions are aspect of social media usage, especially on LinkedIn. These aspects include exchange of information and knowledge which can serve data collection regarding customer preferences. Monitoring online activities and IT services performance and serve data a data driven decision. Similarly, the searching, finding and monitoring competitors provide data regarding them, which can be followed by an assessment such as benchmarking. Interestingly enough, then following



others on social media has the possibility to collect data regarding their organizational culture or working environment, by detecting repetition of everyday luxuries posted by their employees.

The driving underlying forces for aspiring for gaining insight to customer preferences and information are sales and marketing. Additionally, enhancing practices and performance will push the mechanisms into existence as well. Monitoring marketing and IT service performance are rooted in the urge to enhance business practices and performances. Whereas monitoring competitors and assessing them is rooted in the need to remain competitive. Lastly, gaining insight to others corporate culture is a need for identifying the working environment and to gain a glimpse of the organizational culture. This type of information can be useful in relation to sales and collaboration, but it serves a corporate branding function.

Recruitment



#### Figure 5.5. Propositions and ontologies of recruitment.

The collected data reveal two phenomena regarding this topic. The two phenomena are headhunting and unsolicited inquiry.

What makes headhunting possible is partially the search and find function in relation to people and their personal profile information. The other facet which can ensure that it happens is relationship, network and interaction aspect of social media usage. The latter mechanism relates to the give and take aspect of information between individuals, i.e. information sharing, which can result in detecting potential candidates based on recommendations from the network. Unsolicited inquiries are based on the reach function of marketing communication content on social media. It can inspire or provoke a



reaction that includes inquiring for a job, license to sell or partnership with a company. Internet-based communication platforms are not restricted by national boundaries.

The sole reason to hire a new employee is to acquire required competences, but in this case it is assumed that enhancing business practices and performance is the underlying driving factors for the mechanisms.

## **Testable Propositions**

The previous section regarding ontologies have proposition incorporate into them. This section will highlight the topic for proposition regarding the ability to serve an IT service provider in relation to internationalization through social media usage.

- 19. P.S.1. Relationship sales.
- 20. P.S.2. Collaborative business expansion.
- 21. P.M.1. Relationship marketing.
- 22. P.M.2. Promoting effectiveness (information dissemination).
- 23. P.M.3. Indirect branding (attention and demand generation and second tier branding).
- 24. P.M.4. Interactive marketing communication (two-way communication regarding PR and marketing communication).
- 25. P.M.5. Instigating content creation (employee promoting a company).
- 26. <u>P.CP.1.</u> Relationship sales. (similar to proposition 1).
- 27. P.CP.2. Connecting people for collaborative intention (Including expert groups).
- 28. P.CP.3. Connecting people based on commonalities.
- 29. <u>P.CP.4.</u> Connecting people is a prerequisite for applying social media.
- 30. P.CP.5. The social aspect of social media is business related.
- 31. P.GI.1. Gaining insight to customer information and preferences.
- 32. P.GI.2. Gaining insight to performance (marketing activities and services).
- 33. P.GI.3. Gaining insight to competitors and their performance.
- 34. P.GI.4. Gaining insight to the working environment of others (organizational culture).
- 35. P.R.1. Headhunting (actively searching for recruitment).
- 36. P.R.2. Unsolicited inquiry (regarding recruitment).



Three propositions are marked, because one of them is similar to a previous one, namely relationship sales. The second proposition is an embedded feature of social media and therefore, it is an aspect of each proposition, hence there is no need to include it. The third one solely highlights the business intend of applying social media for business purposes, which is redundant. The following describes the testable proposition:

- 1. P.S.1. Relationship sales.
- 2. P.S.2. Collaborative business expansion.
- 3. P.M.1. Relationship marketing.
- 4. P.M.2. Promoting effectiveness (information dissemination).
- 5. P.M.3. Indirect branding (attention and demand generation and second tier branding).
- 6. P.M.4. Interactive marketing communication (two-way communication regarding PR and marketing communication).
- 7. P.M.5. Instigating content creation (employee promoting a company).
- 8. P.CP.2. Connecting people for collaborative intention (Including expert groups).
- 9. P.CP.3. Connecting people based on commonalities.
- 10. P.GI.1. Gaining insight to customer info and preferences.
- 11. P.GI.2. Gaining insight to performance (marketing activities and services).
- 12. P.GI.3. Gaining insight to competitors and their performance.
- 13. P.GI.4. Gaining insight to the working environment of others (organizational culture).
- 14. P.R.1. Headhunting (actively searching for recruitment).
- 15. P.R.2. Unsolicited inquiry (regarding recruitment).



# APPENDIX B

This chapter will follow the previous one in relation to disposition, but both the interviewee and company in focus differ. The company is Agilent Technologies.

## **Brief Extraction**

Name: Angela

Job title: Former product manager on software for the medico industry.

Company location: Global organization with office in Denmark as well.

Age of company: Since the beginning of the 1980.

Revenue/finance: Global revenue streams from software, equipment and instruments which includes forensic.

Business concept: Software enables product usage in the medico industry. Hence, this company produces both software and different types of medico equipment and instruments. Science-based concept which can be categorized as high-tech, and it includes IT software production.

Definition of a market: Networks within regions, i.e. Clustering the geographic boundaries of countries and focusing on the networks within them.

## Translation & Transcription

Preferences regarding selection and use of social media platforms? "In this medico industry there are held a lot of <u>conferences and exhibitions and e-learning</u>. But most of it consist of large conferences where every competitor attend, and this is how the message is delivered. It is illegal to advertise with banner and etc. but I have heard that Katruder [medico industry Ltd.] has done so in Canada and USA, but it is illegal to do so here in Denmark. It is legal to brand a medico company in Denmark, but the approach differs from the rest of the industries. You will not observe a commercial regarding a medico company in TV, similarly to Novo Nordisk and Coloplast. This is because there are rules regarding marketing... Everyone uses **LinkedIn, Instagram and Twitter**, but for reaching customers, where



the money is, then it is through <u>conferences</u>, <u>knowhow and universities</u>. The universities are involved, either they test something that we produce, then it becomes convenient and they receive products for free... You **promote on social media**, there are a lot, including university staff members, who follow you on **LinkedIn** and there you promote <u>e-learning seminars and conferences</u>. Furthermore, they are **updated on new products and approvals** from FDA, for instance, and **instructions** on how to apply the new products... we **collaborate advertisement on social media** with those in charge of large conferences [joint promotion of events]... **advertisement** consist of **creating posts on LinkedIn** and **informing followers** about conferences... there will announced <u>a long list of speakers</u> and <u>who will</u> <u>be present</u> at the conference on **LinkedIn**... Both **employees and companies** will post on **LinkedIn**, I would for instance **write a post** notifying people regarding my **attendance**, which **booth** I will occupy and **products** that I will **display** and **talk** about... because it is a good method to inform people about the product and where they can purchase it... it is **promotion** [marketing]."

What can social media contribute with in relation to sales? "It regards **leads generation**, so that **field marketeers** can <u>easily contact hospitals</u>, they can see who has been **attending conferences** and **cross check** it with **customer management system** if they buy our products, if not, then they contact them inquiring for an opportunity to give a sales pitch... for sales of products and gain access to their laboratories... **earn money**."

"...if you own the software, then you own the customer... you cannot gain access to sufficient information on social media, but many of application specialists and field marketing work together, and they know a lot of the competitors, because normally they have been hired by several competitors... **It is possible to apply social media to collaborate**, if there are something to collaborate on. We are professionals and we do not trash talk about the others or their company"

Can social media platforms be used for collaborations? "... we cannot create partnerships with out competitors..., but with **universities, research centers and our customers**. What we talked about was to **establish a platform** where customers can **share information** regarding how the use our products... we have intended use protocols for our software. Several customers use the software differently in a smart and creative way, but one of the customers did so in a not so smart fashion. We thought that it could be great if we had a forum where every customer could share their input on how they use what of the protocols to highlight how to get the best out of applying the software... data



regarding health are sensitive data and it is illegal to use it in public... Twitter and LinkedIn are mostly use to promote products... announcements."

Knowledge development?" Does not exist currently through social media, but we could <u>integrate a</u> <u>closed forum for knowledge sharing and development purposes with our existing software</u>... to **retain feedback**... customer could **share feedback**, where we can make use of if..."

One-way communications on social media? "Yes, but mostly on LinkedIn, then people prefer to **like** or **comment** on posts with I am looking forward to that event, I was so happy last time and things like that... **LinkedIn** has evolved and **companies follow** changes which occurs to this **platform**... **LinkedIn** is the professional version of **Facebook**."

What about pushing a message through social media, one-way communication? "No"

Two-way communications, dialogue, on social media?" We talked about it and there were courses available, but most of the dialogues, sharing of marketing content and information are done face-to-face, where I had to sit up until three o'clock in the morgen to type it down manually. This information was distributed internally afterward in the company. We analyzed the content to detect the intended use, followed by reflection on if we had the requirements available. We have a lot, but it is impossible to implement everything. The more hits you have on a particular function, the easier it becomes for me to implement it without having discussion with stakeholders about it, regarding which feature to implement."

Interaction with customers, is that important? "Yes", because it is part of the mechanism that provides increase in sales and improvement of products? "Yes, and a better <u>reputation</u>, because you are meeting customers, and they can feel that someone is <u>paying attention and listening</u> to them." What is the underlying driving value? "... in the medico industry you have to follow regulative and standards. It is mention in these regulative rules that you have to visit your customers a certain amount per year and then you must make updates and upgrades... we make major upgrades two time per year."

What about sociability aspect of social media? "Yes, because you can **announce** and **promote products** and **results** on **social media**."



The marketing aspect of social media usage in relation to internationalization? "We made a lot of **brochures**. We either **send** them to customers or had them with us to conferences or other occasions where we meet customers. You have to remember that in the medico industry is different from other industries, because there are fewer suppliers..."

Attention generation, is social media used for that? "Yes, a bit, because we would use the **leads** as I mention earlier... and **promote events**."

PR and marketing communications? "... you do not share the selling points, you patent it."

Recruitment, should the social media be used for that? "Yes, a lot. All **recruiters** are on **LinkedIn** and they will always **post** when they require new hires with different backgrounds."

Direct or indirect influencing content creation? "We were not educated in the use of social media. Even though we were not allowed to use YouTube and Facebook in our working time, but some were allowed to use Facebook and the like thereof. I saw some who used **Facebook**, so someone needed to use it. Someone did control the different **company accounts**, but I do not have insight to it. But if I need to visit a customer to talk about a newly launched product, then no one would ask questions regarding posting about it...Within the medico industry, then I will recommend a direct control, because you really have to take **precautions** regarding what you share."

What determine the use of social media? "Why should you not use it when all of the **competitors** are using it... As it is used now, by **posting** all sort of stuff on it. Posts such as **conferences** to create some **awareness** about it. It is normally the person who presents at a conference who shares a post... to **generate attention** and because of the involuntary **collaboration** with **competitors**, you want to ensure that they know you are attending"

Are there spillover effects regarding employee usage of social media accounts on the corporate brand? "No. I would not draw parallels between private use of social media and the company that the person works for."

Are there a need for guideline for employee usage of social media?" **Yes**, but each employee must read conditions regarding what is permissible to share and what is not, then common sense should prevail when dealing with social media usage... because, you have **knowhow and patents** on what you sell, and if you share that, then you are left with nothing.



"The **marketing department uses social media**... their age differs, from the end of the twenties to seventy... they use social media as demanded... regarding **visual display** and they are **branding** the company in relation to **marketing and sales materials**."

## Attachment & Integration of Codes

The categories are listed and within them are extraction of codes.

#### Sales

Not online.

## Marketing.

- 1.1. LinkedIn, Instagram and Twitter are used to reach relevant stakeholder.
- 1.2. The assumption is that employees and the company connect with relevant stakeholders to enabling monitoring and sharing information.
- 1.3. The driving value is to have contact to relevant online followers to assumable increase the reach, i.e. marketing.
- 2.1. Collaboratory advertisement.
- 2.2. Sharing post regarding conference and writing, where a worker will do it and write that he or she will be attending the conference and where the individual booth is located at the event.

2.3. The driving force to activate the mechanism is to ensure attention and increase the possibility of conducting offline sales at events, i.e. marketing.

3.1. LinkedIn usage.

3.2. To promote by informing followers, who are relevant stakeholders, about new product features, events such as e-learning and conferences, results and news.

3.3. Marketing.

- 4.1. Two-way communication on LinkedIn.
- 4.2. By posting something where stakeholders tend to like of comment on the post, i.e. interacting.
- 4.3. This feature of social media communication relates to marketing.
- 5.1. Marketing aspect of social media usage, i.e. LinkedIn.
- 5.2. To send brochures directly to relevant stakeholders.



## 5.3. Marketing.

- 6.1. Determinants for social media usage.
- 6.2. Competitors and customers are applying it and are available through social media.
- 6.3. Information sharing and promotions, i.e. marketing.

#### Connecting people

Nothing available besides the marketing 1.1.

## Gaining Insight

- 1.1. Leads generation.
- 1.2. By monitoring the list of attendees for a conference on social media, cross checking if they are a customer in the CRM, to detect if the field marketing should contact them or not, with an intend of making them customers.
- 1.3. Sales.
- 2.1. Talks regarding establishing a closed forum for collaboration and knowledge extraction.

2.2. Transforming the face-to-face meetings with paper notes into a digital activity. Software and product users should be able to provide feedback on usage and desired applications, to the company so it can implement updates or existing capabilities into the software.

2.3. The underlying driving values for this is to follow regulative rules by implementing updates, satisfy customers and remain competitive. Hence business development and to remain competitive are the driving forces behind the possibility of establishing a closed forum.

## Recruitment

- 1.1. Recruitment on LinkedIn.
- 1.2. Post open positions with required skills to be considered as a potential candidate.
- 1.3. Recruiting appropriate candidates.

#### Pattern & Relationships

The overarching pattern is clear. Marketing department has a supportive role in ensuring that visual display of content follows a company standard. LinkedIn is the primary social media platform in use. Employees connect with relevant stakeholders to establish contact and to enabling dissemination of news. Marketing is announcements, highlighting e-learning seminars or conferences or new features or approvals. Additionally, visits to certain stakeholders can be announced as well, which reveals a



relationships marketing dimension. Sending marketing content directly to customers can be done privately through use of LinkedIn. Competitors, customers and recruiters are on LinkedIn, hence the need to be active on that platform. Due to the regulative rules and sensitivity issue of keeping corporate secrets, then sales do not occur online, and marketing differentiate from other industries. Regarding sales, then there is a heavy acquiring cost and switching cost attach to software which controls operations of equipment in hospitals and laboratories. The sensitivity of this industry is why there is a need to take precautions and abstain from encouraging employees to create content without corporate consent, ergo the direct influence approach to content creation and a need to ensure that guidelines are there if common sense does not prevail. Sales occurs in face-to-face meeting and not online, which eliminates the usage of LinkedIn to conduct sales, but it has sales supportive actions, such as relationship marketing, lead generation and basic marketing communication.

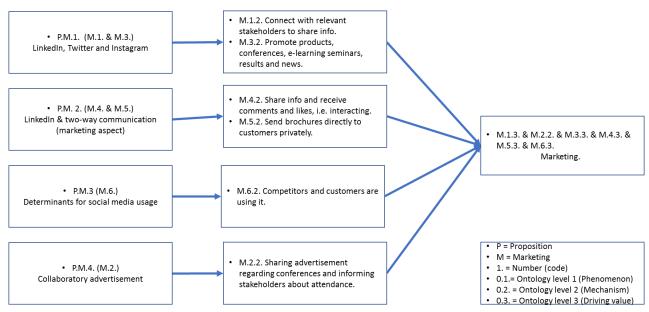
The figures reveal both patterns and relationships between the coded element on account of their ontologies. The boxes to the left show propositions which includes the first level of ontology, i.e. the phenomenon. The box in the middle illustrates different aspects of the second level of ontology, i.e. the mechanism. The box to the right reveals the third level of ontology, i.e. underlying driving values.

#### Sales

Nothing is available due to the high purchasing price for the software and the switching cost attach to it. This is best illustrated by the phrase "... if you own the software, then you own the customer..."



## Marketing



## Figure 5.6. Propositions and ontologies of marketing.

Marketing is restricted in the medico industry, this includes the usage marketing in relation to social media as well. The phenomena extrapolated from interview are the application of platforms, namely LinkedIn, Twitter and Instagram. But LinkedIn is mostly applied. Two-way communications are an embedded feature of applying LinkedIn. The notion that something determines usage of social media has been uncovered. Lastly, due to the marketing restriction companies tend to apply collaborative advertisement.

Mechanisms for applying social media are the ability to connect with relevant stakeholders and share information. Information in this regard is promoting what a company can offer, results and news. Mechanism for applying LinkedIn is the interactive feature and this includes the ability to send commercial content privately to customers. The determinants for applying social media is founded in the usage of it by competitors and customers, which forces a company to follow up and apply it as well. The mechanism of constructing collaborative advertisement for conferences consist of sharing advertising content regarding conferences or exhibitions and typing a text, on it, i.e. the post, that an employee will attend and with what.

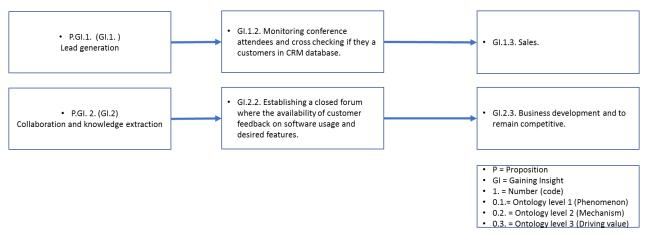


The driving force for every phenomenon and their respective mechanisms is marketing. Even though the medico industry is heavily regulated, then there exists a need to create awareness regarding what a company can provide of products and services.

#### **Connecting People**

In this case the connecting people feature is similar to M.1.1.

#### Gaining Insight



## Figure 5.7. Propositions and ontologies of gaining insight.

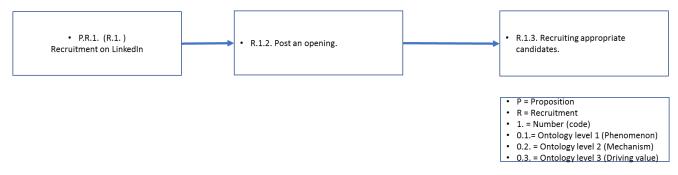
Lead generation and a proposed closed social media forum are the phenomena mention regarding applying social media for gaining insights. Leads relate to business development through acquiring additional customers. Whereas the collaborative and knowledge extraction regards utilizing existing customers to enhance existing software.

The mechanism of lead generation includes monitoring social media activities of stakeholders, to detect if anyone has revealed their presence at a conference. The results therefrom are afterwards cross check with the CRM database to assess if the individual is an existing customer or a potential customer. If the latter is the case, then a lead has been generated. The mechanism for collaboration and knowledge extraction in this highly sensitive industry consists of transforming a manual task into a digital one, by establishing an interactive and closed social media platform, where opinions can be shared and collected.

The driving value for lead generation is sales. Whereas the collaborating with customers to extract knowledge happens because of the need to remain competitive through business development.



#### Recruitment



## Figure 5.8. Propositions and ontologies of recruitment.

Within this industry sales personnel have a tendency to shop around and provide industrial knowledge from competitors when hired. But social media is used in relation to recruitment. LinkedIn is the platform a lot of recruiters apply when recruiting.

The mechanism to apply LinkedIn entails posting an opening with desired qualifications of potential candidates in the post.

The reason why they do this, is to attract appropriate candidates for the position.

## Testable Propositions

The testable proposition regarding how social media can support the internationalization process of IT service providers.

- 8. P.M.1. LinkedIn, Twitter and Instagram are the relevant platforms.
- 9. P.M.2. Two-way communication on LinkedIn.
- 10. P.M.3. Determinants for social media usage (the presence of customers and competitors).
- 11. P.M.4. Collaboratory advertisement.
- 12. P.GI.1. Lead generation.
- 13. P.GI.2. Collaboration and knowledge extraction.
- 14. P.R.1. Recruitment (on LinkedIn).



# APPENDIX C

This chapter will follow the two previous ones in relation to disposition, but both the interviewee and company in focus differ. The company is Bizcon ApS.

## **Brief Extraction**

Name: Yousaf

Job title: Senior consultant at Bizcon.

Company location: Roskilde outside the greater Copenhagen area.

Age of company: Plausibly 15 years old.

Revenue/finance: Operates in the Nordics, hence turnover is from these countries.

Business concept: Collaboration with international businesses that supplies high tech software, which Bizcon sells and assist with the implementation process. The collaboration aspect with suppliers is strong. It consists of dialogue where software development on account of customer desires are included.

Definition of a market: The software transcends industrial barriers and applying industries as a definition for a market is not suitable. Networks is a good definition for a market in a combination with countries. Because networking in Denmark is important, but Bizcon serves customers in Sweden and Norway where the networking approach does not exist.

## Translation & Transcription

Preferences regarding social media platforms? "LinkedIn... We have a Twitter account, but we barely use it... We have a team <u>responsible</u> for social media who **post** on it, then we have all of the **employees** who post different things on it, such as **sellers** for example. We **share** their **posts** to **increase reach** and spread it [i.e. the post] to the broadest **audience** possible... so it **awakens** an **interest** in other **networks.** For instance, it can **generate a lead** for a **seller...** to **create awareness**, it could be that a <u>potential customer has a need and then when the person sees our post</u>, then the person might think, okay, <u>maybe they can solve one of our problems</u>... It has only **commercial interest**... it is primarily **marketing** [i.e. application of LinkedIn]."



What can social media contribute with in relation to internationalization? "...It can <u>reveal our amount</u> of customers and the **potential for collaboration [with other IT service developers/providers]** with us so we can sell their [IT] services... Firstly, it requires experience, for example, we have sold Mega Hopex, which is a EA tool, and we have sold Aris, which is a EA tool as well. We have experience with EA tools. Therefore, a potential collaborative partner would like to work with us... track record... creates trust... <u>New ideas will always be created</u>, because when we post something or have dialogue with others, then people perceives thing differently and that transforms into talks regarding different aspect of software and desired usage of it, which we share with our suppliers. Everything relates to the need someone have, it might be that a software satisfies some parameters, but there might be other parameters a program completely misses. Where the customers would like to have the missed features in their existing software, the solution. This provides new ideas, which we share with our suppliers' software developers, our collaborative partners."

What about sales? "Yes, you can use social media for **sales**. We use **LinkedIn**, where we **promote different options** and **articles** and so forth, concerning why it is **important**. We focus primarily on processing tools... which is our primary concern. We **post different** things concerning the **importance** of having a tool that we can **provide**.... <u>The importance leads to sales</u>. But **reach**, it is about reaching the right people... the **network** makes it possible. That is the primary reason for **applying LinkedIn**. Applying LinkedIn is to **reach** as **broad** as possible and to **display** that we are a **serious business**. It would not make sense if we used Facebook, because then we would not target the right segment... The **customers** are on **LinkedIn**... the **competitors** are there as well... The **suppliers** are there as well... And that is why we are there."

What about relations? "It **builds** on **relations**, for instance, if we have sold something to someone who changes occupation to another place, and often it is to a similar position but just a level higher. The relation we have made with him from a previous sale in the former workplace we can apply to sell in the other company." What are the mechanisms for establishing relations on social media? "...It regards **connecting** with the **right people**, the **decision-makers**. You need to know someone who knows someone, to **establish contact** with them. Another approach is to **search** for people in the right positions in companies and **invite** them for a **meeting**, or just **converse** with them. **Sending** them a **connection invite**, even though they might not feel prepared in becoming a customer in the beginning, them they will be able to see our **posts**. This might **awaken** an **interest** at some point."



Can you establish relation with less relevant? "Yes of course... for instance, <u>my boss has more</u> connections with people occupying higher positions than me, but if I share his post, then you can like <u>it and people in your network can see his post</u>... and it could be that you know someone who can be **relevant** for us... **relations** are good for **marketing**, because ...it is about **building relations**, it is the most **important** aspect. Especially when you have worked with others and delivered greatly, then it is easier than starting from scratch with a new customer." Is it expensive and time consuming the systems you are selling? "... a bit, we normally make use of pilot projects for a month. Customers have a list of requirements, that the tool should fulfill, four or five points... One thing is to say it can this this and that, but only a few accept that. Customers want to see it and experience it with their own data...**LinkedIn** is used to **promote** and **create awareness** regarding **pilot projects**."

Knowledge sharing? "For **marketing purposes** because it is **knowledge** we have, but we **share** them to make other **aware** of the **need** for these **tools** [i.e. enterprise architecture software]. With the aim of **selling**... It can be **articles** that **supports** the **importance** of EA tools that we can **provide**... The primary **focus** in these articles are **numbers**."

Knowledge development? "It is when we can get ideas from people. It could be, for example, you follow some people and companies on LinkedIn, and then you can observe somethings, such as <u>articles</u> which reveals a different perspective of what you are working with, which enlarges the horizon because you see another's perception on the matter... observe and collect data on LinkedIn... Interactions on LinkedIn can contribute to knowledge development, because in the beginning when creating a contact, then in is initiated by writing a message to a person on LinkedIn. To check if his title is one that we can sell to and if he can make decisions and if it is within a field we can sell to."

Knowledge management? "We can of course take individuals from **LinkedIn profiles** and **type** them in our **CRM system**. But it is not knowledge management, it is more **typing in interesting people to contact later**... it is **prospects**, but it can both be **leads**, **prospects** and **existing customers** that are in our CRM system... to create **added sales** and **initial sales**."

One-way communications on social media? "We attend fairs where a lot of potential customers, people with an interest for the EA world attends... We **post** our **attendance** on social media... It is the most **important** thing for us to inform others that we are present at fairs, because we are a little



consulting firm, we are not Ernest & Young or Deloitte... But we have a lot of competent people as well. To **show people** that we **exist**. Everyone know big corporations, but it is import for us to be **visible**... **Visibility** is important... **Interactions** on social media helps to **create visibility** but <u>is has</u> to be with the right people. It is all about **establishing contact** with the right people regardless of the platform or lack thereof... The **right people** are those who works in **process related departments** or <u>who works with process relating things</u>, such as IT architects. Those who can **use** our software... It can be both **decision-makers** and **users**, it is the best to hit as high as possible [i.e. the decision-makers]... Because they make the decision and if you have persuaded them or they are open for the idea, then it is easier to sell something, because they make the decision makers while it is less relevant for someone who just have to use it... **Technical terms** would be applied more for the **users than the decision makers**... **sales** and **exposure** or **visibility** are the main reasons for adapting communication practices, on social media, according to the recipient."

Sociability on LinkedIn, does it have a value? "... if you **know a lot**, then you can **use each other**. If something **pops up**, then you will **think of each other**. My boss knows several thousand people on LinkedIn, and it is not because he is best friends with them all. But every time something happens, then he receives several calls per week, because people knows that he has something to do with these things and they think, let us have a conversation with him... it supports **reach**...it has a **value**... it is import not to add everyone, it is worth it to have a conversation with them. By adding everyone does not create the same professional respect as one you had a conversation with who can see the purpose of connecting. People attempt to connect with everyone without writing a message, and then you cannot see the intent of the connection. It is **important for people** to see what we can **give each other**... it is about getting something out of each other, it may sound wrong, but that is how it works... What people can **contribute** with is the driving factor."

To find and establish relations? "It is what **sales entails**. **Find** or **people** you already **know**, whom you can **exploit** in relation to **sales**... It could be a former <u>customer who change job and then</u> <u>encounter a similar problem in the new company where you sell the same product</u> to him again... or **detect** people with similar **problems** that we can **catch** on **LinkedIn**... the driving factor is commercial interest, **sales**... It can include **marketing** and **branding**, but in the end, it is all about **sales**."



Attention and demand generation? "**Post** and **share articles** regarding <u>the importance</u> of our IT solutions which we are **selling**... the purpose is to **create awareness** regarding a problem that you might not be aware of, but to create awareness about our **firm** and **services**."

What about PR and Marketing communications? "We barely use PR and marketing anywhere, not even on our website. It is primarily **LinkedIn** we use, where we have **contact** to others. LinkedIn is used in relation to PR. We **promote** our **events** to **create awareness** regarding these events... We do not have a marketing department, but our **sellers create content** and we **share** it... those who create the original posts have been here in several years and they are doing it in a **certain way**."

Insight to market? "Yes, you can use social media to **monitor** what is **happening** in the world within our **process world**, which <u>direction are we headed in</u>. It is **articles** that focuses on **developments**, but simultaneously **support** the **need for our tools**. It is to **create professional objective articles** where the **message** is the <u>importance</u> of these tools... there are **incremental changes**." Why is monitoring the market important? "Because you do not want to **lag** behind... the **consequence** is that they **take your customers**, and then you are left with **no business**. There should be a really good reason for not following through with something new, which is founded in a lack of confidence in what the others are doing... **Monitoring what is happening, evaluating what is happening and making a decision if it is something that we want to follow up on or no."** 

What about data collection on social media? "You can **investigate** things... you can **seek problems** or **needs** and **create surveys** and **post** it on **LinkedIn**. The customers can reply on it, this is a method to **collect data**... and **big data**... the most important thing is to **check respondents**, to increase the **validity and quality** of your data... this is either done by **sending** a survey **directly** to respondents or by having a question regarding **job title**... **to screen** and **remove irrelevant respondents**... to **retrieve data** that can **support an initiative** that we are considering... **Data driven decisions** can be done, but we do not apply this approach that much."

Business development? "It is about **finding** the **right titles** and **firms** that could have a **need** for something that we can **fulfill**... People make decisions... and we have to **sell** him an **idea** regarding which need we can fulfill... we have to make him **aware** of a **problem** that they have and **how** we can **solve** that **problem**... First step is to **establish dialogue** with them to **gain insight** to their



<u>processes</u>... **consultancy sales**, but we <u>catch normally people</u> at **events...** Use social media for **branding purposes** to **create awareness** about the existence of the company..."

What about recruitment? "I was **headhunted** through **LinkedIn**... I worked at Danske Bank earlier, where I used a program named Aris, which is one of the enterprise architecture tools. This company where I work at now, Bizcon, and my boss had a demand for Aris consultants. There are not that many of them in Denmark. But he **searched** for it and they **found** me. Then I got **hired**... You can search for **specific words** on **LinkedIn**, and see how many fulfill those things... You do it for **finding** an **appropriate profile** which a **company needs**... You can **post job openings** on **LinkedIn** as well. Then potential candidates can contact a company, but the other approach is more progressive and bolder and **targeted**."

What about content creators and content creation? "I do not believe that there should be **dictates** regarding what **employees** may write and may not write or share on social media, of course within reasonable limits... it limits **liberty of speech**... because I could just handover my profile to them and they can **write** the **statements**. Then it is not **personal** anymore... people who knows me would be able to see if a **post is authentic** or not. Whereas people who do not know me that well might have challenges in **differentiating** between <u>authentic content and inauthentic content</u>... **authenticity creates trust**, if it is not there, then it is just a **commercial**... if you know someone who **post** something that seems more **authentic**, then it **creates confidence** to the **post** and to the **person**... It will **drown** in the **pool** of **commercials** and be **perceived** as **irrelevant**... and you will **lose professional respect** if you **post commercials** instead of an **opinion that support your things**... It is more **personal**..."

What about guideline? "To a **certain limit**... **without dictating,** such as it is **impermissible** to state something related to **racism** or **sexual** or whatever. **Banal** things such as these such be understood. But it can become too much if you are told what to write and what not to write."

Do you perceive a spillover effect from a personal profile on LinkedIn to a company? "There is a **connection**, because you **represent** your **firm**... **LinkedIn** is not a platform for **discussing political** things. That is **reserve** for **Facebook** where you do not **represent a company**. You <u>represent your</u> <u>company on LinkedIn</u>... those things you **post**, if it seems **right and cleaver**, then other people can **adopt an understanding** that it is a company with **competent consultants**... and it can be used to



**recruit** people, through **displaying** a **nice working environment**... If I **agree** with the **content**, then I will think that they have **hired** a **competent employee**, but if <u>I disagree and the content seems</u> <u>hopeless, then it will have the opposite effect</u>... it has a **branding effect**... it could be **personal branding**, where someone want to **promote themselves**... You show more of yourself if you <u>create</u> <u>content instead of sharing content on behalf of your company</u>. So, it is **personal branding**. You can **differentiate** between the <u>company</u> and the personal aspect. I can **post content related** to my **company**, whereas if I **post** something that is **not related to my company**."

What determine the use of social media? "The **ability to reach as many as possible**. Now, social media is **used by many**, which enables the ability to **reach a lot** of **people** in **short time**. But it is impossible to do on other platforms. With other **types of marketing** you would **not reach** as many... and **cheap**... **economy is a factor**."

What can social media contribute with in relation to internationalization process? "We **reach** a lot of people... **promotion**... **relations**... **sales**... **branding**... **recruitment** if required..."

Who uses social media? "... on **LinkedIn** then it is primarily people with a **professional background**. But it can be every other type as well..."

What is the age of people using LinkedIn? "... everyone from the **age of 18 to 80**. It is primarily professionals who use it, so it makes much more sense that people who have a job or are seeking a job use it." Why do they use it? "Because they have to. You can almost not live without a **LinkedIn profile**. It is the first thing people and companies **check up** on, the **LinkedIn profile** and **network**. It is to **create awareness about yourself** and your **CV** and **see** where you can **fit in**... For **companies** then the intended use is to **reach people** and **everything we mention earlier**."

## Attachment & Integration of Codes

The categories are listed and within them are extraction of codes.

#### Sales

Sale transaction are not done online with these types of services. The price and information and education requirements of applying this type of enterprise architectural systems are demanding a face-



to-face meeting and possible proof of concept from the potential acquiring party before sale transactions can take place.

## Marketing

1.1. Content creation on LinkedIn.

- 1.2. A designated team and the employees create content and share created content to increase the reach within various networks. The content can consist of articles for either decision makers or users of IT services, or them both. Furthermore, it is possible to monitor content and detect who is interested in it.
- 1.3. The purpose of it is to enable visibility and reach for the company and its services, hence, branding and ensuring sales are the driving factors.
- 2.1. Leads generation on LinkedIn.

2.2. The creation and dissemination of posts, be it articles, short written content or advertisement, which can regard events, is meant to increase the reach to the broadest audience possible, through networks, to invoke interests and possible leads for sellers. Another approach is to search and find potential prospects by searching for specific working titles, firms or something else that is relevant. Creating interaction enhances reach and monitoring it can provide leads for sellers.

2.3. The driving factor for applying this approach is commercial, namely marketing and sales.

3.1. Promoting the importance of services on LinkedIn.

3.2. Promoting various problem-solving system options in posts and sharing articles regarding the importance of modular processing tools provide the incentive for potential customer to contact the company to inquire more information, demonstration or a meeting concerning acquiring of such software.

3.3. Disseminating the importance of software leads to sales, hence the driving underlying objective for promoting on LinkedIn beside the low costs of applying the platform.

4.1. Applying LinkedIn as a communication channel.

4.2. Creating and sharing professional articles and content and interacting publicly and privately with other professionals on LinkedIn is how the platform is used. These activities ensure that the message, a company want to share, reach the broadest relevant audience possible through networks. Customers, competitors and suppliers are on the platform, hence the reason to apply it.



4.3. The driving force for being active on this platform is to display that the company in focus is a serious and professional company to stakeholders, hence corporate branding i.e. marketing.

5.1. Knowledge sharing on LinkedIn.

5.2. The knowledge of a company regarding various themes related to their business concept is included in posts, articles and shared content. Where the emphasis is on numbers when the content is directed toward decision makers and on functionality with the application of technical terms when it is directed toward users.

5.3. The driving purpose of this is to create awareness and support the importance of services a company can provide and thereby constitute the marketing aspect of applying LinkedIn.

6.1. Visibility on LinkedIn.

6.2. To show the right people that the company exist by posting attendance to offline events, creating and sharing posts and articles, and engaging in dialogues on social media to enhance the reach, i.e. interactions. A condition for reaping the fruits of these activities is to establish contact with the right profile.

6.3. The driving factors for these activities are marketing and sales.

7.1. Spillover effects on LinkedIn.

7.2. Employees represent a company on LinkedIn, therefore, display of competence brands employees in a company. Display of liberty during the working hours, brands the working environment and the corporate brand. Display of ignorance have a negative effect. Creating and sharing own content relates to personal branding, whereas sharing corporate content relates to the company brand. Posting non-company related content is the differentiating factor between spillover effects, i.e. associating employee created or shared content with a company.

7.3. The driving factor is marketing due to associations.

8.1. Authenticity on LinkedIn.

8.2. Liberty of speech with no direct interference from a company ensures that content becomes authentic, this applies both in dialogues and posts. Authenticity creates trust and professional respect and the content becomes personal when supporting one's opinion with posted content instead of sharing a commercial.

8.3. The driving factors are marketing and professionalism, because trust, personal branding and perceived professionalism ensures that the commercial is read and reaches more people than conventional commercials on LinkedIn.



#### Connecting People

- 1.1. Connecting on LinkedIn.
- 1.2. Search, find and invite people to join a network is one approach to connecting with others on LinkedIn. The invite should include text regarding why both parties should connect and have emphasis on relevancy, what the inviting profile can serve the other with. Another approach is to monitor activities on posts and either engage in dialogue with the person publicly in the comment area prior to inviting them to join one's network or just invite them. The joining of networks facilitates direct interactions, both publicly and privately, and the visibility of posts, for each party and their networks if one of them like the post, share it or comment on it. Mutual exploration and exploitation of each other and networks.
- 1.3. The driving factor is either to awake an interest in services now or in the future, hence sales drive the mechanism for the phenomenon of connecting online on LinkedIn.
- 2.1. Building relationships on LinkedIn.

2.2. Search, find and connect with relevant people on LinkedIn. The right categories are two, decision makers and users of IT services, such as IT engineers. Interactions are a requirement for building a relationship, hence both online and offline interactions should take place. A private correspondence where both parties introduces themselves can be followed by an offline meeting, if the other person seems interested in IT services. A connection on LinkedIn opens the access for both parties' networks and thereby enhances the reach of marketing content, therefore, less relevant profiles can serve a company by increasing the reach.

2.3. Marketing and sales are the driving factors for building relationships

3.1. Connecting with less relevant people on LinkedIn.

3.2. Connecting with people and firms that might not have an interest in acquiring IT software can serve a purpose. It could be that the owners of these profiles are interested in the content of the posts and articles, and therefore invite the other part to joint their network for accessing updates in this industry. Connecting with these types provide access to their networks and hence an increase in reach potential and referrals.

3.3. The driving factor for connecting with less relevant profiles is to ensure reach, ergo marketing.

4.1. Importance of relationships.



4.2. When change in occupation happens, it can involve switching company and it might include a slightly high job level. A relationship might carry the need for a service with them, hence securing a new sale contract with a similar service for the same person in a new company. Furthermore, a relationship grants access to a network, which provides reach of content and referrals.

4.3. The driving values are marketing and sales.

## Gaining Insight

- 1.1. Detecting collaboration partner.
- 1.2. Searching, finding and evaluating a potential collaboration partner on LinkedIn. It is possible to monitor networks of companies and employees to evaluate experience and accessible networks for evaluating potential sales in a potential partnership.
- 1.3. The ability provides insights to current and future selling potential, which display experience and creates trust, hence the driving factors are to assess the trustworthiness of a company and its selling potential.
- 2.1. Need detection.

2.2. Creating awareness of needs by writing and sharing professional content on LinkedIn support the need recognition notion, because some might not be aware of a solution or being able to pinpoint a problem.

- 2.3. The driving factor for creating this phenomenon is marketing.
- 3.1. New idea creation, e.g. data collection.

3.2. When posting something and creating interactions or dialogues with others, then a different perspective on a matter emerges, this includes different or new requirements for existing software. Some dialogues are transformed into offline talks where others continue online. The outcome these talks result in desired application, which is shared with the developers of IT software systems, to meet those requirements by integrating new features into existing programs. Monitoring posts, likes and comments to form an idea of something. Another approach is to create and share surveys.

3.3. The driving factor is satisfying needs in a collaborative manner between partners in an international constellation. Hence, customer satisfaction, detecting preferences and requirements



for addressing them can become the vehicle that strengthens a software brand, ergo the driving value is marketing.

4.1. Gaining insight to other perspectives and developments through use of LinkedIn.

4.2. Connection and following are a two-way streak. When following others observation can happen through reading articles, posts and dialogues. This can enlarge the horizon and provide new ideas to enhance functionality of services and marketing content. The enhance functionality can be shared with the IT service developers. Monitoring incremental market changes for evaluation of new features and assessing if there is a need to adopt new attributes.

4.3. The driving factors for searching for different perspective and monitoring developments is assumed to be enhancing business practices and performance to secure the continuing existence of a business.

5.1. Prospect detection through use of LinkedIn.

5.2. The search and find function or monitoring aspect of interest on LinkedIn is applied to store potential customers in CRM system.

5.3. Lead generation or customer profile management information is for the sole purpose of managing sales, hence the driving force is sales.

## Recruitment

- 1.1. Headhunting on LinkedIn.
- 1.2. The search and find function of LinkedIn enables detecting candidates for a job opening. The words in a LinkedIn profile can be search for and if a profile contains text that someone else searches for, then the profile will become visible for the searcher.
- 1.3. This possibility ensures that a future employee or partner from across the globe can be found and contacted. This mechanism can strengthen the practices and performance of a company by facilitating hiring the best candidate available, which is assumed to be the underlying driving force of applying the phenomenon.
- 2.1. Posting job openings through use of LinkedIn.

2.2. By creating a post or an article which informs about the required skills to occupy a job opening. Contact information for job seekers should be available and the content should aspire potential candidate to apply for the job.



2.3. The assumption is that hiring the best candidate is the driving force for applying the phenomenon.

## Pattern & Relationships

LinkedIn is the dominating social media platform for IT services providers. Customers, competitors, suppliers and potential recruits are on the platform, hence its relevancy and the need to make use of it. The functions are simple and relates to different purposes of applying LinkedIn. Social media is internet-based platforms and LinkedIn is used globally, hence every phenomenon can have an international dimension attach to it, if required. Selling requires insight and a potential proof of concept, the service is an investment that require face-to-face meetings for convincing new customers that it works. This transforms LinkedIn usage into a connecting, knowledge sharing and communication platform where interactions, relationships marketing, marketing and monitoring activities become the primacy. Therefore, LinkedIn is an interactive marketing communication platform which serves personal branding, corporate branding, service branding, establishing relationships, observing market tendencies, data collection, inspiration portal for new ideas, supporting sales activities, supporting international partnership (formation and continuation) and strengthening business practices and performance through recruitment.

The figures reveal both patterns and relationships between the coded element on account of their ontologies. The boxes to the left show propositions which includes the first level of ontology, i.e. the phenomenon. The box in the middle illustrates different aspects of the second level of ontology, i.e. the mechanism. The box to the right reveals the third level of ontology, i.e. underlying driving values.



## Marketing

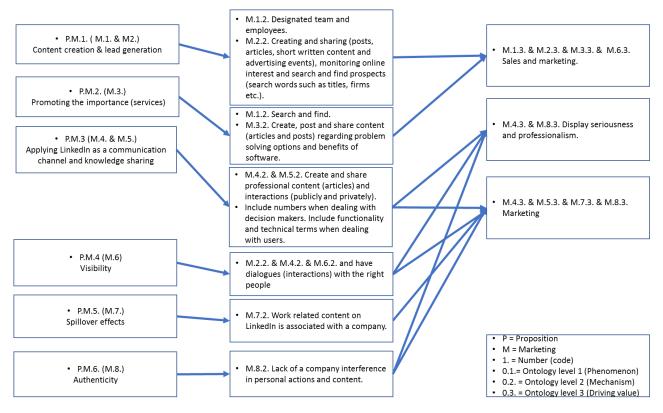


Figure 5.9. Propositions and ontologies of marketing.

The interesting phenomena are content and lead creation, promoting the importance of services, knowledge sharing by applying LinkedIn, visibility, spillover effects and authenticity. Content creation and leads generation are not necessarily mutual exclusive on LinkedIn. The importance is an integral aspect of content, because it should have a relation to a company and its services. Knowledge sharing is embedded with the use of LinkedIn, hence the merger of these two phenomena, because you cannot have one without the other. Visibility is a circulating phenomenon, because this notion affects and is a part of every function LinkedIn offer. Interesting enough then, visibility is both a means and a goal, i.e. reach which is a marketing aspect of LinkedIn usage. Spillover effects from employee related actions to a company and its brand, can have marketing related consequences. Authenticity, this phenomenon is interesting and conflicting. Content on LinkedIn are not supposed to resemble commercial content, but if it has a personal touch from an employee, then the perception of the content or action, of an employee, differs and becomes acceptable.

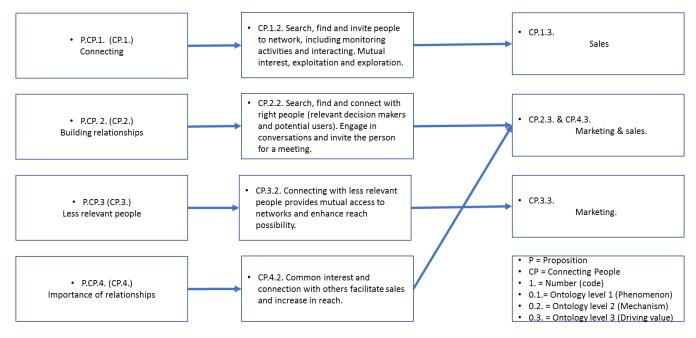


The mechanisms which creates phenomena are a designated team and employees who create and share content. This includes posts and articles and advertising events, monitoring activities to detect interests and the search and find mechanism of LinkedIn for generating leads and content. Content with various options for solving problems related to services are the facets of promoting the importance phenomenon. Similarly, the mechanisms for applying LinkedIn and share knowledge resembles previous mention mechanisms, where public and private interactions are included. Furthermore, content is directed toward two groups, namely the decision makers and users. Decision makers prefer numbers, whereas users prefer functionality and technical terms, hence incorporating these aspects into content is important. Visibility has the same mechanism as mentioned earlier in this paragraph, but it is important to include the right people. Hence connecting with the right people is a condition for attaining fruitful visibility results. Spillover effects occur when the activities of an employee on LinkedIn is related to the individual's company. If the post, article or comment is good, then it reflects competent employees at the respective company and vice versa when it is bad. The mechanism for generating authenticity is by providing employees liberty and not dictating rigid rules and activities.

What drives mechanisms into existence are primarily sales and marketing. But displaying professionalism and thereby indirectly demanding to be taken serious relates to three mechanisms which are visible in figure 5.9. This in its essence, then professionalism is marketing, because it deals primarily with perception.



## **Connecting People**



#### Figure 5.10. Propositions and ontologies of connecting people.

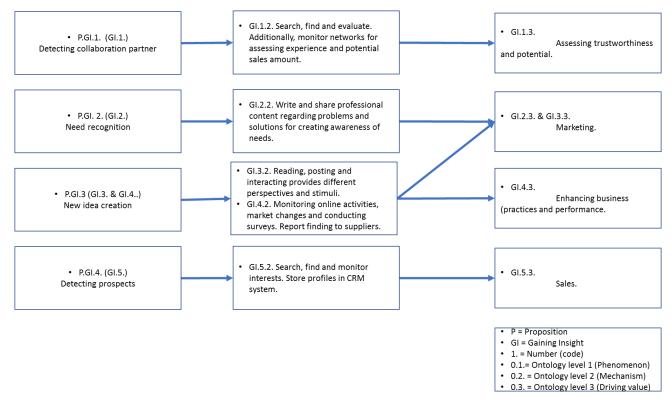
The phenomena are four, namely connecting, building relationships, less relevant people and the importance of relationships.

The mechanisms are similarly four, but in their essence then they are identical. Because search, find and invite people to a network based on mutual interests with the opportunity to explore and exploit each other and respective networks are the common elements for all mechanisms. Additionally, interacting and monitoring activities to awaken or detecting an interest is a part of applying LinkedIn. Furthermore, connecting with relevant and less relevant people provides access to additional networks and the possibility to increase reach of written or shared content.

What drives the impetus for connecting people on LinkedIn is either sales or marketing, but it can also be both.



#### Gaining Insight



#### Figure 5.11. Propositions and ontologies of gaining insight.

Phenomena related to the gaining insight category are detecting collaboration partner, need detection, new idea creation and detecting prospects. These phenomena are different facets of applying LinkedIn.

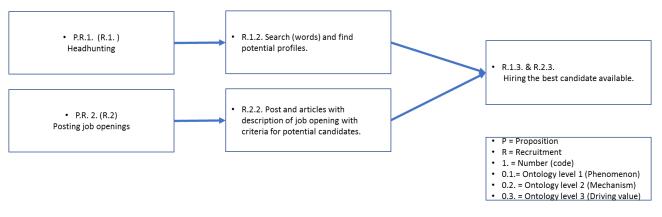
When dealing with acquiring collaboration partners, then assessing their experience with related topics and their potential to serve the mission becomes important. Firstly, there is a need for detecting them and LinkedIn search functions and the ability to monitor networks becomes important. The social media assessment can support track records of a firm and thereby advocate for forming a collaborative partnership with another company. The mechanism for need recognition is an integral aspect of using LinkedIn with marketing intend. The focus should be to write and share professional content which highlight problems and solutions for these problems, i.e. IT services a company can provide. Reading, posting and interacting on LinkedIn provides different perspectives and stimuli for creation of new ideas. Additionally, monitoring online activities, market changes and conducting surveys can contribute with broadening the horizon and create new ideas. Ideas should be shared with IT service developers, be it a collaboration partner or another department within the firm. Searching,



finding and monitoring of interests can serve a company by revealing prospects. Following the detection of prospects, then their profile can be stored in a CRM system.

The driving factors for mechanisms and thereby the phenomena are marketing, sales, enhancing business practices and performance, and assessing the potential and trustworthiness of future collaboration partners.

Recruitment



## Figure 5.12. Propositions and ontologies of recruitment.

There are two phenomena related to this category, namely headhunting and posting job openings.

The search and find feature of LinkedIn provides access to potential candidates. Whereas a less progressive approach is to write a post or article with description of the job and qualifications of potential candidate.

The driving force for this activity is to recruit the best candidate available.

## **Testable Propositions**

The testable proposition regarding how social media can support the internationalization process of IT service providers.

- 17. P.M.1. Content creation & lead generation.
- 18. P.M.2. Promoting the importance (of services).
- 19. P.M.3. Knowledge sharing through applying LinkedIn as a communication channel.
- 20. P.M.4. Visibility.
- 21. P.M.5. Spillover effects.



- 22. P.M.6. Authenticity.
- 23. P.CP.1. Connecting.
- 24. P.CP.2. Building relationships.
- 25. P.CP.3. Less relevant people (enhances reach potential).
- 26. P.CP.4. Importance of relationships (facilitates sales and reach).
- 27. P.GI.1. Detecting collaboration partners.
- 28. P.GI.2. Need recognition.
- 29. P.GI.3. New idea creation.
- 30. P.GI.4. Detecting prospects.
- 31. P.R.1. Headhunting.
- 32. P.R.2. Posting job openings.



# APPENDIX D

No.	Names & publishing year	Philosophy of science	Method	Sample size	Sample origin	Findings
1.	Weerawardena , Salunke, Knight, Mort & Liesch (2019)	Positivism	Harman's single factor test, Mann- Whitney U tests & partial least squares in structural equations modeling.	157	USA	Market learning leads other learning capabilities for born global SME which contributes with innovation and international market performance.
2.	Su (2013)	Interpretivis m	Qualitative questions, both open ended and semi-structured interviews. Analytical chronology, diagnostic case, theoretical case & cross-case analysis.	13 case studies	China	Some IT software suppliers follow an incremental internationalization process (5 follows Uppsala), where others are born global (focuses on sales 8 cases did so).
3.	Freeman, Hutchins & Chetty (2012)	Interpretivis m	Multiple case studies and cross-case comparisons. Open, axial and selective coding.	20 case studies	Austral ia and UK	Born global firms expand quickly due to networks, adaptation of proactive approach and technologic knowledge, regardless of cultural proximity.
4.	Moen, Gavlen & Endresen (2004)	Direct realism	Open ended interviews. Descriptive case studies.	5	Norwa y	Network relationships determines foreign entry, which is either through agent or partners or hierarchical. Competence and ability to sell are valued when selecting a foreign distribution partner for the IT software development industry. The internet makes it possible to find and maintain international partners, regardless of geographic distance.
5.	Eid & Trueman (2004)	Positivism	Five-point Likert scale was used in survey. Berlett test of sphericity and Kaiser Meyer Olkin test of appropriateness.	128	Compa nies from the UK	Successful B2B internet- based international marketing depends partially on trust in information, delivery, fulfillment and service. Relationships with suppliers, customers and distributors should relate to both online and offline relationships.
6.	Lisboa, Skarmeas & Lages (2013)	Positivism	Explorative in-depth interviews to construct survey questions.	267 (differe nt manufa	Portuga 1	Balanced approach with exploitation (improvements, elaboration and refinements of export market knowledge



			Harman's test and Tucker-Lewis fit index.	c-turing firms in differen t industri es)		by a firm) and exploration (seeking new markets and new knowledge) to enhance export performance.
7.	Chamelian (2016)	Interpretivis m	Explorative open- ended qualitative questions with follow-up questions for interview. Data reduction, data display and drawing conclusions.	1	France	Use of different types of networks (innovation, customer, partner and social) support sales of <u>software as</u> <u>a service</u> . Maintaining aftersales relationships enhances the retention rate.
8.	Ahlbrecht & Eckert (2013)	Positivism	Cronbach fit tests, logistic regression estimates, t-test & multiple regression.	524 cases from 204 compan ies	Central & East Europe	Most companies initiate foreign market entry with low-intensity and gradually increasing commitment [Uppsala original]
9.	Aspelund & Moen (2012)	Positivism	Cluster analysis ANOVA with Bonferroni tests and factor analysis tests (Cronbach Alpha).	317	Norwa y	Born global firms are relatively small, targeting niche markets and operates globally with technological advanced products.
10.	López, Ordaz, Sánchez & Moro (2015)	Positivism	Chi [^] 2 test for determining independence and correlation.	99	Spain	Large Spanish corporations barely use online social networks (39%). But indicators with newer data suggest growth. Furthermore, dissemination of content, increase brand awareness and potential customers (business development) will lead growth in online social network adoption.
11.	Hamill, Tagg, Stevenson & Vescovi (2010)		Literature review. Editorial "special edition".			The internet lessens internationalization barriers and collaboration with international partners with co-creation and exploitation of opportunities.
12.	Sinha, Wang, Scott-Kennel & Gibb (2015)	Interpretivis m	Contextual overview, reduction (by comparisons and contrasting data) and coding schema.	10 Cases – softwar e firms	New Zealan d	Foreign market entry experience to psychic cultures increases the importance of this phenomenon. Market selection is initially based on potential (size) following assumed ease of entering a foreign market. Hence foreign entry is a mixture of born global and Uppsala.



		1	1			
13.	Harrigan & Miles (2014)	Positivism	Principle Component Analysis by using orthogonal rotation, varimax rotation by using Kaiser normalization.	156	Englan d	SMEs interact both online and offline with customers (CRM). Social media data are used for CRM decisions (sales, communication & campaigns), capture other information and communication norms are regular, multichannel and interactive communication.
14.	Westjohn & Magnusson (2017)	Positivism	Amos 24 was used to estimate the structural equation model.	203	USA	Psychic distance and international experience have moderating effects on marketing adaptations and thereby export performance.
15.	Williams, Martinez, Gastelaars, Galesloot & Van De Kerke (2011)	Positivism	Logical regression analysis and correlation analysis.	544 foreign expansi ons	The Netherl ands	Psychic distance has a role when expanding to developed economies, but that is not the case when expanding into developing economies.
16.	Bell & Loane (2010)	Critical realism	Literature review in a combination with illustrative cases.	5 cases	USA, the Netherl ands, Sloveni a and New Zealan d	The internet facilitates rapid internationalization of SMEs. Additionally, close collaboration and co- creation are included as well. Superior B2B networking capabilities to augment knowledge and capability base.
17.	Loane & Bell (2002)	Interpretivis m	Qualitative Comparative Analysis.	8	Globall y	The internet may increase internationalization and visibility of SMEs.
18.	Tseng & Johnsen (2011)	Interpretivis m	Coding, themes, categories, reduction of data role-order matrices, pattern identifications, comparisons, intra- case and cross-case analyses.	10 cases	UK	SMEs rely on using the internet for communicating with international customers where interactive and personal forms of contact. High tech SMEs use the internet for intelligence gathering, coordinating relationships, develop relationship with new suppliers, intermediaries and customers. Furthermore, to investigate and expand connects.
19.	Laanti, McDougall & Baume (2009)	Interpretivis m	Literal replica method, analytical generalization, coding and generating patterns.	4	Singap ore, Sweden , Finland and Austral ia.	Psychic distance is irrelevant in the beginning of internationalization, but after coping with it, then it becomes a lesson for further international expansion. Learning, opportunistic, de- internationalization and



			maturing phases are what
			MNEs in service industry
			encounter when
			internationalizing.



# APPENDIX E

The three searches for literature:

