10th semester Master Thesis

FROM NATIONAL TO INTERNATIONAL - CHALLENGES AND STRATEGIES FOR BUSINESS TRANSITIONS

A study of concrete challenges and strategies for Danish companies expanding their business activities to Germany.

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Preface

I would like to thank Erhvervssyrelsens international department, which is located in Aalborg, for your support and cooperation in connection with my project. Your expertise, commitment and willingness to share knowledge have been crucial to my project. Your participation and your contribution have given me a deeper understanding and insight into the topic, which I hope will be expressed in the project. Your efforts have meant a lot to the project, and it has been exciting to get your perspective. I am grateful for the time and attention you have dedicated to working with me, and now the reader as well.

In addition, I would like to thank the department "Large customer" from Spar Nord Bank and their HR department for putting me in touch with them. Your kindness, professionalism and willingness to help have made a significant difference in the development of the project. Through your support, I have had the opportunity to obtain relevant data and insights from the Large Customer department, which has been of crucial importance for the project's data. I am deeply grateful for the kindness you have shown and the effort you have put into facilitating the process of accessing the necessary resources.

In conclusion, I would like to take this opportunity to express my gratitude to my supervisor Anne Grethe Julius Pedersen for the good guidance and support throughout the project. Your expertise, patience and dedication have been invaluable contributions to my project's development. Through our meetings, discussions and feedback, you have not only guided me through complex topics and methods, but also inspired me to strive for quality and professionalism. Your commitment to the project has been crucial to its progress, and I am grateful for the trust and encouragement you have shown me along the way.

It is my hope and wish that this thesis can help develop in the area and draw attention to the challenges that Danish companies may experience when they move into international markets and the strategies they should use. It has been incredibly exciting for me to investigate the German market and gain an understanding of these challenges and strategies that many companies will experience in 2024.

Abstract

This thesis examines the challenges and opportunities faced by Danish companies when expanding their activities into the German market. The research question focuses on identifying and analyzing the cultural differences between Denmark and Germany that can affect the success of companies in an international context. The research questions focus on how these cultural differences can be understood and managed, as well as what strategies Danish companies can use to adapt to the German market.

To answer these questions, the dissertation uses a mixed methods approach, including both quantitative and qualitative methods. Semi-structured interviews have been conducted with key interviewees from both Danish and German companies, combined with an analysis based on Hofstede's 6 dimensions of culture and a PESTEL analysis. These methods were chosen to achieve an in-depth understanding of both internal and external factors that affect Danish companies' expansion into Germany.

The results show that Danish companies' primary challenges are economy, culture, politics and legislation. Recommended strategies include market analysis, cultural training, hiring local co-workers, and investing in legal advice to ensure compliance with German law. By applying these strategies, Danish companies can better manage the challenges and maximize their success in the German market.

The discussion of the results shows that they generally live up to expectations of identifying the most significant challenges and opportunities. The results underline the need for a strategic approach, adaptation of the new surroundings and an in-depth understanding of the various challenges and opportunities highlighted in this project.

Overall, this thesis contributes insight into the complex dynamics that characterize Danish-German business relations and offers concrete strategies for Danish companies that want to expand their activities into the German market.

Indholdsfortegnelse

Chapter 1 - Introduction

In the following section, I will introduce the motivation for writing the project, an overview of which problem area will be worked from, as well as the purpose and relevance of the project. I hope this will give the reader an initial overview of what they can expect to read in the report and how the project seeks to contribute to existing knowledge in the field.

Motivation

Understanding and addressing the challenges of companies' transition from national to international operations is of paramount importance in today's globalized business environment. This issue arouses my interest because of its complexity and depth, as well as its importance for the success of companies in the international market. My interest in this issue is rooted in my previous studies in finance. During my studies, I participated in a study trip to Frankfurt am Main in Germany, where I got first-hand experience of the challenges companies face when expanding their operations across borders. This experience has helped shape my understanding of the complexities of international business operations and has sparked my interest in exploring this topic further. My motivation for writing this thesis lies in the desire to contribute to the understanding of these challenges and their solutions. Furthermore, I wish to deepen my own understanding of the complexity of the corporate internationalization process and explore innovative approaches to overcome the identified challenges. Finally, I see this thesis as an opportunity for personal and professional growth, where I can explore a topic of importance and interest. I look forward to delving into this issue and contributing to the existing scientific and professional discourse on companies' international transition processes.

Problem field

The transition from national to international operations is a crucial phase for companies seeking to expand their market and increase their global presence. However, this transition can be fraught with complex challenges and obstacles that can pose significant risks and threats to business success. For companies in different industries and of different sizes, these challenges may vary, but some key themes and issues are general and relevant across companies and sectors. (Cumberland and

Wanding, 2022: 13) One of the main challenges in the transition to international operations is the complex and often unpredictable nature of international markets. Cultural differences, legal and regulatory differences, currency risks and political instability are just some of the factors that can create uncertainty and difficulties for companies trying to establish themselves in new countries and regions. These challenges can affect everything from market access and product customization to distribution channels and consumer behavior. In addition, companies face significant organizational challenges as they expand their operations internationally. Building and managing a global team, coordinating activities across different geographies, and ensuring consistency in customer service and product quality can be complex and resource-intensive tasks (ibid.). Companies may also face challenges in adapting their business model and operating processes to the unique demands and expectations of international markets. Finally, competitive pressures and market dynamics can pose significant challenges for companies in the transition to international operations. Competition can be intense in international markets, and companies must be able to differentiate themselves and create a unique value proposition to gain and maintain competitive advantage. Moreover, market volatility and changing consumer preferences may require rapid adaptation and innovation on the part of the company. Overall, the transition from national to international operations is a complex and challenging process requiring careful planning, strategic management and the ability to deal with a variety of challenges and risks. For companies looking to realize their global ambitions, understanding these challenges and developing effective strategies to address them is crucial (ibid.).

Purpose

The purpose of this thesis is to examine the primary challenges that companies face during the transition from national to international operations, and to identify and analyze strategies that companies can apply to meet these challenges. The thesis does not focus on identifying challenges in general, because these have already been sufficiently uncovered, but rather on getting more in-depth so that it becomes more tangible to understand and access the specific issues. Therefore, this project has chosen to focus on Germany. It is my opinion that if companies look too superficially at their challenges and possible strategies, it can result in a lack of understanding of the deeper layers. If companies do not understand the complexity and variety of challenges, this can lead to consequences for the company's success. This can either result in the company's internationalization being delayed or their expansion abroad stopping altogether. Therefore, the aim of this project is to continue working with already existing research and try to reach one or more layers deeper. The results and recommendations of the thesis will provide practical and useful insights to business leaders, strategic decision-makers and other stakeholders working with or considering international business development. By focusing on the most central challenges, the thesis will contribute to creating clarity, creating a direction for companies' strategic decision-making process and helping to minimize risks and optimize their international success – which will be elaborated in the next section.

Expected Contributions

In the upcoming section, I will present the expected contributions from this project. As mentioned above, this includes an account of how the project will try to fill existing gaps in the literature and contribute new insights. However, this is very difficult due to my lack of experience and the short research period of the project. I will also explain how the results of this project might be applicable in practice and academically, as well as contributing to the practice and development of businesses. The project is expected to deliver the following contributions:

- Identification of primary challenges
  The thesis will identify and analyze the primary challenges that companies typically face during the transition from national to international operations. In this case, the focus is on Germany. By examining and categorizing these challenges, the thesis will contribute to a deeper understanding of the complex dynamics at play in internationalization.

- Analysis of strategies
  A comprehensive analysis of different strategies will be carried out to address the challenges identified. This may include an assessment of both general and industry-specific strategies, as well as an evaluation of their effectiveness and applicability under different conditions and in different contexts.

- Contribution to research on internationalization
  The thesis is expected to contribute to the further development of the theory of international business development by providing new insights, analyses and perspectives on the field.

This can hopefully contribute to a more nuanced and in-depth understanding of the complex processes and factors affecting corporate inter-nationalization.

- Practical value for companies
  Finally, the thesis is expected to have a direct practical value for companies facing challenges in connection with internationalization. The developed recommendations may inspire guides and action plans for companies seeking to optimize their international activities and achieve growth in global markets.

Problem statement

"What are the primary challenges for Danish companies looking to expand their operations into Germany, and what strategies can be used to overcome these challenges?

Delimitations

In this section, I will present the delineations I have made in my study of the transition of companies to international operations. These boundaries are crucial for creating a focused and targeted study that addresses specific aspects of the problem statement. I will re-outline my choices and the reasoning behind them to ensure a clear understanding of the scope and limitations of my analysis.

Which countries

This project is limited to focusing specifically on expansion from Denmark to Germany. The choice of Germany as the primary focus area is due to several factors. First, the delimitation enables a more in-depth analysis of the unique challenges and opportunities that Danish companies face in expanding their operations into the German market. In addition, Germany is one of the world's largest economies and one of Denmark's most important trading partners. The delimitation to Germany therefore makes it possible to identify and exploit untapped opportunities for Danish companies in this market, which can strengthen Danish exports and increase the international competitiveness of companies. In addition, there is a significant demand from Danish companies for insights and recommendations regarding the German market. By focusing on Germany, this project can therefore meet this demand and deliver concrete and targeted results that Danish companies can use in their international expansion strategies.

What type of companies

In my project, I have chosen to focus specifically on companies that meet certain criteria, including that they operate within the B2C segment, are manufacturing companies and belong to the category of medium-sized companies. This choice is based on several considered arguments: Market relevance and uptake: The B2C segment represents a significant part of the market as it includes companies that directly address consumers. By focusing on these companies, I can explore the challenges of delivering products or services directly to end users, which is a key part of many companies' international expansion strategy. Manufacturing complexity: Manufacturing companies face challenges related to internationalization due to the complexity of their operations, supply chain and production processes. By researching these companies, I can gain insight into the specific challenges they face as they expand their operations into international markets. The importance of medium-sized enterprises: Medium-sized enterprises form the backbone of many economies and play a crucial role in creating jobs and economic growth. By focusing on this group of companies, I can address the challenges and strategies of a significant sector of business that is often overlooked in research for the benefit of large multinationals. Finally, there is of course also an advantage in limiting to these companies, as it gives the thesis the opportunity to go into more depth.

What time horizon

In my project, I have also chosen to limit the project's time period to go back to 2019 at most for several significant reasons. Relevance and timeliness: By limiting to data and information dating back to 2019 at most, I ensure that my analysis is relevant and current in relation to the current conditions and trends in the market. Corporate challenges and strategies in transitioning from national to international operations may have changed over time, and it is therefore important to ensure that my project reflects current reality. Continuity and coherence: By staying within a recent timeframe, I ensure continuity and coherence in my data and analysis. This makes it easier to identify patterns, trends and correlations between different factors and ensures that my conclusions and recommendations are well-founded and reliable. Data quality and availability: The newer the data I use, the more reliable and accessible it often is. By limiting ourselves to a time period dating back to 2019 at most, I can ensure that the data and information I use in my project is of high quality and easily accessible, which strengthens the validity and credibility of the analysis.

Chapter 2 - Literature review

In this section, I will provide an overview of existing research, theories and empirical studies related to the challenges faced by companies during the transition from national to international operations. The purpose of this literature review is to gain an understanding of the factors and dynamics that characterize this transition process, and to identify relevant models that companies can use to meet these challenges.

The literature review will be structured around the central themes and concepts relevant to my problem statement. I will start by examining theories of internationalization and the transition of companies from national to international markets. This will include a review of theoretical perspectives such as the Uppsala model, transaction cost theory and resource-based theory, all of which contribute to our understanding of how companies navigate the international arena.

This leads to, the theory section, that will outline the research and theory that the project has chosen to use in the analysis. These will include topics such as cultural differences, legal and political barriers, economic risks, market development and competition. I will also examine factors related to business strategy, management and organizational capacity that influence the transition process – but we will discuss this in more detail in the next section.

Hopefully, the already existing research used in the analysis will help identify challenges and evaluate strategies and solutions that companies can use to address these challenges and achieve success in international markets. This may include differentiation strategies, cost management approaches, partnership and alliance strategies, and adaptation approaches to cultural and operational differences.

Through this literature review, the thesis strives to create a solid foundation of theoretical and empirical knowledge that will inform my analysis and discussion of companies' transition from national to international operations. By integrating existing research and theory with my own empirical contribution, I hope to contribute to a deeper understanding of this complex and dynamic process.

Existing research and approaches/models

Now I will review relevant research and theories that can inform about already existing knowledge of companies' transition to international operations. I will present and explain these theories to create a solid foundation and show what understanding of the field I have had before deciding which theories I would apply the project. Through this review, I strive to identify key perspectives that will inform my own contribution to the literature on the subject.

Diamond model

The diamond model is a well-tested and recognized tool in international business economics. By using this well-defined analytical framework, researchers can ensure a precise and systematic analysis of the challenges and strategies associated with the internationalization of companies. The diamond model is not only relevant for academic research, but also for practitioners in the business world. By examining the diamond model results, companies can gain insight into the factors that affect their international competitiveness and develop strategies to address challenges and seize opportunities in the international market (Porter, 1990: 74).

In 1990, Porter published the book "The Competitive Advantage of Nations", in which he presented his theoretical perspective. He intended to account for and map the links between various factors that could explain why certain nations achieve international success in specific industries. Through his work, Porter has examined several key parameters: competition and competitive advantages, which vary between industry segments and industries. Focus and identification of foreign activities. Corporate success that requires continuous improvement in marketing, product/service innovation and customer segment development. Companies that gain competitive advantage typically can identify the potential of new technologies or market needs and subsequently execute them. (Porter, 1990: 75). Porter highlights four determinants based on the above considerations. Each determinant is considered to influence how certain geographical areas achieve and maintain greater competitive advantages than others (Porter, 1990: 78).

1. Factor ratio

"This factor refers to the factors of production available to a nation, including labour, natural resources, capital and infrastructure. Porter argues that differences in these factors can create competitive advantages for certain industries in certain countries" (ibid.).

2. Demand conditions
   "Porter believes strong domestic demand can act as a driver for innovation and product development. High demand can also create incentives for companies to improve their products and services to meet market needs" (ibid.).

3. Related and supporting industries
   "According to Porter, the presence of related and supportive industries in a particular sector can strengthen competitiveness. These industries can help create a strong value chain and eco-system that supports and reinforces each other" (ibid.).

4. Company strategy, structure and competition
   "This factor deals with the internal organization, strategies and competitive structures of enterprises. Porter argues that the level of competition and strategic approaches of companies are crucial to creating competitive advantage" (ibid.).

Porter also highlights two external determinants in the model: "Chance" and "Governance". Both chance and government are factors that companies cannot control, but they can nevertheless try to influence them. The public authorities can set frameworks, rules and legislation that companies must comply with. This can sometimes result in certain competitive advantages, while other times it can lead to limitations. Chances may arise because of chance or changes in the market or environment. It is essential that companies can react quickly and be flexible to exploit the potential offered by opportunities and competitive advantages (Porter, 1990: 74).

Porter's Five Forces

Porters Five Forces provides a detailed analysis of the competitive situation in a particular industry by examining the threat levels of various competitive factors: the threat of new entrants to the market, the bargaining power of suppliers and buyers, and the threat of substitute products (Porter

2008:26). By analyzing the competitive situation in this way, Porter's Five Forces can provide a complement to the Diamond Model by adding a microeconomic perspective to the macroeconomic analysis offered by the Diamond Model. While the Diamond Model focuses on broader macroeconomic factors such as production conditions, factor relationships and demand conditions, Porter's Five Forces provides a more detailed understanding of the specific competition and market situation that companies face in their industry.

As mentioned earlier, Porter's Five Forces tool allows companies to analyze the competitive situation in the industry they operate in or intend to enter. This analytical tool is often used before the company enters a particular industry to gain insight into how attractive it would be to engage in that industry. In addition, companies also use the analysis to evaluate their position in the existing industry (Porter 2008:26). The analysis of the competitive situation clarifies how intense competition is in the industry concerned. If competition is fierce, the possibility of profit will typically be low, and it can therefore be disadvantageous to enter the industry. Therefore, it is crucial to have ongoing insight into the competitive situation to identify factors that can affect the company's earnings. This may include identifying trends that can be detected early and leveraged to achieve early industry leadership (ibid.).

- The bargaining power of the supplier
  Suppliers play a significant role in the company's operations and have a decisive influence on the company's competitive position. The bargaining power of suppliers determines their position in the industry, and several factors influence this strength. These factors include the number of alternatives available, supplier reputation, supply, and demand (Porter 2008:26-27).

- The customer's bargaining power
  The customer's bargaining power can also be assessed using many of the same factors as with the supplier. These include the number of available alternatives, supply and demand, among other things. Since customers will typically strive for the cheapest product, this can push down the price of a given item (Porter 2008:27).

- Possible intruders

The threat of potential intruders refers to providers or companies that are not yet operating in the market. If it is easy for a new provider to enter the industry, it will lead to increased competition in the long run. Conversely, if it is difficult for new providers to enter the market, companies in the industry will have less worries about new threats. This may be because, for example, the industry requires significant capital investment or access to patents, which will reduce the threat of new intruders (ibid.).

- Substitute products
  Substitute products have a close relation to the customer's bargaining power and constitute products that can potentially replace the customer's current product. One strategy to counter this is to focus on quality or build a strong association with your brand, making it difficult for customers to switch to a competitor (ibid.).

- Competition
  Taken together, the four forces can be used to evaluate the level of competition within the specific industry. A high threat from the four forces mentioned likewise suggests a high degree of competition in the industry (Porter 2008:27-28).

Uppsala model

The Uppsala model provides a comprehensive understanding of companies' internationalization process and the challenges they face during the transition from national to international operations. The Uppsala model is suitable for analyzing companies' gradual approach to internationalization and describes the phases that companies typically go through in this process. In addition, the Uppsala model complements the previously mentioned models by adding an operational and strategic perspective to the analysis of corporate internationalization. This theory/model will therefore provide a more process-oriented approach that focuses on the companies' internal development and future strategic decisions that can be made in connection with internationalization.

The expansion of a company's export areas can often be traced back to the Uppsala model, which describes the process of internationalization for a company. The model consists of two dimensions:

market diversification and market operation, which together result in the company's degree of internationalization (Hollensen, 2017: 85).

The first dimension, the market spread, indicates the number of different markets in which the company operates. According to the model, markets with the shortest distance are usually identified first, and then more remote markets are gradually experimented with when exporting markets are selected. This allows companies to try out markets that are most like the domestic market and gradually build up experience before moving into more remote markets. The second dimension, the form of market operations, describes the four different phases that the company goes through as they become increasingly internationalized (ibid.). These stages include the following:

- Sporadic export
  Describes incidental export activity where the company has not been fully prepared to enter the export market. The motives behind this type of export are typically reactive, where the company is faced with a situation where export becomes necessary (Hollensen, 2017: 86-89).

- External intermediaries
  Refer to the phase where the company gains more experience with export procedures, which leads to increased use of external export intermediaries who have specialist knowledge of the market. This results in a more systematic approach to the export process (ibid.).

- Establishing own sales company indicates that the company has achieved significant growth in the new export market, which allows the creation of their own sales company in this market. This gives the company greater control over its activities in the new market (ibid.).

- The final stage involves production abroad, where the company moves parts of its production closer to the various export markets to reduce costs. This can be a strategic decision to achieve cost savings (ibid.).

Porter's generic strategies

Porter's Generic Strategies offer a structured approach to identify and implement strategies for companies' transition from national to international operations. Porter's Generic Strategies include cost leadership, differentiation and focus, and by analyzing these strategies the project can gain a deeper understanding of how companies can position themselves in the international market and deal with the challenges they face in this context. Porter's Generic Strategies are a good complement to the above theories, as they offer concrete strategic guidelines that companies can follow to deal with the challenges of transition from national to international operations. By analyzing these strategies, I can identify the most relevant approaches and strategies for the company that wants to expand its international presence and achieve success in the international market.

The four generic strategies represent four distinct options that companies should consider succeeding. According to Porter, it is crucial that a company pursues only one of these strategies to gain a competitive advantage (Porter 1985:11-12). These strategies are presented in the figure below and can be divided into two dimensions: the competitive advantage that the company wants to focus on and the target audience for focus. The four strategies include: Cost leadership, cost focus, differentiation, and focused differentiation (ibid.).

- Cost manager
  This approach is about limiting costs while serving a broad audience. This is because it is possible to increase profitability by reducing costs and still sell the product at an average price. A prerequisite for this is that the company still produces quality goods that can compete with competitors. The low price obtained through this approach represents the competitive advantage that the company will possess and that will attract customers (Porter 1985:12-14).

- Cost focus
  This approach targets a more limited target audience while maintaining a focus on cost reduction. Companies that employ this strategy can afford to have low costs, as their target audience is narrower. This enables adaptation to customer needs and thus building close relationships as well as loyalty (Porter 1985:15). The two costing strategies both focus on cost reduction but differ only by their targeted target audience.

- Differentiation

  This approach aims to offer a unique product and at the same time appeal to as wide a target audience as possible. By focusing on unique products, the company can justify a higher price than competitors. This is achieved by offering higher quality products than competitors or by establishing a strong brand. A company that manages to achieve and maintain differentiation will outperform the average if the premium price it charges exceeds the additional costs associated with being unique (Porter 1985:15).

- Focused differentiation

  This approach focuses on offering a unique product, but unlike the usual differentiation strategy, attention here is directed to a narrow target group. Like the cost-focus strategy, this allows the company to adapt to customer needs and build close relationships as well as loyalty. The customer base of companies that employ this strategy is typically customers who value the high quality of a product and service. This can include luxury products or quality service, where customers typically don't mind paying extra for the best product on the market (Porter 1985:15).

Identifying gaps

Now I will examine and explain the theories, models and research approaches that have been deselected in connection with this study. The decision to select certain theories and research methods is crucial to define the scope and focus of the project and to ensure that the analysis remains relevant and effective in relation to the specific research questions.

The Diamond model, as mentioned before, focuses on the factors that influence a nation's competitiveness in the international market. Although the model can be valuable for understanding the competitive environment in different countries, it has certain weaknesses. It may lack in-depth analysis of specific challenges and strategies relevant to companies in their international transition. In addition, it may be limited in its ability to cover a sufficiently broad spectrum of problem positions relevant to our field of study. Porter's Five Forces is also a well-known theory that examines the competitive situation within a given industry. While this model can help understand the competitive landscape of a specific market, it can also have its limitations in terms of highlighting challenges and strategies at a broader level that extend beyond industry competition. The Uppsala model emphasizes the gradual expansion of companies' international presence based on the degree of involvement and involvement in foreign markets. While this model is relevant in the context of internationalization, it is considered that, like the first two theories, it may also lack a more in-depth analysis of specific challenges faced by companies during their transition to international activities. Finally, Porter's generic strategies could be relevant to understanding how companies can gain competitive advantage in the market. However, they may be less suitable for elucidating the specific challenges and strategies associated with internationalization, as they primarily focus on the company's positioning in the market. However, it should be mentioned that all theories could shed light on relevant aspects of the field of investigation. However, the project has chosen to be based on other research – which will soon be explained and elaborated in the theory section.

Chapter 3 - Theoretical Framework

In the upcoming section, the project will thoroughly review its choice of theories and concepts that form the basis for the analysis of the company's international expansion. Under each theory the project has chosen to include, there will first be an argument for the choice and subsequently the theory in question will be explained.

Here is a figure that visualizes the procedure during the analysis.

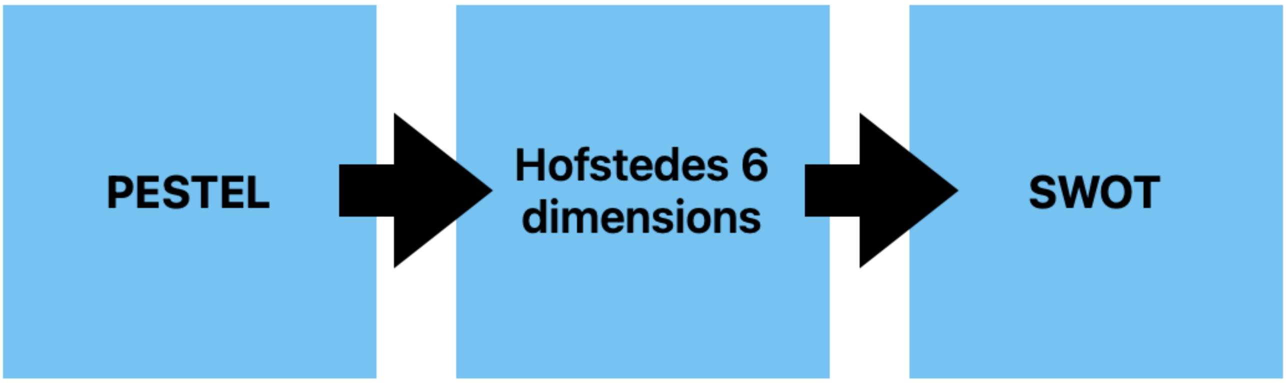

Figure 1: Theoretical Framework. Self-made.

PESTEL model

Why the PESTEL model

The project has chosen to use the PESTEL model as it provides a structured approach to analyzing the external factors that may influence companies' transition from national to international operations. PESTEL stands for political, economic, social, technological, environmental and legal factors, and by analyzing each of these factors I can gain a deeper understanding of the wider environment in which companies operate (Hollensen 2014: 274). This is a good addition to Hofstede's 6 mentions, which I will discuss later. The reason for this is that the combination of Hofstede's 6 dimensions and the PESTEL analysis can provide a more comprehensive and in-depth study of the cultural and environmental landscape of Germany and Denmark. In an increasingly globalized world, it is crucial for companies to understand both the cultural differences and the external environmental factors of the markets in which they operate. Therefore, this alliance between the theories can better show the possible challenges and opportunities for companies.

Explanation of the PESTEL model

The purpose of the PESTEL model is to analyze a company's surroundings and their impact on the company. The model focuses on six factors: political conditions, economic conditions, technological conditions, environmental conditions, sociocultural conditions and legal conditions. However, it is not required to include all factors in any analysis, since the design of the model allows options depending on the needs. A company will typically ask three questions for each category: 1. Which of the six factors is expected to have the greatest impact on the business? 2. Will these factors develop positively or negatively? 3. What will be the consequences of this development for the company? (Hollensen, 2014: 275).

- Policy conditions refer to the regulatory framework set by policymakers that affects companies' activities. Factors such as tax policy can determine whether a company finds it attractive to operate in a particular market. Similarly, social and welfare policies can have an impact on employees' working conditions (ibid.).

- Economic conditions include macroeconomic factors in the company's environment, including factors such as interest rates, cyclical fluctuations and unemployment (ibid.).

- Sociocultural conditions include demographic developments, where companies typically focus on the groups, they want to sell products to or recruit employees from (ibid.).

- Technological issues relate to developments in research as well as other technology-promoting events. It is important to monitor new patents, educational opportunities, research resources, etc. (ibid.).

- Environmental conditions include the political regulation in the field of environmental policy and nature conservation, as well as the availability of natural resources (ibid.).

- Legal relations revolve around the possibilities and restrictions imposed on the company by the state. This includes elements such as antitrust law, patent law, etc. (ibid.).

Criticism of the PESTEL model

The PESTEL model, which is used to analyze the world around companies, has been an important framework for business strategy for decades. Nevertheless, there are several critical considerations that should be considered when applying this model. One of the biggest criticisms of the PESTEL model is that it can oversimplify complex reality by reducing it to just six categories. The reality is often much more nuanced and dynamic than what the PESTEL model manages to capture. Another challenge of the PESTEL model is that it treats each factor in isolation without considering the complex interactions between them. In reality, political, economic, sociocultural, technological, environmental and legal conditions are often closely interconnected and affect each other in complex ways, which the PESTEL model does not always capture. The PESTEL model also tends to lack focus on the dynamic nature of the surroundings as well as the specific context in which a company operates. This means that it may not be able to capture changing trends, cultural differences, and other factors that may affect a company's success. Although the PESTEL model can help identify potential risks and opportunities, it has limited predictive power. It cannot always predict or adapt to rapidly changing conditions or unforeseen events, which can be a disadvantage in an increasingly complex and turbulent world.

In conclusion, one could argue that the PESTEL model is a useful tool for analyzing the outside world of companies, but it is important to be aware of its limitations and not to rely on an oversimplified approach to strategic analysis. A more holistic approach involving more methods and perspectives may be necessary to get a more nuanced picture of the outside world's impact on business success. As mentioned before, for this reason, I have chosen to combine the theory with Hostedes 6 dimensions, which I will go into in depth now.

Hofstede’s 6 dimensions

Why Hofstede’s 6 dimensions

The project has chosen to apply Hofstede's 6 dimensions to this problem statement, as they provide an in-depth understanding of cultural differences between nations, which is crucial for companies' successful transition from national to international operations. As mentioned before, Hofstede's 6 dimensions are a good complement to the PESTEL model, as they focus specifically on cultural aspects that can have a major impact on the company's international activities. While the PESTEL model provides a broad analysis of the external factors influencing the company's international expansion, Hofstede's dimensions provide a more in-depth understanding of cultural differences and their impact on the company's business practices. By combining these two approaches, the project can achieve a more nuanced understanding of the challenges and opportunities companies face when expanding their activities to international markets. Hofstede's dimensions thus complement the PESTEL model by adding a cultural perspective to the analysis of the company's international expansion.

Explanation of Hofstede's 6 dimensions

As previously discussed, Hofstede developed a model delineating national culture. Over the course of the last 50 years, he, alongside other researchers, has conducted extensive research spanning more than 75 countries to refine this theory. The model comprises six dimensions, each representing prevalent tendencies within a given country. According to Hofstede, these preferences are indicative of the nation's cultural inclinations. Figure 1 illustrates Hofstede's six dimensions of national culture. (Hofstede Insights, National Culture, 2024)

- The power distance
  According to Hofstede Insights, this dimension deals with the fact that not all individuals in a society are equal. In other words, it reflects the culture's attitude towards these inequalities. Power distance is defined as the degree to which the less powerful members of institutions and organizations in a country expect and accept that power is unequally distributed (Hofstede In-sights, National Culture, 2024).

- Individualism

  The dimension deals with the degree of interdependence a society maintains among its members. It focuses on whether people's self-image is defined by “me” or “us”. In individualist societies, people are expected to take care only of themselves and their immediate family. In collectivist societies, people belong to 'groups' that take care of them in exchange for loyalty (Hofstede Insights, National Culture, 2024).

- Motivation towards Achievement and Success

  According to Hofstede Insights, a high score on this dimension, known as "Crucial," indicates that society is driven by competition, achievement, and success, where success is measured by being the winner or the best in a field. This competitive value system is instilled from the school years and continues throughout one's career and organizational life. On the other hand, a low score, known as "consensus-oriented," means that the dominant values in society are caring for others and a high quality of life. In a consensus-oriented society, quality of life is a sign of success, and standing out from the crowd is not seen as positive. The central question this dimension addresses is what motivates people: the desire to be the best (Essential) or the satisfaction of enjoying what you do. (Hofstede Insights, National Culture, 2024).

- Uncertainty avoidance

  Hofstede Insights explains that this dimension deals with Uncertainty Avoidance, i.e. how a society deals with the inevitable fact that the future is unknown. The question is whether we should try to control the future or just let it unfold. This ambiguity creates anxiety, and different cultures have developed different ways of dealing with this anxiety. The degree to which the members of a culture feel threatened by ambiguous or unfamiliar situations and have created beliefs and institutions to avoid these situations is reflected in the Uncertainty Avoidance score (Hofstede Insights, National Culture, 2024).

- Long term orientation

  This dimension, on the other hand, describes how every society balances the preservation of connections to its past with dealing with the challenges of the present and the future.

Societies prioritize these two goals differently. Normative societies that score low on this dimension tend to maintain traditional values and norms and often view societal changes with suspicion. Conversely, communities with a high score have a more pragmatic approach, promoting thrift and investing in modern education to prepare for the future (Hofstede Insights, National Culture, 2024).

- Indulgence
  A challenge facing humanity, both now and in the past, concerns the degree to which young children are socialized. Without socialization, we cannot fully develop as human beings. This dimension is defined as the degree to which people try to control their desires and impulses based on the way they are raised. If the level of control is relatively weak, it is called "Indulgence", while a relatively strong level of control is called "Restraint". Cultures can thus be characterized as indulgent or reticent, depending on this level of control (Hofstede Insights, National Culture, 2024).

The model is primarily founded on research conducted within business contexts worldwide, which introduces a significant potential margin for error. Due to its lack of consideration for individual or subcultural variations, its applicability to understanding the broader national population beyond the business sphere is limited. However, the model does present valuable dimensions to contemplate when seeking to comprehend diverse countries, delineating various cultural values and motivational factors pertinent to leadership, albeit with some caution required in its interpretation (Hofstede Insights, National Culture, 2024).

Criticism of Hofstede's 6 dimensions

Hofstede's model with the 6 dimensions of culture has been a valuable tool for understanding cultural differences and their influence on organizational behavior. Nevertheless, there are several critical considerations that should be considered when applying this model. One of the biggest criticisms of Hofstede's model is its tendency to generalize and create stereotypes about national cultures. Reducing complex cultural differences to only six dimensions risks oversimplifying and creating inaccurate generalizations that do not necessarily reflect the true diversity within a given culture. Another challenge of Hofstede's model is its lack of focus on the specific context in which a culture is embedded. Cultural norms and values can vary considerably within a single nation or organization, and Hofstede's model risks overlooking this variation by treating nations as homogeneous entities. Hofstede's model also suggests a static conception of culture that does not consider the dynamic nature of cultural changes over time. Cultures are constantly evolving because of globalization, migration, and technological advances, and it is important to recognize these dynamics to understand cultural differences accurately. Hofstede's model focuses primarily on national cultures and often overlooks the importance of individual differences within a given culture. Individuals can vary significantly in their behavior and values, regardless of their national affiliation, and it is important to recognize this diversity to get a more nuanced picture of culture.

One could also argue here that Hofstede's model with the 6 dimensions is a useful tool for understanding cultural differences, but it is important to be aware of its limitations and not abandon oneself to an oversimplified approach to cultural analysis. So even though it complements the PESTEL model well in this case, it's important to remember that it doesn't necessarily cover everything in the cultural field.

The SWOT model

Why the SWOT model

The project has chosen to apply the SWOT model to this problem statement, as it provides a structured approach to analyzing the strengths, weaknesses, opportunities and threats of the company in connection with the transition from national to international operations. The SWOT model offers a holistic approach to evaluating the company's position in the international market and identifying potential strategies to address challenges and seize opportunities. By using the SWOT model as a compilation of the other theories and analyses I have made, I can summarize the most important insights and results from my analysis process. This will allow me to identify the key themes and trends that have emerged from my study of companies' transition to international operations, as well as evaluate the company's internal strengths and weaknesses in relation to external opportunities and threats.

Explanation of the SWOT model

The SWOT analysis is a tool used by companies to evaluate both the internal and external conditions of the organization. The acronym stands for Strengths, Weaknesses, Opportunities, and Threats, which summarizes the four key areas being studied. The internal conditions cover areas of the company that the organization itself can influence and control, and which constitute its strengths and weaknesses. On the other hand, external conditions deal with factors beyond the direct control of the company, such as customer affiliation and purchasing power. The analysis offers a comprehensive overview of these conditions by examining all four factors in the model. Here follows an elaboration of the mentioned concepts (Hollensen, 2015: 247-250).

- Strengths
  In this section, the company's strengths must be identified and listed. These strengths represent areas where the company excels and differs from competitors. Examples of such strengths can include strong brands, high customer loyalty, significant market capital, excellent customer service, and in-depth knowledge of the market, among others (ibid.).

- Weaknesses
  In this section, the weaknesses of the enterprise must be identified and listed. These weaknesses represent areas where the company does not perform as well as its competitors. Examples of such weaknesses may include lack of strong brands, limited market capital, inadequate customer service, and limited knowledge of the market, among others. These areas indicate opportunities for improvement for the company (ibid.).

- Opportunities
  In this section, the company's opportunities should be identified and listed. These opportunities represent areas where the company can benefit by leveraging them. Examples of such opportunities may include new market trends, changes in legislation, new technologies, etc. However, it is important to note that these same options can also be considered threats, depending on which perspective one views it from. It is important for the company to identify and act on these opportunities to gain competitive advantage (ibid.).

- Threats

  This section identifies and lists the company's threats. These threats represent external factors that have the potential to threaten the company's success, such as new market trends, changes in legislation, the introduction of new technology or competition from new players. These factors can be used to create an overview of the company's surroundings and help determine which strategy the company should adopt. In addition, data collected from previous theories can be used to identify the assumptions that the company must consider in its decision-making process (Hollensen 2015: 247-250).

In conclusion, the SWOT model is a useful tool for getting an overall view of the company's situation, but it is important to be aware of its limitations and not over-indulge in a simplistic approach to strategic planning - this will now be elaborated.

Criticism of the SWOT model

For a long time, this tool has been extensively used in the field of strategic planning and management, but it is not without its critics. Here are some of the most prominent criticisms the model faces: One of the biggest criticisms of the SWOT model is its tendency to oversimplify the company's environment. By dividing factors into four categories – strengths, weaknesses, opportunities and threats – you risk reducing complex relationships to a simple checklist without taking into account the interrelationships and nuances. Another challenge of the SWOT model is its lack of mechanism to prioritize and weight various factors. Simply identifying strengths, weaknesses, opportunities and threats without assessing their relative importance risks overlooking the most critical issues and decisions. The SWOT analysis often assumes a static view of reality, where the factors remain unchanged over time. However, the company's environment and internal conditions are dynamic and constantly changing, which means that a SWOT analysis can be outdated very quickly. Another criticism of the SWOT model is its primary focus on internal factors (strengths and weaknesses) at the expense of external factors (opportunities and threats). This can lead to a narrow perception of the company's internal affairs and a lack of understanding of the external threats and opportunities affecting the company. Finally, the SWOT model is often criticized for its lack of focus on action and implementation. While the SWOT analysis can be a valuable exercise in identifying and understanding the company's situation, it risks remaining an abstract exercise unless followed up with concrete actions and strategies.

In this thesis, the SWOT analysis is mainly used to outline the results that have emerged in the external and internal analyses. This means that it is difficult to criticize the model in relation to its use in the project, since it is used solely for this purpose and because its structure will depend on the other theories.

Chapter 4 - Methodology

In the following section, I will describe in detail the methodological considerations and decisions that have been made during the preparation of this project. I will review how I have structured my approach to data collection, including choices and opt-outs, as well as my approach to the selection and presentation of interviewees. There will be a thorough description of my approach to interviews, including the development of the interview guide, my role as an interviewer and the process of transcription of interviews. I will then also consider transparency and reflexivity in relation to the study. I will also present my strategy for analyzing the collected data. Finally, there will be a critical reflection on the project's methodological approach and the choices made along the way.

Ontological and Epistemological - Assumptions/Considerations

Ontology refers to the nature of social units. The central question is whether social units are objective entities with a reality that exists independently of social actors, or whether they are social constructions created through the actions and perceptions of these actors. The two main positions in this debate are often referred to as objectivism and constructionism (Bryman, 2012: 27). The ontological position in this study can be described as constructionism (or constructivism), which perceives social phenomena as established through interactions between social actors and constantly changing (ibid.). This research argues that the reality that is reproduced is a result of social interactions, as the respondents' reality and perspectives are continuously shaped through socialization from birth until today. The epistemological angle refers to what is acceptable knowledge. The central question here is whether "the social world can and should be studied according to the same principles, procedures, and ethos as the natural sciences" (Bryman, 2012: 28). A natural science epistemology is positivism, while its opposite is interpretation (ibid.). Positivism involves studying the social world in the same objective and systematic way as the natural sciences. Interpretation, on the other hand, emphasizes the differences between the study of the actions of individuals and scientific objects and focuses on the subjective meanings of social phenomena. The interpretive perspective implies that social scientists try to see the world through people's eyes and access their "common sense thinking", understanding their actions and the social world they live in (Bryman, 2012). This perspective is also relevant to this research, as the main goal is to gather as much detail as possible from the respondents about their views on challenges and possible strategies that can meet these when Danish companies want to expand into the German market. By understanding their reality through these details and the meanings they attach to their reactions and actions, research can provide deeper insight into the motivating factors and challenges that companies face.

Mixed methods

In this study, a mixed methods approach was chosen to achieve an in-depth understanding of the complex factors that influence Danish companies' expansion into Germany. The mixed methods approach combines both quantitative and qualitative research methods to achieve a more comprehensive and nuanced understanding of the phenomenon studied. The quantitative part of the survey allows for data to be collected on many respondents and to quantify various variables, providing an overview of overall trends and patterns. This can be particularly useful for identifying broader trends and correlations across political, economic, technological, and other factors. The qualitative part of the survey, on the other hand, provides an opportunity to delve deeper into the respondents' attitudes, experiences and perspectives. This can help to shed light on the complexity and context behind quantitative results and provide insight into the nuanced dynamics of Danish-German business relations. By combining both quantitative and qualitative methods, the mixed methods approach can provide a more complete picture of the challenges, opportunities and strategies associated with Danish companies' expansion into Germany. This is particularly important in a subject area characterized by complex interactions between politics, economics, culture, technology, the environment and law. Therefore, mixed methods were chosen as the most appropriate approach to achieve a comprehensive and in-depth insight into the subject.

Explanation of the mixed methods approach

During the 1980s and 90s, Mixed Methods gained ground as a response to the methodological puritanism that had previously characterized research. Method Puritanism argued that methods had to be "clean" and could not be mixed. This view was challenged by the idea that qualitative and quantitative methods could not be mixed. This was due to the notion that they came from two different research paradigms, one being the positivist, quantitative paradigm, and the other the interpretivist, qualitative paradigm. Mixed Methods emerged as an alternative to this view by proposing a mixture of methods as a third paradigm (Frederiksen, 2013:18). On the surface, it may seem sensible and simple to combine several methods in one study. However, if the purpose goes beyond presenting just two separate conclusions based on their respective empirical analyses, methodological and analytical considerations are required. According to Morten Frederiksen, it is not sufficient in mixed methods research to focus only on the design of the surveys' methods; it is also crucial to focus on how these methods and sub-studies are integrated (Frederiksen, 2013:9: 18). Frederiksen identifies three traditions in the use of mixed methods, each focusing on different ways of integrating the sub-studies (Frederiksen 2013:18, 25): Triangulation: This tradition is based on the idea that by combining different methods, the validity of the study can be increased, as the different methods possess different strengths. An epistemological assumption is associated with this approach, as the methods are considered to attempt to capture knowledge about the same phenomenon in their own way, enabling the creation of a unified narrative of one reality. Theory and Method Integration/Interpretation: This approach implies that the choice of methods must be justified through a strong integration of theory and method. The researcher focuses on interpreting data from the empirical methods in relation to the theoretical and methodological framework, without the methodological differences between the sub-studies necessarily playing a significant role. Pragmatism: This approach implies the idea that new and improved knowledge can arise by combining methods. Different methodologies belonging to different research paradigms are considered as building blocks that are put together to optimize the research design. Each sub-study completes separate tasks, but they can be combined across disciplines. This allows each method in the study to have its own epistemological and theoretical starting point, which contributes to creating an optimal design. The form of integration used in this thesis is closest to what Frederiksen describes as pragmatic integration. Here, there is a particular focus on ensuring optimal design integration and coordination between different data materials (Frederiksen 2013: 22). Therefore, it can be said that by applying the mixed methods approach, specifically with a pragmatic approach to the integration of different methods, my study is able to achieve an optimal design that allows an in-depth and coherent analysis of Danish companies' expansion into Germany.

Criticism of mixed methods

The use of mixed methods has been the subject of extensive debate. According to Frederiksen, one of the central criticisms of pragmatic design optimization is that insufficient account is taken of the need to integrate theory (Frederiksen 2013: 29). A more wide-ranging critique of mixed methods is that the methodological and epistemological starting points of the different methods are often ignored. If two methods have completely opposite epistemological views on a problem, how can they be integrated with the assumption that its "increases" the level of knowledge? In my study, I try to counter this criticism by choosing the pragmatic approach to integration, where different methods, each with their own paradigmatic starting point, illuminate different aspects of the problem (ibid.). Besides, I aim at being transparent and reflective about the choices made and their limitations.

Research Design

This thesis deals with a single problem formulation and is based on an approach where results from the qualitative part of the study guide and influence the quantitative part (Frederiksen, 2015: 202). The thesis curiously seeks to combine the qualitative results using a quantitative method. This implies that the results from the first part of the study not only inform, but also shape the subsequent quantitative part. Thus, there is a progression from one part of the study to the next in a planned sequence. This design of the research is reminiscent of the ideal-typic iterative design, which has been the source of inspiration for the thesis' analysis strategy (Frederiksen, 2015: 203). The research design plays a crucial role in how the different methods of the thesis work in context. The thesis is also inspired by the so-called embedded design by integrating a quantitative method into an overall qualitative approach (Frederiksen, 2015: 204). Complementarity in this thesis involves an approach in which the problem statement is examined using both methods to obtain a perspective that can then address the problem statement with complementary knowledge (Frederiksen, 2015: 201). However, in the composition of different methods, it may seem that contradictory opinions arise. This may reflect that there are several possible aspects of the problem. The thesis does not emphasize achieving convergent validation be-tween the methodologies, but instead considers the results of the different approaches as an analytical complement to each other, recognizing that true objective reality cannot be fully captured. By combining methods in the study, the thesis therefore seeks to capture the depth, complexity and richness of the studied topic from the perspectives of the respective methods (Frederiksen, 2015: 201).

Empirical Data

In this section, I will outline/present the empirical data collected for the project. Empirical data allows us to understand to what degree theories manifest themselves in practice. This is done as mentioned above to gain insight into the challenges and opportunities that companies face when transitioning from national to international operations. Now I will go through in detail what approach I have used to collect my combination of qualitative and quantitative data sources.

Qualitative Data - The Interviews

Selection of interviewees

In this thesis, the selection of interviewees is crucial to ensure the validity and relevance of the collected data. The process of selecting interviewees for this project involved a thorough and systematic approach to identifying and selecting relevant candidates. First and foremost, an extensive literature search and desk research was carried out to identify key actors and stakeholders within the topic of corporate internationalization. This included company databases, public institutions and organizations, as well as relevant industry associations and networks. After mapping the overall landscape of potential interviewees, an assessment of their relevance, expertise and accessibility was carried out. Emphasis was placed on the interviewees' experience, knowledge and networking in the field of companies' international activities, as well as their readiness to participate in the project and contribute actively to the research.

Two interviewees have been selected to contribute to the project: the international department of the Danish Business Authority and Spar Nord's department of Major Customers.

The choice of the international department from Erhvervsstyrelsen as an important informant is due to their expertise and in-depth knowledge of the international activities of Danish companies. As a public institution, the Danish Business Authority has access to a wide range of resources, data and information about Danish companies and their international strategies. Their insights and experiences can help shed light on the primary challenges, trends and strategies faced by companies in the transition from national to international operations.

Spar Nord's department "Large customer" was chosen as the informant for your problem statement for several reasons. Firstly, the "Large Customer" department has direct experience in servicing major corporate customers, which provides valuable insights into the challenges Danish companies may face when expanding to Germany. Overall, the "Large Customer" department provides an ideal informant basis for my problem statement by combining sector knowledge, practical experience and access to relevant resources.

By involving these two interviewees, this project aims to gain a broad and in-depth understanding of the primary challenges and strategies in companies' transition to international operations. Their expertise and insight will be crucial to ensure the relevance and quality of the data collected, as well as to be able to draw valid conclusions and recommendations for companies and stakeholders in this area.

Presentation of interviewees

Because some interviewees may have wished to remain anonymous, some people below may be referred to by something other than name. If this is the case, they will be mentioned according to their work function, experience and other approved descriptions.

- Bjarne Brodersen (BB) is a business developer at Erhvervshus Nordjylland with a background of 24 years of employment. His dedication to his work is evident in his experience with visits to companies, where he estimates to have visited between 4000-5000 companies. As a business developer at Erhvervshus Nordjylland, his primary focus is aimed at organizational development, management, sales and especially internationalization or export. Bjarne therefore helps companies with advice and support within international trade and expansion (REF. 1).

- Claus T. Pedersen (CP) is an employee in Spar Nord's "Major Customer" department in Aalborg. With a seniority of more than 20 years, since January 2002, Claus has a background and insight into the bank's work and the customer segment. Previously, Claus held the position of Business Account Manager at Spar Nord Nørresundby, where his area of responsibility included Aalborg Municipality north of the fjord and the area up in Vendsyssel. With 8 years of experience as a corporate account manager and a further 6 years of experience at Spar Nord's credit office, Claus brings knowledge of the banking company's inner workings and customer interactions (REF. 76).

Interview approach: Semi-structured interviews

I already have some knowledge about the subject, which comes from previous studies and my interest in companies' international strategies. My background in the financial sector and my participation in study trips abroad have contributed to a grounding in the subject and a deeper understanding of the challenges that companies may face during the transition from national to international operations. This understanding was both a strength and a challenge in the research process. On the one hand, it enabled a more targeted approach to identifying relevant topics and issues in literature and theory. On the other hand, it was important to be open and objective in analyzing data to avoid coloring the results with my own assumptions and preconceptions. Therefore, I thought that the semis-structured interview was relevant to use in this study. The semi-structured approach allowed for combining a certain structure and direction in the interview with sufficient flexibility to explore new topics and follow up on interesting answers. This was crucial to ensure that all relevant aspects of the issue were covered, while leaving room to explore new and unexpected themes that might arise along the way (Brinkmann and Tanggaard 2015:37). A semi-structured interview means that I, as an interviewer, have prepared some questions before the actual interview, which will guide the conversation in the desired direction. However, the semi-structured approach allows me to deviate from these questions and follow the informant's answers, after which I can ask in-depth or follow-up questions that are not necessarily planned (Brinkmann and Tanggaard, 2015:38). According to Kvale and Brinkmann, a qualitative interview has a clear purpose, and although it may resemble an ordinary conversation, the interview uses special approaches and questioning techniques (Kvale and Brinkmann, 2009:41). In the section below on "Preparation of the interview guide" I will, among other things, elaborate on my questioning techniques that were used during the interviews.

Preparation of the interview guide

At the beginning of the thesis writing process, potential interviewees were contacted to ensure sufficient time for planning and coordinating the interview process. After confirmation of their participation, time was set aside to prepare the necessary interview guide. In this process, I was assisted by my supervisor, who contributed valuable input and advice to the design of relevant questions and topics. Together we made sure to create a well-structured and effective interview guide that could address the central themes and problems identified in the thesis' problem statement. The interview guide and the interviews themselves were conducted in Danish because this was primarily the language used by the interviewees in their job function. During the preparation of the interview guide, it was important to me that the interviewees knew what the interview itself was about. Therefore, I took the time to prepare the interview guide itself, which contains the purpose, procedure, ethical considerations and then, of course, the interview questions. In relation to the ethical considerations, I used Kvale and Brinkman's chapter on "Ethical questions in connection with interviews" as inspiration for the interview guide's ethical considerations. In it, I used the four ethical guidelines: informed consent, confidentiality, consequences and the role of the researcher as headlines, and under each heading I wrote in bullet points the most important factors of each ethical guideline (Kvale and Brinkmann 2009: 89-95). All interviewees were sent the interview guide before the actual interview took place. Thus, they could prepare themselves for what the context of the interview was about, as well as they could see what the purpose was, what my approach was, the ethical considerations and what the questions were about.

My role as an interviewer

Kvale and Brinkmann explain that the interviewer is the central tool in any interview process. According to them, to be a good interviewer, you need to master interview techniques and be able to assess the different types of questions in the interview situation itself. One should also have a good understanding of the topic of the interview and be proficient in communicating verbally. The interviewer must also be able to make decisions during the interview, including which topics are relevant to ask about and whether follow-up questions, comments or interpretations of the informant's answers are needed (Kvale and Brinkmann, 2009:188). During all the interviews, I began the conversation by introducing myself and then introducing the problem statement and interview guide, including the purpose, procedure and ethical considerations. Once this was agreed with the interviewees, I asked for permission to record the interview and explained that the recording would only be used for the thesis, as I had to transcribe the interview afterwards. This was accepted by both interviewees. According to Kvale and Brinkmann, the interviewer's questions help shape which aspects of the topic the interviewee will talk about, and the interview is led by the inter-viewer's active listening and follow-up questions (Kvale and Brinkmann, 2009:215). My primary task was to create an open and trusting atmosphere where the interviewees felt safe and ready to share their experiences and views. During the interviews, I focused on listening and being open to the interviewees' perspectives and experiences. I made sure to ask open-ended questions and use follow-up questions to elaborate and clarify their answers (ibid.). At the same time, it was important for me to be aware of my role as a researcher and avoid influencing the interviewees' answers or interpretations. As an interviewer, I was also mindful of being neutral and objective in my approach, which meant that I avoided expressing personal opinions or judgmental comments during the interviews. I made sure to follow the prepared interview guide and stick to the agreed framework and topics (ibid.).

Ethical considerations

Kvale and Brinkmann describe here that four areas are traditionally discussed in ethical guidelines for researchers; informed consent, confidentiality, consequences and the role of the researcher (Kvale and Brinkmann, 2009: 86). I will address this in this project.

- Informed consent
  Informed consent implies that the informant's participation in the research project is based on a full understanding of the overall purpose of the study, the main features of the design, as well as the possible risks and benefits of participating. It also involves ensuring that

everyone involved participates voluntarily and is aware that they have the right to withdraw from the study at any time (Kvale and Brinkmann, 2009: 89).

- Confidentiality

  Confidentiality means that private data that can identify the interviewees is not revealed. In a qualitative interview study, where participants' statements from private interviews can be included in public reports, it is important to ensure the protection of interviewees' privacy. Confidentiality constitutes an ethical area of uncertainty, as anonymity can both serve to protect interviewees as an ethical requirement and at the same time enable researchers to interpret interviewees' statements without contradiction. (Kvale and Brinkmann, 2009: 91).

- Consequences of the qualitative method

  As a researcher, it is important to carefully consider the consequences of a qualitative study. This involves both being aware of the potential harm’s participants may be exposed to as well as the benefits they can expect to gain from participating in the study. According to Kvale and Brinkmann, the ethical principle describes 'accommodating' that the risk of harming a participant must be minimized to the lowest possible level. It is important that the benefits of participating and the value of the knowledge gained exceed the risk of harming the participant, which makes it ethically justifiable to conduct the study. (Kvale and Brinkmann, 2009: 92).

- The role of the researcher

  The integrity and role of the researcher are crucial for both the quality of scientific knowledge and the ethical decisions to be made in qualitative research. According to Kvale and Brinkmann, demonstrating morally responsible research behavior is more than just having abstract knowledge of ethics and making cognitive choices. It is also about the moral integrity of the researcher, which develops as the research progresses, especially during interviews where the researcher himself constitutes the primary tool for obtaining knowledge (Kvale and Brinkmann, 2009: 93).

Transcription

The interviews are transcribed. This gives me an overview of the empirical data and the opportunity to identify patterns (Kvale and Brinkmann, 2015: 238), which, as previously described, is part of the purpose of performing a thematic analysis. As Kvale and Brinkmann point out, some details will be lost during this process when the information from a face-to-face meeting is translated into written form (Kvale and Brinkmann, 2015:235). However, I will try to include as many contextual and emotional aspects of the interview situation as I can recall as I transcribe. In addition, Kvale and Brinkmann emphasize that there is no single true and objective way to transform oral statements into written form, but that transcription should be adapted to the purpose of the analysis (Kvale and Brinkmann, 2015: 246). During my thematic analysis, where the focus is not on meaning-making, I have developed specific transcription rules to support this purpose and ensure consistency across all transcriptions. I do not intend to carry out a detailed linguistic analysis, which is why my rules are not miniatous, but I do note pauses, marked changes in tone of voice, and the like, as these elements may have an impact on the interpretation of a statement (Kvale and Brinkmann, 2015: 241). An important advantage of transcribing my interviews is also the ability to anonymize personal information (Kvale and Brinkmann, 2015, p. 246), which I have promised my interviewees. I have taken inspiration from Tanggaard and Brinkmann (Tanggaard and Brinkmann, 2020: 52) and established the following transcription conventions:

• It is marked with (I), for informant when informant speaks • It is marked with (R), for researcher when I speak • Line changes when a new person starts speaking • Breaks are marked with three periods: ... • Longer breaks are marked with: (long pause) • If a person interrupts themselves, it is marked with a hyphen: – • Incomprehensible content is marked with: (M) • Words I am relative, but not complete sure of is followed by: (?) • Information anonymized is marked with: [].

Quantitative Data

The selected quantitative data is from Hofsteds insights, 2024, The Culture Factor Group. Link to website: https://www.hofstede-insights.com/country-comparison-tool.

Hofstedes insights

About the country comparison

According to Hofstede Insights, culture is defined as the collective mental programming that distinguishes one group of people from another. This mental programming influences thought patterns and the meanings that people attach to different aspects of life. These patterns are crystallized in a society's institutions and behavior (Hofstede Insights, National Culture, 2024).

Hofstede Insights emphasizes that this does not mean that all individuals in a society think alike; The differences in values among individuals within a country are often greater than the differences between the countries. Nevertheless, we can use country scores, being based on the law of the large numbers and the significant influence of social control. It is important to understand that statements about countries are generalizations that only become meaningful when compared to other countries. The country score only gets its value when it is used in a comparative context (ibid.).

Source of country scores

On Hofstede Insights' website, the results are updated when they are published in scientific journals. If country results are not covered by such journals, they are added through surveys or commercial projects, conducted by our own research team and certified practitioners. The most recent update took place on October 16, 2023, regarding IDV and LTO (Hofstede Insights, National Culture, 2024).

How are the scores generated

The reported scores are based on survey responses, starting with Hofstede's original surveys from 1967 to 1973. With the passage of time and with advances in research methods and technology, like the possibility of online studies, dimensions have been added and updated. Therefore, both the dimension definition and the country scores are an ongoing process. Typically, this process involves the following steps (Hofstede Insights, National Culture, 2024):

- Literature review
- Development and translation of a questionnaire
- Distribution of the questionnaire in at least about 20 countries, preferably more
- Dimensional identification through factor analysis or other scaling methods
- Normalization of factor scores to fit data from previous studies.
- Validation: Consistency with dimensions of previous surveys and national indices such as educational attainment or crime rates (ibid.)

Methodological opt-out

In the process of planning and carrying out this research project, different methodological choices and approaches to data collection were carefully considered. While quantitative data and semi-structured interviews were chosen as the primary methods, alternatives were also considered, which, however, ended up being deselected for several reasons. A methodological opt-out was the use of questionnaire surveys as a data collection method. Questionnaires could have been useful in collecting quantitative data from a larger number of respondents in a more comprehensive way. However, this method was not chosen as the focus of the project was on gaining in-depth insight and understanding through qualitative data collection methods such as interviews. Questionnaires might not have enabled the detailed and nuanced understanding of interviewees experiences and perspectives that the project sought to achieve. Another methodology considered was participant observation. Participant observation could have allowed direct observation of companies' operations and interactions in their daily practice. This could have added a deeper dimension to the understanding of the challenges companies face in the transition from national to international operations. However, participant observation was not selected due to the project's time constraints and logistical challenges in conducting observations across different companies and geographical locations. These methodological opt-outs were made to ensure a rigorous and focused approach to data collection that could best address the complexity of the problem statement and the need for in-depth understanding. By focusing on quantitative data and semi-structured interviews, the project was able to gain a detailed insight into the challenges and strategies of companies in the transition to international operations, while maintaining an appropriate balance between scope and depth of data collection.

Validity

Kvale and Brinkmann explain that validating means controlling, and as a researcher it is crucial to critically consider one's empiricism and analysis (Kvale and Brinkmann, 2009: 276). The validity depends on the quality of craftsmanship throughout the study, as well as a coherent control of new questions and the theoretical interpretation of the results obtained ((ibid.). I have strived to ensure transparency and credibility in my research study. Therefore, all my inter-views have been transcribed and encoded into categories. Glaser and Strauss point out that validation does not imply any conclusive verification or protocol control. The verification is embedded in the entire process through a constant check of the results for credibility and reliability (bid.). I have tried to apply this principle throughout my thesis and method to validate my research's empiricism and reasoning for my choices and theoretical interpretations. I also take a critical view of my empiricism. It is essential to recognize that these interviews are interviewees' experiences of reality and constitute only an expression of their reality. This is emphasized by the enclosed transcription, which also allows external parties to assess the validity.

Reliability

Kvale and Brinkmann explain that the concept of reliability relates to the credibility and consistency of the research results. It refers to whether other researchers can repeat these results at other times using the same method. Kvale and Brinkmann emphasize the importance that knowledge gained through an interview can be objective, especially in the case of the qualitative method (Kvale and Brinkmann, 2009: 362). This thesis is based on the concept of 'reflexive objectivity'. According to Kvale and Brinkmann, this implies an awareness of the researcher's contribution to the production of knowledge. This concept is also in harmony with the use of mixed methods as a scientific basis. Objectivity in qualitative research in this context involves the search for objectivity through subjectivity - specifically, the informant's descriptions of their experiences. We strive for a reflexive approach to the collected empiricism, as well as how it is assessed and interpreted (Kvale and Brinkmann, 2009: 268). Through my thesis, I try to relate critically to how empirical data is included and contributes to the study and analysis. We choose not to take everything that is said as absolute truth, and we have strived to maintain a critical approach. Kvale and Brinkmann point out that this contributes to increasing the reliability and validity of the thesis (Kvale and Brinkmann, 2009: 189).

Analysis strategy – An abductive thematic analysis

I use Braun and Clarke's thematic analysis approach to analyze the collected empiricism. Although this approach originated in psychology, it lacks a specific theoretical foundation and can therefore be adapted and combined with my theoretical framework as well as my theoretical starting point (Braun and Clarke, 2006: 78). At the center of Braun and Clarke's approach is the identification of patterns and themes in empirical evidence (Braun and Clarke, 2006: 79). They define a theme as "something important about the data in relation to the research question, and which represents some degree of patterned response or meaning within the dataset" (Braun and Clarke, 2006: 82). Therefore, there are no hard and fast rules for when something can be considered a theme. I therefore base my themes on an assessment of when a part of the empirical data represents something relevant to my problem formulation. Many research processes are rarely unambiguous and clearly defined, and the literature therefore also describes hybrid approaches, such as "analytical induction", where you start with the data but at the same time work deductively and search for specific conditions. This approach may have features of abduction, a kind of mixture of induction and deduction in which one develops temporary hypotheses based on qualified guesswork and testing, which is often considered the creative aspect of the interpretation process (Brinkmann, 2013: 74). I have chosen to use this approach in my project. The thematic approach is also advantageous compared to my abductive approach, as it allows me to integrate theoretical concepts where relevant, while leaving room to process new perspectives that may arise during the analysis of empiricism. In line with my theoretical starting point, the development of the themes requires interpretation. This also implies that I not only consider the explicitly expressed, but also examine the underlying meanings expressed in empirical evidence (Braun and Clarke, 2006: 84). It is also emphasized that the themes are created by the person analyzing the empirical data (Braun and Clarke, 2006: 81), which is consistent with Kvale and Brinkmann's points that knowledge is produced in the interaction between interviewer and informant (Kvale and Brinkmann, 2015: 53). Therefore, I play an active role in the analysis process and opinion formation, and my ability to assess and interpret has an impact on the results of the analysis. To ensure meticulousness and transparency in my processing of the empirical data, I follow Braun and Clark's six phases for reviewing the empirical data (Braun and Clarke, 2006: 87) and, as far as possible, enclose information about my analysis process as an appendix. My approach thus follows these six phases:

1. Transcription of empirical data followed by multiple readings.
2. Code the empirical data.
3. Potential themes shall be identified.
4. Themes shall be reviewed and assessed against codes and the comprehensive data set.
5. Final themes are defined and named.
6. The results are written down (ibid.)

It can be argued that the thematic analysis is an iterative process (Braun and Clarke, 2006: 86), which is also true in this thesis. I actively choose to return to earlier phases to reassess my interpretations and become aware of any contradictions or overlooked parts of the empirical data to ensure as thorough a review of the empirical evidence as possible.

Critical reflections on the methodological approach

Now I will make a critical reflection on the choice of methods in my research work, including the use of both qualitative interviews and quantitative data. While both methods have their strengths and uses, there are also certain challenges and limitations that it is important to address. The reason for this is that the critical considerations can contribute to a more nuanced and reflective approach to the research and strengthen the validity and reliability of my results. With so few interviewees in the thesis, it raises the question whether the results can be generalized. Kvale and Brinkmann often point out that interview surveys often encounter this objection because of the limited number of interviewees. Rather than striving for global generalization, Kvale and Brinkmann suggest asking whether the results can be "transferred to other relevant situations" (Kvale and Brinkmann, 2009: 288). It is about examining whether the results obtained in a study can also apply in similar situations or contexts (Brinkmann and Tanggaard, 2015: 14). However, the range of interviewees and quantitative data in the research can have a significant influence on the generalizability of the results. Although I have chosen appropriate representative interviewees and quantitative data, other researchers may have chosen different samples, which may lead to variation in the results. In addition, different interviewer styles, question formulations and interpretation methods can also contribute to variation in outcomes. There would also be a risk that the study would not achieve the same results, even if the researchers used the same methods with interviewees, for example. Brinkmann and Tanggaard explain that one cannot expect that: "Repeat an interview and obtain the same statements from an informant, but the design and conduct of the study must be as transparent and accurately described as possible" (Brinkmann and Tanggaard 2015: 524). It might be interesting if researchers made a similar study as my thesis, but got a different angle in the results, which were nevertheless recognizable, as Brinkmann and Tanggaard point out, namely that the quality criteria of the qualitative study should rather be based on "transparency instead of reliability, about validity instead of validity and about recognizability instead of generalization" (Tanggaard, referenced by Brinkmann and Tanggaard 2015: 522). But the project also strives for this via the quantitative data. However, even though quantitative data provides access to large amounts of data in a cost-effective way, it is important to recognize its limitations in terms of in-depth understanding and interpretation. Quantitative data may be flawed or one-sided in their perspectives and may reflect bias or conflicts of interest. Another challenge of quantitative data is the need to assess the credibility and value of websites as a source of information. There may be questions about the authenticity, timeliness and accuracy of the website that may affect the reliability of the conclusions drawn from them. Despite these criticisms, it is important to recognize that both qualitative interviews and quantitative data can be valuable tools in the research process. They complement each other by providing different perspectives and opportunities for triangulation of data, which can strengthen the validity and reliability of research results. Although different methods can be useful in elucidating different aspects of a topic, it is important to recognize that the limitations of one method may not be filled in by another method immediately. Each method has its own strengths and weaknesses, and although they can complement each other, they are not always perfectly complementary. In conclusion, it should be mentioned that this study naturally strives to be applicable in other countries and contexts, which means that other researchers should expect to get different results. This is due, for example, to various geographical, cultural, economic and social factors. All this can affect the challenges and opportunities faced by companies in the transition from national to international operations.

Chapter 5 - Analysis

Through the analysis, qualitative findings from interviews will be examined together with quantitative results from the country comparison tool. This holistic approach aims to highlight both the depth and breadth of the challenges and the strategic solutions available.

As mentioned before, the following analysis is structured around the use of several tools and models to elucidate the challenges of companies' transition from national to international operations and to identify strategic solutions. The following tools and models will be used:

1. PESTEL analysis: The first step in the analysis is to make a thorough review of the political, economic, social/cultural, technological, environmental and regulatory factors that affect the company's opportunities and challenges in the international market.

2. Hofstede's 6 Dimensions: Subsequently, an analysis of national cultural dimensions, as described by Hofstede, will be carried out, helping to understand the cultural differences between Denmark and Germany and their impact on the company's international success.

3. SWOT model: Finally, SWOT is used as a catch-all model that summarizes external opportunities and threats in the international market. The SWOT model will be used to summarize and evaluate the results of the previous analyses and identify strategic points of action.

PESTEL analysis

By examining political, economic, social, technological, environmental, and regulatory factors, a company gains insight into the broader contextual landscape in which it operates. This analysis provides a basis for understanding the various factors that can influence a company's strategic decisions and its ability to adapt to a dynamic global market. In this analysis, we will delve into each of the aspects of the PESTEL analysis and examine how they affect Danish companies' opportunities to enter and thrive in the German market. By identifying and analyzing these factors, we will gain a deeper understanding of the challenges and opportunities businesses face in their international expansion.

Political factors

Considering the insightful comment from one of the interviewees about the importance of political factors in Germany, it is clear that political factors play a role for Danish companies that want to expand their activities to the German market. This opinion focuses on the direct impact of policy measures on German behavior and consumption patterns.

Bjarne Brodersen

" Well, the political factors play a big role. It is really if you in Germany make some political initiatives that make the Germans have less money in their hands or other savings, then they react immediately. Not like in Denmark, where we just rumble on out. In Germany, they react immediately. That is, if you cut down on consumption, the Germans also cut down on consumption." (REF. 4)

According to BB, Germany is known for its political stability, but this also means that political changes can have quick and significant consequences. If policies are introduced that affect the disposable income or consumption opportunities of Germans, Germans will react immediately by adjusting their consumption patterns. This can be a challenge for Danish companies that have to adapt to rapidly changing political conditions to maintain their business activities in Germany. The Germans' reaction to political measures that affect their economy can have a direct impact on Danish companies' sales and earnings in the German market. If political decisions result in cutbacks or changes in consumption habits, this could affect the demand for Danish products and services in Germany, thus creating barriers for Danish businesses. Germany's political decisions and regulations may also have a direct impact on Danish companies' operating conditions and competitiveness in the German market. Changes in taxation, labour market policy or environmental legislation may require Danish companies to adapt their business practices and strategies to comply with new requirements and standards.

Based on Bjarne's and Claus' responses, it seems crucial for Danish companies to have a thorough understanding of the political landscape in Germany and to be able to predict and respond to political changes quickly and effectively. This requires close monitoring of policy developments, as well as the ability to adapt business strategies and operating models accordingly.

Both Bjarne Brodersen and Claus T. Pedersen provide valuable insights into the complex political landscape in Germany and its importance for Danish companies. In the quote below, Bjarne emphasizes political diversity and state autonomy. In addition, he also mentions the connection between cultural differences and political attitudes:

Bjarne Brodersen

"You have to be prepared. Not because every period is the same if they cut back. It can also give different challenges or opportunities, I would almost say. If they open up, it also provides some opportunities, but also challenges, so you have to be aware of what is happening all the time, and then Germany consists of these states and each state actually being allowed to react differently, so you also have to take that into account and they can be managed very differently and as I also mentioned, there is also the culture, which means a lot, that is, in Munich. There they are a little more... What to say? Right-wing, I would almost say, but there are some other things that apply, and whereas north of Hamburg and upwards it can be a little more like us. You have to take that into account." (REF. 5)

Bjarne emphasizes the political diversity and state autonomy in Germany as a key factor that must be considered. With 16 Bunds-Länder, each empowered to adopt its own legislation and constitution, political conditions can vary considerably from region to region. This requires Danish companies to understand and adapt their strategies in accordance with the specific political conditions of the areas in which they wish to operate. Bjarne also points to the importance of cultural differences and political attitudes that can vary between German regions. He highlights Munich as an example where there may be a more right-wing political mood, which can affect companies' approach to the market. This underlines the need to understand the local cultural and political dynamics to successfully navigate the German market. When asked about…

Claus T. Pedersen

"Difference in political systems that exist between Germany and Denmark, where Denmark is a small country. With 6-6.5 million inhabitants, it is well divided into 5 regions, but it is governed by national politics, where in Germany there are 16 states that can make their own legislation and constitution, and it makes me think that when you as a Danish company wanted to enter the German market, you should perhaps focus on one or more states rather than going for a market with 80 million inhabitants in total. It's probably a big mouthful from the start." (REF. 78)

Claus points out the importance of focusing on specific states instead of pursuing a general approach to the German market. With differences in political systems between Germany and Denmark and the states' ability to determine their own legislation, it may be appropriate for Danish companies to target their entry strategy at selected regions where political and economic conditions better match their business needs and capabilities. In addition, he also points out in the quote below that it would be relevant to understand the relevant legislation in the area in which the company will operate.

Claus T. Pedersen

"Make sure that you familiarize yourself with the legislation of the Land in question in the field in which the company operates." (REF. 79)

Given the political sensitivity and reactivity in Germany, it is crucial for Danish companies to develop flexible and adaptable strategies that can address political barriers and ensure their success in the German market. Based on the analysis, companies should relate to political stability and reactivity, consumer behavior and political initiatives, the influence of political decisions, and seek political insight to be able to adapt.

Economic factors

Bjarne sheds light on several economic factors that can constitute barriers for Danish companies that want to expand their activities to the German market.

Bjarne Brodersen

"Well, it is that Denmark is known as an expensive country and is also an expensive country, and then you can say that the price is the crucial one, and it was perhaps back in the time before the krone that meant it a lot, because there was a little more world trade. Today, the Germans look a lot at security of supply, and then they look at us Danes. They know we are more expensive, but on the contrary, they also know that the quality is okay. We are fairly sensible most of the time, so we keep our promises and also deliver on time and all these things, so these are factors that mean more and more to the Germans even now." (REF. 8)

Bjarne emphasizes the importance of price and quality as decisive factors for German consumers. He points out that Denmark is known as an expensive country, but that Germans also value quality and reliability. Although Danish products may be more expensive, Germans are willing to pay for them if they live up to their expectations and requirements for quality and reliability. This poses a challenge for Danish companies to ensure balanced pricing and focus on delivering high quality and reliability to meet the German market. In addition, Bjarne points out that it can be difficult for companies, which is both because they have other benefits included and pay taxes in a different way than Danes do.

Bjarne Brodersen

"Then they have some other benefits included that the employer has to pay. It is a bit of a difficult calculation. You can't just take their salaries and compare them with ours, because they pay a little differently from their taxes and health insurance funds and all that kind of stuff." (REF. 7)

Bjarne also points out differences in the corporate culture between Denmark and Germany, especially when it comes to adaptability. Danish companies are used to being flexible and quickly adapting to meet changing market conditions or customer demands. In contrast, German companies may find it more difficult to adapt and adapt due to their more structured and traditional approach. This can constitute a barrier for Danish companies that have to navigate in a market where rapid change can be crucial for success.

Bjarne Brodersen

"We are used to an optimal order size in Denmark. It's a piece. Well, we are flexible. We just bend to the fact that we can quickly adapt, because our company is not very big traditionally, so we can just adapt whereas German companies. Yes, they can't just adapt, and it's also in their culture and so on that you don't just adapt." (REF.10)

These perspectives underline the need for Danish companies to understand the economic dynamics and consumer preferences in Germany as well as to develop strategies that can meet the unique challenges and opportunities of the German market.

Claus emphasizes the importance of financial capacity and strategic planning in connection with business expansion, whether it is in the national or international market.

Claus T. Pedersen

"In other words, every expansion requires finances of a certain size and a financial capacity, which you must make sure you have in place, and this applies regardless of whether the company wants to expand within Denmark, or you go abroad. But you probably need a little more padding and capacity before you go out, because if you come in later in relation to the company, how will you represent yourself in the new market? Is it by the government from Denmark, representative office and company or how? But should you have it distributed? Well, then it requires better management and thus also more capital. And if you want a company, well, you also have to have finances, i.e. a company must have its own bank in Germany to be able to act within the German market, i.e. another market." (REF. 81)

Claus points out that any expansion requires a certain financial capacity and padding. This is especially true for international expansion, where the company must be ready to handle the extra costs and risks associated with operating in a new market. Sufficient capital must be available to cover costs such as set-up costs, marketing, infrastructure and any unforeseen expenses. Claus also raises questions about the company's structure and management in connection with international expansion. He points out that it is important to consider how the company will represent itself in the new market and what degree of control will be necessary. This may include setting up a representative office or establishing a subsidiary. Whichever model is chosen, it requires both better management and increased capital. In addition, Claus emphasizes the importance of having a solid economic base in the new market. He points out that a company that wants to operate in the German market must have its own bank account in Germany. This requires not only sufficient capital, but also an understanding of the financial procedures and requirements of the country in question.

These considerations show the need for thorough financial planning and capital allocation when Danish companies want to expand their activities into the German market. A well-structured and financially resilient approach is essential for successful expansion and long-term results.

Social and Cultural factors

Claus reflects on the cultural differences between Denmark and Germany and the potential challenges these differences can create for Danish companies looking to expand their activities into the German market.

Claus T. Pedersen

"I still have the image that the Germans are more rigid in the area where the Danes stand for flexibility. The Danes are probably some of the most flexible people and can adapt to virtually any situation. Germans are rigid in systems and very formal in their approach. And therefore, if you want to establish yourself combined with politics and economics, well you can establish yourself and hire Germans, I think it would be an advantage for a Danish company to counter the cultural side in the best possible way so that it is Germans who talk about the German customers, rather than Danes, who comes down there and has to play King Smart." (REF. 83)

Claus notes that Danish companies are often characterized by a flexible approach to business, whereas German companies are more formal and rigid in their approach. This can create a challenge, as Danish companies must adapt to the German culture to achieve success in the German market. He suggests that employing German employees can be an advantage for Danish companies, as it will help to counter the cultural differences and create greater acceptance and trust among local customers and partners.

Claus T. Pedersen

"Sometimes we see that things are going well, where there is great respect for the Danish flexible approach, but there are probably still some in the companies in Germany who keep the forms and are very formal with it and so on. Where everyone in Denmark says "you" to each other. That is still my picture. You don't do that in Germany in the same way, it's a little more orderly." (REF. 84)

Claus also points out that there are still some in German companies who stick to formal norms and do not respect the Danish approach to more informal communication and collaboration. This can create misunderstandings and challenges in the interaction between Danish and German business partners. Danish companies must be aware of these cultural differences and adapt their communication and collaboration strategies accordingly. These observations underline the need for cultural sensitivity and adaptability in Danish companies wishing to establish themselves in the German market. A deep understanding of the local culture and a flexible approach to business practices are essential for achieving success and building long-term relationships with German partners and customers.

Bjarne also shares his personal experiences with the cultural differences between Denmark and Germany and the potential challenges these differences can create for Danish companies looking to expand their activities into the German market.

Bjarne Brodersen

*"... I had a company once that said, now here when we go to Germany, I simply refuse to say "Sie". That is, he will say "you". Then I told him that he had to stay home. Well, here in Germany, it's called "*Herr. Doctor" or "digluon ingenieur". *or something else and you only say "Sie". When the person gives you permission to say "you", and he doesn't do that if he is West German and it takes a lot. I know times change, but you can't do that with someone my age. You can just forget about it, and you just have to act on it." (REF. 14)*

Bjarne tells about a company where the owner refused to use the formal "you" (Sie) in Germany. He emphasizes the importance of respecting the formal titles and forms of address of Germans such as "Herr. Doctor" or "digluon ingenieur". He points out that it is crucial to be aware of the cultural norms and respect them to establish credibility and respectful relationships with German business partners.

Bjarne Brodersen

"You have to make sure you seek advice from someone who knows something about this, and then you have to be open to using someone who has some network. You must talk to someone about it and you can also allow yourself to talk to other Danes who are successful in the German market, because there is nothing that is black and white as such. And some of what I tell you is a bit back to the younger German, who is a little more receptive to English, for example. An older German can't dream of throwing himself into it, because he doesn't speak very well and is afraid of losing face, so I would say that you should consult with someone who knows the market, gather inspiration."

(REF. 18)

Bjarne emphasizes the importance of seeking advice from people with experience and networks in the German market. He recommends talking to other Danes who have been successful in Germany, as their experiences can provide valuable insights. He also points out that it is important to be aware of differences between generations of Germans, where the younger generation may be more open to English and international business practices than the older generation. These observations illustrate the need for cultural sensitivity and adaptability in Danish companies wishing to establish themselves in the German market. Understanding and respecting the cultural norms and values in Germany is essential for building successful business relationships and avoiding misunderstandings or conflicts.

In the quote below, Bjarne also emphasizes the importance of thorough market research and cultural understanding when entering the German market.

Bjarne Brodersen

"The few days or market research, whatever it may be. It's a good investment. I am from Southern Jutland and that means I believe, think and assess and then we drive out there. Now I have lived in

Thy for 35 years, and they do not believe, think or evaluate. There they sit and wonder and must go for a walk on the harbor and everything. That approach is quite sensible when we talk about the German market. Gather some information. Don't worry, because in Denmark we are also famous and notorious for rushing off to the export markets, and sometimes we have a little too much speed." (REF. 18)

Bjarne emphasizes the importance of investing time in market research before expanding to Germany. He compares the more relaxed approach to planning and assessment that he sees in Thy with the more methodical approach that he believes is necessary when tackling the German market. He warns against rushing into the market without adequate preparation and urges people to gather relevant information and take it easy.

Bjarne Brodersen

"But we also use a lot of German advisors, and I use a little Danish, but I mean a German who is really German. He is better at telling me what the culture is like and all those little things that I don't catch myself, even though I am from Southern Jutland, and I have worked a lot with Germany and so on. And even though I know quite a few of them, I can feel that I'm not quite on the beat anyway." (REF. 22)

Bjarne shares his experience of using both Danish and German advisors to navigate the German market. He points out the value of having a "real" German as an advisor who can provide insight into cultural practices and patterns of behavior that he himself may not pick up. Although he has worked extensively with Germany and feels familiar with the culture, he acknowledges that there are still details he doesn't fully understand and that a local expert can be invaluable in this context. These statements demonstrate the importance of careful planning, respect for local conditions and the use of local experts in the process of establishing themselves in the German market. Investing time and resources in market research and seeking advice from local experts can help minimize risks and increase the chances of success for Danish companies looking to expand their operations into Germany.

Technological factors

As Danish companies aim to expand their business activities into Germany, they face several technological challenges that require careful attention and strategic approach. Bjarne elaborates on the technological challenges that Danish companies may face when they want to expand their activities to Germany.

Bjarne Brodersen

"Germany is developing really slowly when it comes to IT. It has improved a little, but it was hit hard during corona. They had no internet connection or modem or anything. It was the fax. The fax is still valid in Germany to this day. It's completely crazy. I can't remember the last time I sent a fax. I did that when I was in my twenties. It's been 40 years." (REF. 26)

Germany, despite its position as one of Europe's leading economies, has historically been characterized by relatively slow development in IT infrastructure. Bjarne points out that this slow development was further challenged during the corona pandemic, when a lack of internet connectivity and outdated technological systems revealed Germany's vulnerability in this area. The continued use of fax machines, even in modern businesses, shows a reluctance to embrace digital transformation on a broad front.

Bjarne Brodersen

"If you think you can get down there with a PowerPoint and just act or we will sort that out on teams or whatever it is. Of course, they know the possibilities, but it is extremely difficult." (REF. 27)

In addition to the challenges stemming from the slow development of IT infrastructure, Danish companies may also encounter resistance to technological change among German business partners and customers. Bjarne mentions that Germans may find it difficult to embrace modern communication tools such as PowerPoint or online meeting tools such as Teams. This resistance may be due to a cultural attachment to traditional working methods as well as a general caution about change. Below, Bjarne gives some examples that shed light on the technological challenges.

Bjarne Brodersen

"The print system is still quite big in Germany, I can't remember how many trade magazines they had, it was 2500 trade magazines they still have in Germany, where in Denmark, we have virtually none. It will be delivered by post for longer, or very few at least. It's running at full capacity in Germany." (REF. 35)

Bjarne Brodersen

"But they have not grown up with it in school as we are here, that is, all school children. Here they have ipads and interactive whiteboards and all sorts of things. They don't know about that." (REF. 38)

For Danish companies, these technological challenges entail the need for adaptation and flexibility. It is crucial to understand and respect the technological differences between Denmark and Germany and to develop strategies that can accommodate these differences. This may include investments in adapting products and services to the technological conditions in the German market as well as an active effort to build trust and understanding among German partners and customers in relation to new technological solutions. Overall, these challenges underscore the need for a careful and proactive approach to technology as Danish companies seek to expand their business activities into Germany. By identifying and addressing these challenges, companies can position themselves for success in the German market and ensure a smooth and effective implementation of their expansion strategies. However, Bjarne points out that if you want to access places in Germany where there are better technological opportunities, it is Munich and Frankfurt.

Bjarne Brodersen

"… I would say right around Munich. There they are a little more IT minded. This is where the big IT companies are located, and there are many Danes who work down there. This is especially true in Frankfurt and Munich, because that's where it all happens." (REF. 37)

As mentioned above, after the corona pandemic, Germany has been forced to confront and address its long-standing challenges with IT infrastructure and digital transformation. Bjarne points out that the sudden insight into these challenges came as an eye-opener for German companies and organizations that saw themselves confronted with the negative consequences of their technological vulnerabilities. Germany, which has historically been characterized by a slower pace of development in IT, was forced to realize that its traditional working methods and outdated technological systems were no longer sufficient to meet the demands of a modern and digitalized world.

Bjarne Brodersen

"They have started to change that after corona, because they could see that the high-paid people had to go home and could not do anything. They could not teach in the schools and so on. You could do that in Denmark. We shrugged our shoulders a little, oh yes okay, the next day it was running again." (REF. 30)

This realization may open the doors for Danish companies that have a stronger tradition of digitalization and a more agile approach to technology. While German companies have been used to building things up several times and may not have been quite up to par with Danish standards, the corona pandemic has created an urgent need for change. Bjarne suggests that Germans are now aware that they can no longer ignore their technological challenges and that a deeper and more comprehensive effort is needed to upgrade their IT infrastructure and embrace digital transformation. So, there is a good chance that this will change in the future. However, Bjarne points out that Danish companies should not hope for a change tomorrow and gives a personal example from 2008.

Bjarne Brodersen

"The focus. They are aware of it, they are aware of it, but it is not just something you do with a snap. That is, when I was employed in the Ministry of Foreign Affairs. I think I was hired in 2008, at that time I was told that all invoices had to be sent electronically. I wondered a bit; how do I do that? It wasn't just an email, but it had to be set up in this payment system. But I found out, and that's because the public sector in Denmark decided to force us all into the digital solution, so it turned out that way. They haven't reached that point in Germany yet, and that was in 2008. They are not at that level at all." (REF. 33)

However, the increased attention to the IT challenges in Germany can create new opportunities for Danish companies that can offer innovative and advanced technological solutions. By leveraging their upcoming expertise in digitalization and technological innovation, Danish companies can look forward to it becoming easier to access the German market in the future.

Environmental factors

Bjarne highlights important environmental factors that constitute minor barriers for Danish companies that want to expand their activities to the German market. He points out that there is a marked difference in environmental awareness between the big cities and rural areas in Germany. In big cities such as Berlin, there is a greater focus on sustainable solutions, where consumers demand bio-solutions and organic products. This is reflected in the city's policies, such as requirements for particulate filters for cars and restrictions for diesel vehicles. On the other hand, there is less focus on environmentally friendly solutions in rural areas, where electric cars and other alternative modes of transport do not enjoy the same popularity as in the big cities.

Bjarne Brodersen

"The way I see it, it's mostly the metropolises that think about sustainable solutions, and that's also Berlin, for example. They have been doing it for a long time, where you should have a particulate filter, or you must have a problem driving into the middle of the city. There they are a bit looking for diesel cars, but it is from before 2017, when the cars got these fantastic particulate filters and then consumers also demand bio solutions, i.e. ecology and things like that." (REF. 42)

In addition, Bjarne mentions that the German approach to meeting environmental challenges can be more wait-and-see than the Danish one. Germans often only react to environmental requirements when they are heavily imposed by EU or national authorities. This can create a challenge for Danish companies operating in the German market, as they must adapt to the changing environmental standards and regulations.

Bjarne Brodersen

"For example, electric cars, they don't take up any space in Germany. There is no confidence in that. I'm not quite sure that when the EU comes up with some norms, that the German stands and shouts jubii. He waits until the last minute, when it is heavily introduced, because he does, where in Denmark do, we do it very, very quickly, and we can get worked up about that. It can also give us an advantage, but in the metropolises there, I still find that there is a certain focus. So, you can't get

around it, you must include it, also because EU legislation says that we must go that way. So, we simply can't avoid that." (REF. 42)

Despite these challenges, Bjarne emphasizes the importance of integrating environmental considerations into the business strategies of Danish companies, especially considering EU environmental legislation. Although the German approach to environmental issues may be more wait-and-see, it is necessary for Danish companies to address these concerns to achieve success in the German market.

Claus' remarks about German environmental awareness shed light on the complexity of environmental issues in the country. While the media may highlight Germany's image as an environmentally conscious country, the reality is more nuanced, especially when it comes to heavy industry such as car production. The German car industry is a central part of the country's economy, but it also brings with it significant environmental challenges. Despite efforts to minimize the environmental impact of car production, Germany still faces challenges with air pollution and climate change.

Claus T. Pedersen

"I don't want to believe them, because the impression from the media is that the Germans are just as environmentally conscious as the Danes, of course you have a consideration for a heavy industry like probably everything, i.e. the car industry. For example, more environment is polluting. It probably can't be avoided, but I need the products in the world. But I think they are doing what they can to minimize their environmental impact. But yes, otherwise not." (REF. 97)

For Danish companies that want to operate in the German market, it is crucial to understand these environmental challenges and adapt their business strategy and products accordingly. This means focusing on sustainability, both in production and in the products offered, to meet the increasing expectations of both consumers and legislation. The German government's and consumers' presumably increasing focus on environmental issues also opens opportunities for Danish companies to differentiate themselves by offering environmentally friendly solutions and products. This can not only help address environmental concerns but also provide a competitive advantage in the German market.

Legal factors

Claus' reflections on the regulatory aspects of setting up a business in Germany point to the complexity and necessity of a thorough understanding of the legal landscape. When Danish companies are considering expanding their operations into the German market, there are several legal considerations that need to be considered.

Claus T. Pedersen

"But you have to decide which legal form you want to be represented with in Germany, an independent legal entity such as a company, or is it just a branch, or is it just a representative office? And how should it be staffed?" (REF. 100)

One of the first questions is what legal form the company should take in Germany. Should it be an independent legal entity such as a company, a branch or simply a representative office? This decision has significant implications for the company's legal structure, tax obligations and the degree of financial responsibility. The decision on which legal structure the company should adopt in Germany is crucial and has long-term consequences. Choosing between establishing an independent legal entity such as a German company, setting up a branch of the Danish company or simply establishing a representative office involves different levels of legal and financial responsibility, tax obligations and administrative burden.

Claus T. Pedersen

"Germany is very different from Denmark, so if you have hired employees, then of course you have some employee obligations as follows, and it is then a legal approach of considerations that you have to make, that if you hire, then you can in case some notice periods and other personnel things that you have to keep in mind. If you look at the media, the French. It is very, very expensive to fire employees in France. Germany may not be as bad as the French, but perhaps a little more difficult and heavier economically than it is in Denmark. Of course, it also costs to get rid of employees in Denmark with notice periods and perhaps compensation and compensation of various kinds. Of course, this is also something you need to have a lawyer on board to consider." (REF. 99)

In addition, it is important to consider the legal obligations towards employees in Germany. German labour market legislation differs significantly from the Danish one, especially when it comes to recruitment and termination procedures. Claus emphasizes that it can be expensive and complex to dismiss co-workers in Germany due to the strict regulations and financial consequences.

Germany has extensive and complex legislation regarding the labour market, which differs significantly from the Danish legislation. The rules on employment, wages, working hours, holidays and termination of employees can be very different from what Danish companies are used to. Termination procedures can be cumbersome and require careful handling to avoid legal consequences and financial costs. In addition, Germany has different tax and accounting requirements compared to Denmark. It is important to understand and comply with these obligations to avoid any consequences resulting from errors or non-compliance with the legislation. The drafting and interpretation of contracts and business agreements must be in accordance with German law. It is important to ensure that all contracts and agreements are legally valid and protect the interests of the company.

Claus T. Pedersen

"Therefore, of course, you must have legal assistance to investigate it. Of course, Danish lawyers can have partners who can investigate it for them. But there are many German advocacy groups who offer their services directly and market themselves directly to Danish companies on Internet sites. It's just a matter of going online." (REF. 101)

When Danish companies operate in Germany, it is crucial to have legal assistance to navigate through the complex legal system and regulatory requirements. Claus mentions that Danish lawyers often have partners in Germany or can refer to German lawyers who offer their services directly to Danish companies. This collaboration can facilitate the process of obtaining legal advice and ensure that Danish companies understand and comply with the German laws and regulations.

Claus T. Pedersen

"If it's in northern Germany, well, then they're German lawyers. Well, they have many times also employed Danish staff to be able to advise and understand Danish. The bank has a collaboration with a German lawyer to whom we refer customers, and he speaks Danish. He is German, but speaks Danish and understands Danish, so we just communicate if the bank has a legal German challenge. Well, then we just communicate in Danish." (REF. 102)

In Northern Germany, German lawyers often specialize in serving Danish companies. They may employ Danish staff to facilitate communication and understanding of Danish companies' needs and challenges. This can be an advantage for Danish companies, as it ensures that they receive relay-familiar and tailored legal advice in their own language.

Banks can also serve as a source of legal assistance for Danish companies operating in Germany. Claus mentions a collaboration between the bank (Spar Nord Bank) and a German lawyer who speaks Danish and can help solve legal challenges in an understandable way for Danish companies. This shows the importance of close cooperation between different actors to support Danish companies in understanding and complying with German legislation.

Bjarne Brodersen

"And then you must get the German norms under control, “DIN norm”. And “DIN” norm is a *certainty or a documentation that the dirt is okay, there you have some your norms down there. You must always make sure that you live up to this. And if you don't, you'll just get in trouble and a state has different rules on these norms. And then they also have something to do with praise here in the Department and things like that, where you may need approvals. The Germans are experts in trade boycotts. They are almost as skilled as we are. We are a little better at trade boycotts, so that's why they have introduced all of these. What is it called? These different labels, we have C-marking and all sorts of things. This is simply to avoid anyone being able to go in and block trades. After all, we must safeguard free trade in Europe. But you need to get a handle on it because the first thing they do when you must hand in an order is to go in and see if it is qualified and everything. Don't worry, they will find everything they can possibly find. The Germans are extremely bad payers. A lot, even. So, they do everything they can to deduct payment as much as possible. And that's a huge problem in general." (REF. 46)*

Bjarne emphasizes the importance of complying with German standards and regulations, known as "DIN norms", which serve as safety measures or documentation that products or services meet certain quality requirements.

Din Standards

“DIN Standards are the results of work at national, European and/or international level. Anyone can submit a proposal for a new standard.” (© 2024 DIN Deutsches Institut für Normung e. V. Link: https://www.din.de/en/about-standards/din-standards)

He also points out that different states in Germany may have different rules and requirements, which requires careful attention and compliance from Danish companies. Germany is also known for being adept at trade boycotts, which is why various labelling schemes such as C-marking have been introduced to avoid blocking trade. These labels ensure that products meet certain standards and quality requirements and facilitate trade between EU countries. Danish companies must be aware of these labelling requirements to ensure that their products can be sold and distributed freely on the German market. Bjarne also points out challenges regarding payment practices in Germany, where German companies may be inclined to delay payments and deduct payments as much as possible. This can pose a huge problem for Danish companies operating in Germany and highlights the need to have robust payment and contractual systems in place to address these challenges.

To successfully navigate through these regulatory challenges, it is crucial for Danish companies to seek professional legal advice with expertise in German law and business practices. A careful and proactive approach to understanding and complying with legislation can help minimize risks and create a solid legal framework for the company's operations in Germany.

Summary of the PESTEL analysis

A comprehensive analysis of the political, economic, social/cultural, technological, environmental and regulatory factors in Germany highlights many different barriers for Danish companies wishing to expand their activities into this market.

The political factors in Germany constitute a significant barrier for Danish companies. The rapid reaction of Germans to political changes affecting their economy, as well as their tendency to react immediately to cutbacks or changes in consumer behavior, requires Danish companies to be attentive and adapt their strategies accordingly.

Economic factors such as pricing, supply chain optimization, and consumer behavior also play an important role. Germany's size and complexity require businesses to have a solid understanding of the market and its unique economic dynamics. Consumer demand for sustainable solutions and organic products is also an important consideration for businesses.

Social and cultural factors can also pose challenges. Differences in work culture, communication styles and consumer behavior require companies to adapt their approach to the German market. It is crucial to understand cultural nuances and work on building trust and understanding with the German stakeholders.

Technological factors such as slower technological development and resistance to change can also affect the success of companies in Germany. Companies need to be aware of these differences and adapt their technological solutions and communication strategies accordingly.

Environmental factors also play an important role in Germany. There is a growing interest in sustainability and eco-friendly solutions among consumers, which requires companies to adapt their products and operations accordingly.

Finally, the legal factors pose complex challenges for Danish companies. German law is complex, and it is important to have adequate legal assistance to navigate through this complex landscape. Compliance with German laws and regulations is essential for the success of companies in the German market.

Overall, expanding into the German market requires a comprehensive understanding of the various factors that affect business success, and the need for customization and careful planning to navigate through these complex conditions.

Hofstede's 6 dimensions

In this section, the project will explore Hofstede's 6 dimensions of culture and their relevance to the understanding of cultural differences and their influence on behavior and values in different societies, with a focus on Denmark and Germany. Below is a diagram that I will elaborate on before we start to address the different dimensions.

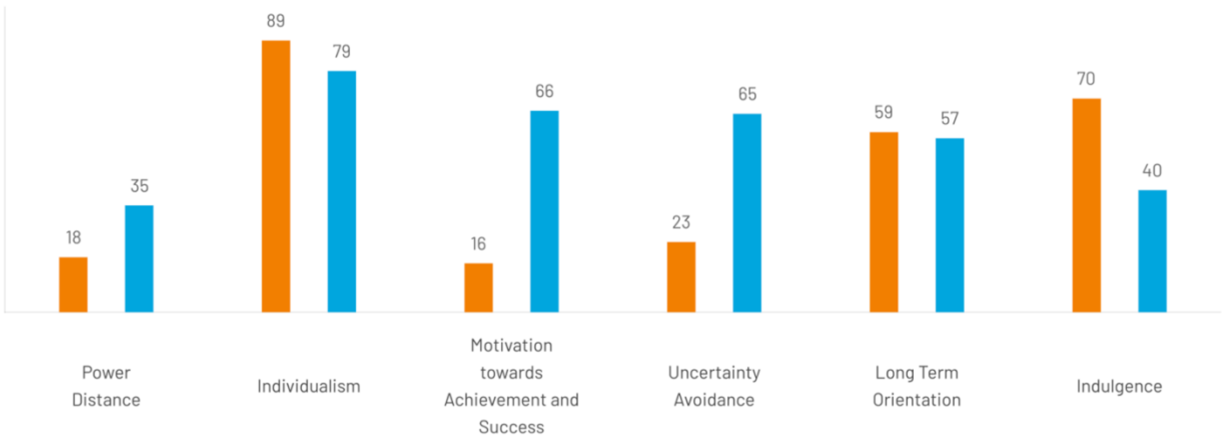

Figure 2: Hofstedes 6 dimentions (Denmark and Germany), Hofsteds Insights, National Culture, 2024.

As can be seen from the picture (Hofstede Insights, National Culture, 2024), Denmark and Germany are, according to Hofstede's 6 dimensions, two different countries, which indicates that there are several relevant considerations to make from a business perspective. Despite the differences in the dimensions, based on scores, all of them will be carefully worked out in this analysis part. However, there will be a greater focus on the dimensions where there is a greater difference. I will now go through the dimensions individually for both countries and try to come to a conclusion.

Power Distance

In international business, one crucial dimension to consider is power distance, which indicates the extent to which a society accepts hierarchical differences between individuals. Denmark, with a score of 18 (Hofstede Insights, National Culture, 2024), is at the lower end of this scale compared to other nations, demonstrating a culture where power is decentralized and autonomy among employees is highly valued. This fits well with many foreigners' perception of Denmark, where it is often noted that Danes prioritize coaching over management and place great emphasis on employee autonomy. In Danish culture, there is a deeply rooted belief in equality, accessibility of superiors and that leadership is facilitated rather than imposed. The Danish workplace fosters a collaborative environment where managers trust the expertise of their team members, and respect is earned through practical skill rather than hierarchical positioning. Communication is characterized by its directness and inclusivity, often conducted on a first-name basis, reflecting the informal and participatory nature of the Danish work culture. The co-workers expect to be heard and valued within this egalitarian framework. On the other hand, Germany, have a score of 35 (Hofstede Insights, National Culture, 2024). The German workplace is decentralized, supported by a strong middle class, and emphasizes participatory decision-making processes. Management is expected to demonstrate excellence and is best accepted when it is based on merit and knowledge. Direct and participatory communication styles prevail, where control is not suppressed, but rather balanced with collaboration and input from all levels of the organization.

When transitioning from national to international operations between Denmark and Germany, companies must be aware of these cultural differences in power distance. While Danish employees thrive in environments that encourage autonomy and egalitarianism, German colleagues can appreciate a leadership style that incorporates a balance between authority and inclusivity. Strategies to overcome these cultural differences may include implementing management training programs that emphasize adaptable leadership styles, promoting open communication channels that accommodate different cultural norms, and promoting cross-cultural understanding and respect within the organization. By recognizing and addressing the nuances of power distance between Denmark and Germany, companies can navigate more effectively through the challenges of the transition between these national contexts, thus promoting greater coherence and success in their international operations.

Individualism

As companies move from national to international operations, they can face several challenges related to cultural differences, including individualism. Denmark and Germany represent two different ends of the spectrum when it comes to individualism, which can affect how companies must adapt their operating and management practices. Denmark, with a very high score of 89(Hofstede Insights, National Culture, 2024), is a highly individualistic society. Here, there is a high preference for loosely composed social settings, where individuals are expected to primarily take care of themselves and their immediate family. The Danish approach to business reflects this individualism by focusing on efficiency and purposefulness in negotiations. Small talk is kept to a minimum, and business relationships are not necessarily built first, which can be a challenge for companies that come from more relational societies. On the other hand, Germany is also an individualistic society, but with a score of 79 (Hofstede Insights, National Culture, 2024), which is slightly lower than Denmark. In Germany, there is a focus on small families, primarily with a strong parent-child relationship, and there is a strong belief in self-realization. Loyalty is based on personal preference and a sense of duty and responsibility that is often defined in the contract between the employer and the employee. The German approach to communication is direct and honest, with an idea of giving the other party a fair chance to learn from mistakes.

As companies navigate between these two cultural approaches to individualism, challenges related to business practices, communication, and building relationships can arise. Strategies to address these challenges include understanding and respecting the cultural norms of each country, adapting business practices and communication styles as needed, and investing time and resources in building trust and relationships with local stakeholders. By recognizing and addressing these cultural differences, businesses can maximize their success as they move from national to international operations and address the challenges that arise along the way.

Motivation towards Achievement and Success

As Danish companies seek to expand into the German market, they also face significant challenges because of the cultural differences in the level of motivation towards performance and success between the two countries. These differences can have a decisive impact on both management practices and business results and constitute the primary challenges for Danish companies in the transition to the German market. Denmark, which has a score of 16(Hofstede Insights, National Culture, 2024), values a consensus-oriented working environment where the balance between work and life, inclusion of all and quality in working life are prioritized. Danish companies that are used to this approach may encounter challenges when they encounter the more performance-oriented climate in Germany. In Germany, on the other hand, which has a score of 66(Hofstede Insights, National Culture, 2024), a high degree of motivation towards achievement and success is valued, where high standards and early performance expectation are the norm. Danish companies that are not prepared for this may experience resistance from employees who are used to a more relaxed work culture, as well as challenges in adapting their management style and reward structures to German expectations.

For Danish companies, it is crucial to recognize and address these challenges in the transition to the German market. This may involve investing in intercultural training and developing a deeper understanding of the German work culture, adapting management practices and reward structures to meet German expectations, as well as building a strong local network and partnerships to facilitate entry into the German market. By being aware of and actively addressing these challenges, Danish companies can maximize their success and build a strong position in the German market, despite the cultural differences.

Uncertainty Avoidance

As companies move from national to international operations, understanding cultural differences in uncertainty avoidance is crucial. Denmark and Germany represent two different ends of the spectrum within this dimension, which can affect companies' adaptation to new markets and working environments. Denmark, with a low score of 23 (Hofstede Insights, National Culture, 2024), shows a general tendency to avoid insecurity. Danes are comfortable with ambiguity and changes in working life. This is reflected in their openness to new ideas and innovation, which is a driving force for Denmark's reputation in creativity and design. In the workplace, it is acceptable to admit when you do not know anything, and Danes thrive in ambiguous situations. Germany, on the other hand, has a high score of 65 (Hofstede Insights, National Culture, 2024) for uncertainty avoidance. There is a preference for structure and predictability, which is reflected in a deductive approach to planning and thinking. Germans prefer details and systematic overview to ensure certainty in their work and decisions. This approach is combined with a tendency to rely on expertise to compensate for the higher uncertainty. Danish companies that are used to a more relaxed approach to uncertainty and change may find it difficult to adapt to the more structured and detail-oriented work culture in Germany. The transition to an environment where there is a strong emphasis on systematic plans and accurate predictions may require a significant adjustment to the company's internal processes and management style. German companies tend to make decisions based on detailed analysis and careful planning to avoid uncertainty. Danish companies that are used to a more flexible approach to decision-making may experience frustration with the increased complexity and slower decision-making process required in the German market. Danish companies may also encounter communication challenges when trying to collaborate with German partners or employees. Differences in communication style, where Danes are typically more direct and open to ambiguity, while Germans prefer clear and detailed instructions, can lead to misunderstandings and conflicts if not handled correctly. Danish companies are known for their innovative approach and ability to embrace change and new ideas. On the other hand, the German approach, which is more risk-cautious and conservative, may limit Danish companies' ability to implement innovative solutions or rapid changes in the German market.

By being aware of these potential challenges, Danish companies can better prepare to tackle the cultural differences and successfully navigate through the transition to the German market. It is crucial for companies to invest in intercultural training, develop a deeper understanding of the German work culture, and establish open and effective communication channels to build trust and achieve success across borders.

Long Term Orientation

Both Denmark and Germany share a pragmatic approach with similar scores of 59 and 57 for longitudinal orienteering (Hofstede Insights, National Culture, 2024). This is reflected in both countries' tendency to adapt traditions to changing circumstances, as well as their focus on thrift, investment and perseverance in achieving results. For Danish companies, this cultural similarity can ease the transition to the German market in several ways: Danish companies will find it easier to adapt to the German business culture due to the shared pragmatic approach to change and adaptation. The ability to adapt to new conditions and situations will be a strength as companies navigate through the German market. Both Danish and German companies have a strong propensity to invest and save. This creates a favorable environment for economic growth and development, which can help create opportunities for partnerships and cooperation between Danish and German companies. The shared value of perseverance in both countries underlines the importance of maintaining a long-term perspective and working purposefully towards long-term goals. This can strengthen Danish companies' position in the German market by demonstrating their commitment and ability to deliver results over time.

Although there are cultural similarities between Denmark and Germany in the field of long-term orientation, Danish companies should still be aware of any differences in business practices and cultural nuances that may affect their success in the German market. By leveraging the shared values while being aware of the unique differences, Danish companies can maximize their opportunities and build strong relationships in Germany.

Indulgence

Denmark and Germany show marked differences in the level of indulgence, with Denmark scoring high on 70 and Germany low on 40 (Hofstede Insights, National Culture, 2024). These differences may have significant implications for Danish companies' adaptation to the German market: Danish companies that are used to operating in an indulgent society like Denmark may experience challenges in understanding and accommodating the more restrained consumer behavior in Germany. While Danish consumers have a willingness to realize their impulses and enjoy life, German consumers are more reluctant and skeptical of excessive luxury and consumption. Danish companies must adapt their marketing strategies to meet the different cultural preferences in Germany. While a more positive and optimistic approach may work well in Denmark, it may be necessary to adopt a more restrained and conservative approach in Germany to appeal to the local market. Products and services that are popular in an indulgent society like Denmark may not have the same appeal in Germany. Danish companies need to carefully consider how they adapt their products to meet the cultural preferences and expectations of the German market. The differences in indulgence can also affect the work culture of Danish companies operating in Germany. Danish managers and employees must be aware of the cultural differences and adjust their behaviors and expectations accordingly to build successful working relationships.

By recognizing and addressing these cultural differences, Danish companies can better position themselves for success in the German market and build trusting relationships with German consumers and business partners. It is crucial for Danish companies to develop a deep understanding of the cultural nuances of the German market and adapt their strategies and practices accordingly.

Summary of Hofstedes 6 dimensions

When Danish companies move into the German market, it is crucial to understand the cultural dimensions and the challenges they may face. The different dimensions include power distance, individualism, motivation towards achievement and success, uncertainty avoidance, long-term orientation and indulgence. Denmark and Germany show differences across these dimensions. While Denmark has a low power distance, high individualism, low motivation towards achievement and success, low avoidance of uncertainty, moderate long-term orientation and high indulgence, Germany shows opposite tendencies with higher power distance, more moderate individualism, high motivation towards achievement and success, high avoidance of uncertainty, similar long-term orientation and low indulgence. The primary challenges for Danish companies in the transition to the German market lie in navigating through the cultural differences, especially in relation to power distance, motivation towards performance and success, and avoidance of uncertainty. These dimensions represent the greatest differences between the two countries and therefore require special attention and adaptation from Danish companies. On the other hand, the less challenging dimensions, such as individualism, long-term orientation and indulgence, are more similar in both countries and therefore may require less adaptation. By recognizing these differences and focusing on the dimensions that represent the greatest challenges, Danish companies can better prepare for success in the German market. It is important to develop strategies and approaches that consider cultural differences and support effective communication, collaboration and cross-border business practices.

The SWOT model

In this section, we will use the SWOT model as a summary model based on the results obtained through the previous analyses in this project (PESTEL and Hofstede's 6 dimensions). Specifically, the SWOT model will serve as a tool to summarize and evaluate the challenges and opportunities found for Danish companies that want to expand their activities to the German market. The selected challenges and opportunities have been carefully selected based on the identified trends and patterns from these analyses. The challenges and opportunities are selected according to how likely, serious or significant they may be for the companies. These challenges and opportunities are the primary factors experienced by Danish companies when entering the German market, and they will be carefully assessed to develop effective strategies to meet these challenges and exploit the identified opportunities.

Strengths (internal conditions)

Cultural Conformity: Danish companies often have a flatter hierarchical structure and a greater degree of employee autonomy, which matches well with the German culture that values quality, precision and expertise. This cultural similarity can ease the transition and create a smoother working relationship between Danish companies and their German partners and customers. Innovation: Danish companies are known for their innovative approach and ability to create new solutions and products. This creative and innovative culture can be attractive to the German market, which also values innovation and high technology. Danish companies can differentiate themselves by offering unique and innovative products and services. Flexibility and Adaptability: Danish companies often have a flexible and adaptable approach to change and challenges. This ability to adapt to new conditions and customer needs can be an advantage in the German market, where there can be complex regulations and cultural nuances to navigate. Danish companies can quickly react to changing market conditions and adapt their strategies accordingly. Quality focus: Danish companies traditionally have a strong focus on quality and high standards in their products and services. This awareness of quality can appeal to the German market, where great emphasis is placed on reliability, durability and precision. Danish companies can differentiate themselves by offering high-quality products and exceptional service. International Experience: Many Danish companies already have experience with international trade and cooperation. This international experience can be a great advantage when expanding their activities to Germany. Danish companies have a well-developed network and knowledge of international trade, which can help them navigate through the challenges that may arise from operating in the German market.

By leveraging these strengths based on the cultural dimensions, Danish companies can position themselves well in the German market and maximize their chances of success. It is crucial for companies to understand and adapt to the cultural differences between Denmark and Germany to build strong relationships and thrive in the German market.

Weaknesses (internal conditions)

Cultural Differences: Danish companies may encounter challenges related to the cultural differences between Denmark and Germany. Although there are some similarities, differences in power distance, motivation towards performance and success, and avoidance of uncertainty can create misunderstandings or conflicts in the collaboration with German partners and customers. Lack of Understanding of German Work Culture: Danish companies may have limited understanding of the German work culture, including expectations of hierarchy, decision-making and communication style. This can result in misunderstandings or ineffective communication between Danish and German employees, which can negatively impact productivity and collaboration. Less Focus on Performance and Success: Danish companies may have a lower motivation towards performance and success compared to German companies. This may result in less competitiveness or a lack of incentive to achieve high levels of performance in the German market, where performance and success are highly valued. Lack of Experience with the German Market: Danish companies may lack experience with the German market and its unique business environment, including local laws and regulations, consumer preferences, and the competitive situation. Lack of experience can make it challenging for Danish companies to build and maintain a strong presence in the German market. Language Barriers: Danish companies may encounter language barriers, as German is often the primary language in the business environment in Germany. A lack of German language skills among Danish employees can limit effective communication and understanding, which can hinder business success and cooperation in the German market.

Companies need to be aware of these potential weaknesses and can proactively address the challenges and implement strategies to minimize their impact on their expansion into the German market. It is crucial for Danish companies to recognize and address these weaknesses to optimize their chances of success in the German market.

Opportunities (external conditions)

Large Market Size: Germany has one of the largest economies in Europe and a large consumer market. This allows Danish companies to reach a wide range of customers and expand their customer base. With a population of over 80 million people, there is a high demand for various products and services, which gives Danish companies the opportunity to exploit this potential market. Technological Demand: Germany is known for its weak IT solutions and therefore has a future demand for innovative and high-tech solutions. Danish companies operating in IT, technology, or research and development therefore can take advantage of the upcoming high demand for advanced products and solutions in the German market. Strategic Alliances: Danish companies can establish strategic alliances and collaborate with German companies to strengthen their presence and market share in Germany. By entering partnerships or joint ventures with local companies, Danish companies can gain better market understanding, access to distribution networks and strengthen their brand positioning in the German market. E-commerce growth: The e-commerce sector is experiencing growth in Germany, and consumers are increasingly tending to make purchases online. This allows Danish businesses to capitalize on the growing demand for online products and services in the German market by establishing a strong online presence and implementing effective e-commerce strategies. Cultural Adaptability: Danish companies have traditionally proven to have a good adaptability to different cultural environments. This ability to understand and adapt to the German culture can open doors for Danish companies and make them more attractive to German customers and partners.

If it is possible to take advantage of these external opportunities, Danish companies can strengthen their position in the German market and maximize their growth potential. It is important for Danish companies to identify and exploit the opportunities available in the German market and implement strategies to exploit them effectively.

Threats (external factors)

Intense Competition: Germany is one of Europe's largest and most competitive markets. Danish companies may face intense competition from both local German companies and international competitors that have already established themselves in the market. This can make it challenging for Danish companies to gain and maintain market share. Regulatory Differences: Germany has its own set of laws, regulations, and business practices that Danish companies must comply with when operating in the German market. A lack of understanding of the German regulatory requirements and bureaucracy can pose a threat and result in legal and compliance challenges for Danish companies. Cultural Barriers: The cultural differences between Denmark and Germany can pose a threat to Danish companies. Misunderstandings or conflicts due to differences in communication style, decision-making and work ethics can arise and negatively affect cooperation with German partners and customers. Economic uncertainty: Germany, like any other economy, can be subject to economic uncertainty and cyclical fluctuations. Danish companies may face risks such as falling demand, rising costs and instability in the German market, which may affect their profitability and growth prospects. Technological Backwardness: Danish companies may experience challenges in the German market due to Germany's relative technological backwardness in certain sectors. Although Germany is known for its strong technology sector, there may still be areas where the country is lagging other countries, especially when it comes to the implementation of IT solutions and digitalization in certain industries. This may limit the opportunities Danish companies have to utilize advanced technologies and digital platforms to differentiate themselves in the market and deliver innovative solutions to German customers.

By being aware of these potential threats, businesses can better address the challenges and develop strategies to minimize their impact on their expansion into the German market. It is crucial for Danish companies to conduct a thorough risk assessment and implement measures to manage and mitigate the identified threats.

Chapter 6 – Discussion

My findings are well integrated into the structure laid out in the first chapter of my report. Through my analysis, I have closely followed the steps I originally presented: I introduced the topic, clarified the motivation behind my study, established a solid theoretical basis based on relevant concepts and theories, and formulated my research question. This research question formed the basis of my analysis, and the results of the analysis have helped to answer them in a systematic and sensible way. However, it is important to acknowledge that there may have been limitations in my approach to answering my overall problem statement. While my results provide valuable insights and can answer the project's research questions, there may be areas where further data collection or a different methodological approach could have led to even deeper understanding and more nuanced results. It should also be mentioned that different choices and methods may have affected the results and therefore also the conclusion.

Interpretation of the results

When discussing research results based solely on the research questions asked, it is important to recognize certain limitations that may have affected both the process and the results. Here is a discussion of these limitations and possible observations based on the research findings:

Political outcomes:

Limitations: One of the primary limitations of policy analysis is that political conditions can be volatile and subject to change over time. This can make it challenging to gain an in-depth understanding of how political factors can affect Danish companies' expansion into Germany in the long term.

Possible observations: Despite these limitations, observations based on current political conditions and historical trends can still provide valuable insights. For example, one observation may be that political stability in Germany is crucial for Danish companies' decision-making to expand their activities.

Economic outcomes:

Limitations: Economic challenges can vary depending on the industry, timing, and overall economic situation. It can be difficult to predict all potential financial challenges that Danish companies may encounter during their expansion into Germany.

Possible observations: Despite these limitations, observations based on macroeconomic indicators and industry analysis can provide insight into typical economic challenges. For example, observations may show that exchange rate fluctuations can have a significant impact on the profitability of Danish companies in Germany.

Cultural outcomes:

Limitations: Cultural adaptations are complex and can be difficult to measure quantitatively. In addition, generalizations about culture can lead to inaccurate or stereotypical assumptions, which is also why the project chose to use Hofstede's 6 dimensions.

Possible observations: Observations based on qualitative data and interviews can provide a more accurate picture of cultural challenges and strategies. For example, observations may show that a deep understanding of German business etiquette is essential for building trust and relationships in the German market.

Technological outcomes:

Limitations: Technological advances can happen quickly, which can make it challenging to predict how technology will affect Danish companies' expansion into Germany in the long term.

Possible observations:
Observations based on technological trends and adoption rates can provide insight into how technology can either ease or create barriers for Danish companies. For example, observations may show that investing in digitalization is essential to remain competitive in the German market.

Environmental Outcomes:

Limitations: Environmental challenges can be complex and multifaceted, and it can be difficult to quantify their impact on business strategy and product development.

Possible observations:
Observations based on environmental reports and regulations can provide insight into specific environmental challenges and strategies. For example, observations can show that sustainability has

become an increasingly important factor for consumers in Germany, which requires adaptation of Danish companies' product development strategies.

Regulatory outcomes:

Limitations: regulatory frameworks can vary between countries and are subject to change, which can make it challenging to stay up to date with all relevant regulatory requirements.

Possible observations:
Observations based on legal experts and industry knowledge can provide insight into specific legal challenges and strategies. For example, observations may show that Danish companies need to be aware of German labor and employment laws to avoid legal conflicts during their expansion into Germany.

Observations based on the research results can provide a basis for identifying patterns, trends and potential solutions to the primary challenges that Danish companies face when expanding their activities to Germany.

Limitations in the project's approach

The choice of interviewees, Hofstede's 6 dimensions and PESTEL have had both strengths and weaknesses. The same also applies to mixed methods and semistrutured interviews. This is worth reflecting on.

First and foremost, it is relevant to discuss the role of the interviewees in the analysis. Although the two interviewees have contributed valuable insights based on their professional experience, it is important to recognize that their perspectives do not necessarily represent the full range of experiences and attitudes in Danish companies. The choice of interviewees may have introduced some form of bias or limitation in the analysis process, as their views may not fully reflect the various challenges and opportunities that Danish companies may face in their expansion into the German market. Therefore, it would have been appropriate to consider involving more interviewees or supplementing their perspectives with other forms of data collection, such as surveys or case studies.

Furthermore, it is worth reflecting on the use of Hofstede's 6 dimensions as an analytical framework. While these dimensions have been useful in understanding the cultural differences between Denmark and Germany, it is important to recognize that the culture is complex and dynamic and cannot be completely summed up by these dimensions alone. In addition, other cultural aspects may be relevant to business practices that are not covered by Hofstede's model. Therefore, the application of this framework may have led to some oversimplification or lack of nuance in the analysis of cultural factors. In addition, there are also certain limitations to the use of the PESTEL analysis. One of the challenges with this method is that it can be too general and often lacks in-depth analysis of specific facts. This can result in superficial results that don't necessarily provide enough insight to make informed decisions. In addition, the PESTEL analysis can tend to be static and not capture dynamic changes or complex interactions between different factors. This can lead to an unnuanced understanding of the market environment and potential misinterpretations of data.

In this study, a mixed methods approach was used with the aim of achieving an in-depth understanding of the complex challenges and opportunities faced by Danish companies in connection with the expansion into the German market. The mixed methods approach integrates both qualitative and quantitative methods for data collection and analysis to achieve a more comprehensive and nuanced understanding of the subject under investigation. Regarding the mixed methods approach, it is worth mentioning that there may not have been enough emphasis on the integration between the qualitative and quantitative data in this discussion. The integration of the two types of data can be challenging and requires a careful approach to ensure that they complement each other and provide an overall picture of the topic studied. Therefore, a more in-depth discussion of how the qualitative and quantitative results have been integrated and used to inform each other would have been relevant.

The choice of semi-structured interviews as the primary qualitative method was made to gain in-depth insight into the interviewees' attitudes, experiences and perspectives regarding the identified challenges and opportunities. However, there are certain limitations to the use of semi-structured interviews that should be critically considered. Firstly, questions of reliability and validity may arise in the context of semi-structured interviews. Despite their flexibility, variations in question formulation, interview style, and interpretation of responses can lead to a lack of consistency and reliability of data. This may undermine the credibility of the results obtained and their usefulness in informing the conclusions of the study. Additionally, there may be a risk of bias or subjectivity in the data collection and analysis process. The interviewees' answers can be influenced by their own attitudes, experiences and interests, which can introduce biases in the results. Although the researcher strives to minimize this by following a structured interview protocol, it can be difficult to avoid completely. Overall, it is important to be critical of the choice of semi-structured interviews as the primary qualitative method and of the integration of qualitative and quantitative methods in the mixed methods approach. Such reflection can help to strengthen the validity and reliability of the study's results and conclusions.

Recommendations for future research

To build on this research and deepen our understanding of Danish companies' expansion into Germany, future studies could focus on the following areas:

In-depth case studies: In-depth case studies of successful and unsuccessful expansion projects could provide valuable insights into specific strategies and practices that affect outcomes. These case studies could shed light on how Danish companies navigate through the political, economic, cultural, technological, environmental and legal challenges in practice.

Long-term analysis: A long-term analysis of Danish companies' presence in the German market could provide insight into how factors such as political shifts, economic fluctuations and technological advances affect the companies' success over time. This could include surveys that track the performance and adaptations of companies over several years.

Comparative studies: Comparative studies between Danish companies and companies from other countries that also operate in Germany could reveal differences and similarities in their approaches to expansion and their experience of challenges. This could provide a broader perspective on how cultural and institutional factors influence international business development.

Industry-specific analyses:
Analyses focusing on specific industries or sectors could examine how different industries are dealing with the unique challenges of expanding their activities into Germany. This could include sectors such as technology, healthcare, retail and manufacturing.

Qualitative research: Qualitative studies that delve deeper into perspectives from Danish business leaders, industry experts and other stakeholders could provide a more nuanced understanding of the complex dynamics of Danish-German business relations. This could include interviews, focus groups and participant observations.

These potential directions for follow-up research could help to expand our knowledge of Danish companies' expansion into Germany and provide practical insights to companies, policymakers and academics working in this field. By focusing on concrete aspects of the topic and applying different methodological approaches, these studies can help to build a more accurate picture of the challenges.

Chapter 7 - Conclusion

This thesis has examined the primary challenges that Danish companies experience when they want to expand their businesses into the German market, as well as strategies to meet these challenges. More precisely, the problem statement was as follows:

"What are the primary challenges for Danish companies looking to expand their operations into Germany, and what strategies can be used to overcome these challenges?

Primary challenges

Based on the project's results and selection method, which is based on probability, severity and importance, it can be concluded that the primary challenges are:

Economy, culture, politics and laws.

Germany's large and complex market requires an in-depth understanding of the economic dynamics, including prices, supply chain optimization, and consumer behavior. Danish businesses may find it challenging to navigate this environment without sufficient local knowledge and adaptation. Consumer demand for sustainable and organic products places additional demands on Danish companies to adapt their products and strategies to market preferences.

In addition, there are significant differences in work culture and communication styles between Denmark and Germany. Danish companies that are used to flat hierarchies and informal communication may encounter problems in Germany, where there is a greater emphasis on hierarchy, formality and precision. These differences can lead to misunderstandings and ineffective communication with German partners and customers.

Germany reacts quickly to political changes that affect the economy, which requires Danish companies to be very attentive and flexible in their strategies. Any policy changes that affect the business climate require immediate adaptation by Danish companies. Lack of ability to adapt quickly can lead to loss of competitiveness and market share.

German legislation is complex and requires thorough understanding and compliance. Danish businesses may find it challenging to navigate through the many regulations and requirements, which include labor laws, tax policy, and consumer protection. Failure to comply with these laws can lead to legal problems, fines, and reputational damage.

Strategies

In conclusion, the following strategies can be used to address the above challenges:

To understand the economic dynamics in Germany, companies should conduct thorough market analyses. This involves identifying price levels, consumer preferences, and competitive conditions. Danish companies must adapt their products and services to local preferences, such as sustainability and organic products, to meet German consumers' demands. Effective supply chain management can reduce costs and improve lead times. It is recommended to establish local partnerships and logistics centers in Germany to ensure fast and reliable delivery of products. This will also help comply with local regulations and standards.

To deal with cultural differences, it is important to offer cultural training to employees. Training in German work culture, communication styles, and business etiquette will help Danish companies build stronger relationships and avoid misunderstandings with German partners and customers. Hiring local German employees can help avoid cultural gaps and improve communication with German partners and customers. Local employees bring valuable knowledge about the market, culture and networks, which can be a great advantage for Danish companies.

Companies need to be aware of policy changes and quickly adapt their strategies accordingly. This involves staying up to date on policy decisions, economic policies, and legislative changes that may affect business. Flexibility and the ability to respond quickly to policy shifts are essential. Active involvement in local chambers of commerce, business associations and other networks can help Danish companies gain influence and insight into political decisions. This can also create opportunities for collaboration and support from local authorities, which can facilitate business operations.

To navigate the complex German regulatory environment, companies should invest in competent legal advice. It is important to have experts who can guide you through local laws and regulations, including labor laws, tax policy, and consumer protection. Compliance with the legislation will minimize the risk of legal problems and fines. Implementing comprehensive compliance programs can ensure that the company complies with all relevant laws and regulations. This can include training employees on regulatory requirements, establishing internal control systems and regular audits to ensure compliance.

By applying these targeted strategies, Danish companies can better address the primary challenges they face when expanding into the German market. A combination of economic adaptation, cultural integration, political vigilance and legal compliance will improve their chances of success and growth in Germany.

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Appendices

Research questions for the interviewees (original, Danish)

Hvilke politiske faktorer i Tyskland kan udgøre barrierer for danske virksomheder, der ønsker at udvide deres aktiviteter til dette marked?

- Hvilken strategi skal virksomhederne anvende for at imødekomme dette?

Hvilke økonomiske udfordringer står danske virksomheder typisk over for, når de udvider deres aktiviteter til Tyskland?

- Hvilken strategi/strategier skal virksomhederne anvende for at imødekomme dette?

Hvordan kan danske virksomheder forholde sig til kulturelle tilpasninger for at lykkes på det tyske marked?

- Er der nogle specifikke kulturelle udfordringer eller relevante strategier at tage stilling til?

Hvilken rolle spiller teknologi i at lette eller skabe barrierer for danske virksomheders ekspansion til Tyskland?

Hvordan påvirker miljømæssige faktorer i Tyskland danske virksomheders forretningsstrategi og produktudvikling på det tyske marked?

- Er der nogle specifikke miljømæssige udfordringer eller relevante strategier at tage stilling til?

Hvilke juridiske udfordringer skal danske virksomheder være opmærksomme på, når de udvider deres aktiviteter til Tyskland?

- Hvilken strategi skal virksomhederne anvende for at imødekomme dette?

Helt generelt, hvad vil du sige er de primære udfordringer for danske virksomheder der ønsker at flytte deres virksomhed til Tyskland?

Transcription of interviews (original, Danish)

Interview with Bjarne Brodersen

Interviewer

Mit navn er Mathias Pejs Andersen. Jeg er i gang med min afhandling på kandidatuddannelsen Culture, Communication and Globalization. Projektet vil gerne belyse de primære udfordringer, som danske virksomheder kan opleve, når de begiver sig ind på det tyske marked, og hvilke strategier der kunne være relevant at anvende hertil. I dagens anledning har jeg været så heldig at kunne afholde et interview med Bjarne, som skal hjælpe mig med at komme nærmere et svar på min problemformulering og Bjarne vil du ikke fortælle lidt om dig selv, inden vi sådan for alvor kaster os ud II interviewet.

Bjarne (Reference 1)

Jo og jeg hedder Bjarne Brodersen og er forretningsudvikler ved erhvervshus Nordjylland og har været ansat i 24 år og har besøgt omkring 4000-5000 virksomheder, og jeg gør meget ud af at besøge virksomhederne. Min baggrund er, at Jeg har en faglig håndværksuddannelse. Jeg er snedker, og så har jeg så en efterfølgende byggeteknisk uddannelse. Og jeg arbejdede indenfor vinduets branchen i en del år, hvor jeg stod for eksporten til Tyskland, og Det var lige efter murens fald, så det var jo nogle helt andre kundetyper og mennesker, end man var vant til. Det var jo stadig det som jeg også nævnte. Derudover har jeg også arbejdet for udenrigsministeriet i 5 år hvor jeg være ansat som eksportkonsulent inden for bygge og anlæg og arkitektur. Så det er noget af en titel, og der var jeg i 5 år.

Interviewer

Ja sådan.

Bjarne (Reference 2)

Hvorimod jeg skulle søge mit job hvert år, og det var så en succes bestemt om vi kunne få lov at fortsætte, så jeg var med i 5 år indtil det blev nedlagt. Det er fint og ellers her i erhvervshus Nordjylland beskæftiger mig meget med organisationsudvikling, ledelse, salg og i særdeleshed internationalisering eller eksport.

Interviewer

Sådan, jamen det siger jo kun lidt om hvor god du er at have med på holdet her i forhold til min problemformulering.

Bjarne (Reference 3)
Det skal være usagt, men lad os nu se.

Interviewer
Jamen hvis vi bare kaster os ud et sted. Det første spørgsmål, som jeg gerne vil stille Bjarne, det er hvilke politiske faktorer i Tyskland kan udgøre nogle barrierer for danske virksomheder, der ønsker at udvide deres aktiviteter til dette marked?

Bjarne (Reference 4)
Jamen de politiske faktorer som spiller hårdt ind. Det er jo egentlig hvis man i Tyskland laver nogle politiske tiltag, der gør at tyskerne får færre penge mellem hænderne eller andre besparelser, så reagerer de omgående. Ikke som i Danmark, hvor vi bare buldrer videre derudad. I Tyskland reagerer man omgående. Det vil sige, hvis man skærer ned på forbruget, så skære tyskerne også ned på forbruget. Og så er det modsatte gør sig selvfølgelig også gældende, så den politiske vinde betyder uhyggelig meget.

Interviewer
Okay er der nogle strategier, som du tænker rent politisk, at virksomhederne skal anvende for at imødegå det en smule?

Bjarne (Reference 5)
Man skal være forberedt. Det ikke fordi hver periode er ens, hvis de skærer ned, det kan også give forskellige udfordringer eller muligheder, havde jeg nær sagt. Hvis de åbner op, giver det også nogle muligheder, men også udfordringer, så man skal hele tiden være bevidst om, hvad sker der sker og så består Tyskland jo at de her delstater og hver delstat har jo egentlig lov til at reagere forskelligt, så det er man også nødt til at tage i betragtning og de kan blive ledet vidt forskelligt og som jeg også var inde på er der også kulturen, som betyder helt vildt meget, altså i München. Der er de jo lidt mere. Hvad skal man sige? Højreorienteret havde jeg nær sagt, men der er det der nogle

andre ting der gør sig gældende, og hvorimod nord for Hamborg og opad kan det så være lidt mere ligesom os. Det er man nødt til at tage i betragtning.

Interviewer
Okay så det er ikke helt lige meget når du som virksomhed siger jamen jeg skal til Tyskland. Det er også altafgørende hvorhenne i Tyskland.

Bjarne (Reference 6)
Det interesserer mig meget. Hvor skal du hen? Er du sikker på du skal starte syd for München? Havde jeg nær sagt eller det kan du næsten ikke komme, men i München området eller skal du starte I Nordslesvig milten Burg. Der er lovligt 12-14 millioner mennesker. Alkohol du være hende den tykke uhyggeligt meget.

Interviewer
Ja.

Interviewer
OK. Hvis vi så hopper videre til det økonomiske aspekt, hvilke økonomiske udfordringer står danske virksomheder typisk overfor, når de Sådan udvider deres aktiviteter til Tyskland?

Bjarne (Reference 7)
Jamen, Vi har jo altid været kendt for, at vi var dyrt land også i forhold til tyskerne, som jo deres lønninger er jo markant mindre end os. Så har de så nogle andre goder inkluderet og så videre som arbejdsgiveren skal betale sig. Det er et lidt svært regnestykke. Man kan ikke bare tage deres lønninger og sammenligne med vores fordi de betaler lidt på en anden måde af deres skat og sygekasser og alt sådan noget. Men hvad var det lige du spurgte om igen, undskyld?

Interviewer
Det var sådan. Altså. Hvilke økonomiske udfordringer står danske virksomheder typisk overfor?

Bjarne (Reference 8)

Ja det er rigtigt. Jamen det er at vi er kendt som et dyrt land og er også et dyrt land, og så kan man sige jamen prisen er den altafgørende, og det var den måske tilbage i tiden før kronen, der betød det rigtig meget, fordi der var verdenshandelen jo lidt større. I dag kigger tyskerne jo meget på forsyningssikkerhed, og så kigger de på os danskere. De ved godt vi er dyrere, men modsat så ved de også at kvaliteten er okay. Vi nogenlunde fornuftig i det meste af tiden, så vi holder, hvad vi lover og leverer også til tiden og alle de her ting, så det er faktorer der betyder mere og mere for tyskerne også nu.

Interviewer
Okay, så du vil sige at der er en god tiltro?

Bjarne (Reference 9)
Ja men jeg er den forkerte du spørger fordi ligegyldigt hvordan vindene blæser i de forskellige lande, så ser jeg altid muligheder. Men man skal lige sætte sig ned og den plan du egentlig oprindeligt havde lavet. Det er ikke sikkert du kan følge den, men hver tidsperiode eller enhver politisk handling, det giver udfordringer, men også muligheder.

Interviewer
Nej. OK.

Bjarne (Reference 10)
Jeg fokuserer altid på mulighederne, så siger jeg ****, hvad gør vi så? Og der er vi jo, når vi er en dansk virksomhed. Vi er jo vant til en optimal ordrestørrelse i Danmark. Det er et stykke. Altså vi er jo fleksible. Vi bøjer jo bare til at vi hurtigt kan omstille os, fordi vores virksomhed ikke er ret stor sådan traditionelt set, så vi kan bare omstille os hvorimod tyske virksomheder. Ja, de kan ikke bare omstille sig, og det ligger også i deres Kultur og så videre at man ikke omstiller sig ikke bare altså det kan du ikke bare gøre.

Interviewer
Nej.

Bjarne (Reference 11)

Hvis jeg skal nævne et eksempel, så havde jeg engang en stak virksomheder med til Slesvig og så skulle vi vente på et hotel, og så skulle jeg sørge for at det kører så siger jeg til hotelmutter at vi skal have kaffe. Ja hvor meget kaffe? Ja det skal bare komme i stride strømme. Hvor mange kopper vil du have? Ligegyldigt skal bare komme i en lang stribe. Det kunne ikke have med at gøre det. Til sidst var jeg nødt til at sige, vi skal have kopper 20 kopper. Hvilket hun stillede sig meget undrende over, men det er bare sådan en forskel på tysker og dansker. Hvis du siger i Danmark, vi skal bare have masser af kaffe, jamen så kommer det, men ved tyskerne, der skal det være helt nøjagtig, og der havde vi en konflikt, der allerede inden vi i gang. Typisk tysker.

Interviewer
Så er det lige før det skal være med komma og decimaltal og det hele.

Bjarne (Reference 12)
Ja, det hele skal være aftalt på forhånd, og det skal være i detaljer. Der er vi anderledes.

Interviewer
Okay.

Interviewer
Ja godt svar. Og nu hvor vi snakker omkring det her med økonomi og sådan noget er der en eller 2 strategier du oplever selv i din hverdag, at du i hvert fald snakker med mange virksomheder om, at de skal tage hensyn til, for ligesom at imødegå de her ting vi snakker om.

Bjarne (Reference 13)
Ja altså kulturen er uhyggelig vigtig.

Bjarne (Reference 14)
Og Det kan ikke understreges nok, jeg havde en virksomhed engang der sagde, nu her når vi tager til Tyskland, så nægter jeg simpelthen at sige SIH. Altså han vil sige ”du”. Så sagde jeg til ham at han var nød til at blive hjemme. Jamen altså hør her i Tyskland hedder det hr. doktor, diplom, ingeniør eller andet. Og du siger SIH og først når vedkommende giver dig tilladelse til at sige ”du”,

og det gør han ikke hvis han vesttysk og der skal meget til. Jeg ved at tiderne skifter, men nogen på min alder der kan du bare glemme det, og det har du bare agere efter.

Bjarne (Reference 15)

Sådan er det og det skal vi ikke diskutere.

Interviewer

Så det du siger egentlig. Det er at det kan få konsekvenser for virksomheden, hvis man ikke ligesom tilpasser sig.

Bjarne (Reference 16)

Ja, det skal jeg love dig. Du kan lige så godt lade være fordi du gør bare Danmark skade hvis du har den der danske holdning at det er dem der skal rette ind efter dig. Du retter dig ind efter dem. Når du er i Østtyskland, så er det noget andet. Det skal jeg også sige til at begynde med, i løbet af en aften så kan vi godt gå ud og få lidt øl og lidt forskelligt og så kan vi godt blive dus. Jeg har eksempler på dette i Vesttyskland, hvor Jeg har gået på jagt med en advokat. De er jo altid en finere end andre. Vi er gået på jagt op i 20 år, og vi har drukket nogle cognac, gøre alverdens ting hele natten. Vi er ikke dus, det stadig hr. Hammer og hr. Brodersen.

Interviewer

Okay, så der er ikke noget der er ændret der?

Bjarne (Reference 17)

Der er ikke noget at komme efter. Han er lidt ældre end mig, så han bestemmer selv om det skal ændre sig og så er hans søn også advokat. Men ham er jeg ældre end. Så jeg kan jo ikke lade være med at sidde og drille ham. Jeg kalder ham ”du” hele tiden og jeg kan se hvor meget han spjætter. Men det gør jeg bare for at drille, hvis du vil handle med ham så er det dælme uklogt.

Interviewer

Ja okay godt svar. Rigtig godt svar. Nu det er det når man lige stiller de her spørgsmål her, så er der mange ting der hænger sammen. Så nu får du et spørgsmål, der lige læner sig lidt over det svar du faktisk har givet. Men hvordan kan danske virksomheder forholde sig til de kulturelle tilpasninger for at lykkes på det tyske marked?

Bjarne (Reference 18)
Man skal man skal sørge for at søge rådgivning med nogen der ved noget om det her, og så skal man være åben overfor at bruge nogen der har noget netværk. Man skal snakke med nogen om det og man kan også godt tillade sig at snakke med andre danskere, der har succes på det tyske marked, fordi der er jo ikke noget, der er sort hvidt som sådan. Og noget af det jeg fortæller det ligger jo lidt tilbage til den yngre tysker, der jo er lidt mere modtagelig for engelsk, for eksempel. En ældre tysk kan ikke drømme om at kaste sig ud i det, fordi han ikke snakker særlig godt og er bange for at tabe ansigt, så jeg vil sige at man skal rådgive sig sammen med nogen, der kender markedet, samle inspiration. De par dage eller markedsundersøgelser, hvad det nu kan være. Det er en god investering. Jeg er selv sønderjyde og det vil sige jeg tror, tænker og vurdere og så kører vi derud. Nu har jeg boet i Thy i 35 år, og der tror, tænker og vurdere de ikke. Der sidder de og spekulerer og skal gå en tur på havnen og alt muligt. Den tilgangsvinkel er faktisk ganske fornuftig, når vi snakker det tyske marked. Saml lige nogle Informationer. Tag det lige roligt, fordi i Danmark er vi også berømt og berygtet for at vi skynder os afsted på eksportmarkederne, og sommetider har vi lidt for meget fart på, så hvis vi er ude ved en kunde for eksempel 2-3 gange, siger han, han kan simpelthen ikke beslutte sig, nu gider jeg ikke mere. Men indtrængningsbarrieren er lang og i særdeleshed i Tyskland. Det tager lang tid, hvor du kan komme til at køre mange gange. Frem og tilbage. Og det der med afstanden, hvis vi synes at i Danmark, hvis vi skal køre en halv time, så det er et kæmpe problem, så skal vi ikke tage til Tyskland. Altså de kan finde på at ringe. Kom du ikke lige herned til Hamborg og lige skriver under på et stykke papir? Ej Det kan jeg sgu ikke ligge og køre efter det. Er et helt forkert svar. Så kører man. De har et andet forhold til det der, og det må vi bare indstille os på. Sådan er det, og samtidig så kan de gøre det bare for at markere dem. Sige at du skal. Komme. Ned og så er det ikke noget alligevel, men Det er Sådan er spillet.

Interviewer
OK, så det må man bare indordne sig lidt efter for at få det til at lykkes.

Bjarne (Reference 19)

Sådan er det. Ja og så så skal vi altså vide at i Tyskland der bliver man ikke forskrækket over at skal køre 2-3 timer i bil. Det er normalt.

Interviewer
Ja det kan man godt klare.

Bjarne (Reference 20)
Ja men det hvis man skal flytte til Tyskland og med trafik og alt det der så er de vant til det.

Interviewer
Nu kommer jeg lige til at tænke på nu hvor vi snakker omkring det her med Kultur tilpasning og sådan noget. Så det du egentlig også siger. Det er at hvis du er en mellemstor virksomhed som handler B2C og er en produktionsvirksomhed, så er det egentlig lige meget der hvor du søger rådgivning, du kan godt søge rådgivning ved en, der måske har nogle helt andre varer end du selv sælger og sådan noget der så altså skal ikke være en barriere for ligesom at få hvad kan man sige nyttig information til at handle ud fra?

Bjarne (Reference 21)
Det er jo lidt svært en. Det er din konkurrent og få ham til at svare oprigtigt, så så så spørger man også nogle af de andre fordi mange af de ting vi snakker om her det Det er lidt det samme.

Interviewer
Ja.

Bjarne (Reference 22)
Men vi bruger jo også et hav af tyske rådgivere, og jeg bruger os lidt danske, men jeg mener en tysker som er rigtig ægte tysker. Han er altså bedre til at fortælle mig, hvordan kulturen er og alt de der små ting, som jeg ikke selv fanger, selvom jeg er sønderjyder og jeg har arbejdet meget med Tyskland og så videre. Og selvom jeg kender en del af dem, så kan jeg godt mærke, at jeg ikke helt er med på beatet alligevel.

Interviewer

Okay så okay, ja ja.

Bjarne (Reference 23)

Og det er altså vigtigt, og det prøv bare at spørge nogen der har været i Asien, som ikke har sat sig dybt ind i den der Kultur og hvilket de slet ikke kan. Men så har man jo en browser eller hvad det nu hedder, til at hjælpe sig og hvor man hyre en ind til at hjælpe med kulturen for ellers overser eller misforstår du noget. Så slemt er det dog ikke i Tyskland men du skal stadigvæk ikke undervurdere det.

Interviewer

Ja. Det. Nej så det der med at være født. Og opvokset Det har altså også noget at sige.

Bjarne (Reference 24)

Det betyder simpelthen så meget.

Interviewer

Ja OKOK. Hvis vi nu tager sådan noget som teknologi, hvilken rolle spiller teknologi er lette eller skabe barrierer for danske virksomheders ekspansion til Tyskland.

Bjarne (Reference 25)

Tænker du på IT-teknologi?

Interviewer

Ja.

Bjarne (Reference 26)

Tyskland udvikler sig virkelig langsomt, når vi snakker IT. Det er blevet lidt bedre, men det blev hårdt ramt under corona. De havde jo ingen internetforbindelse eller modem eller noget som helst. Det var jo faxen. Faxen er den dag i dag stadigvæk gældende i Tyskland. Det er helt vanvittigt. Jeg kan ikke huske, hvornår jeg sidst sendte en faxe. Det gjorde jeg da jeg var i tyverne. Det er 40 år siden.

Bjarne (Reference 27)

Men det kører i Tyskland, så hvis du tror du kan komme derned med en powerpoint og bare agerer eller det ordner vi lige online på teams eller hvad det nu er. De kender selvfølgelig mulighederne man har uhyggeligt svært ved.

Interviewer
Okay.

Bjarne (Reference 28)

Så it-mæssigt er de jo langt bagud, og jeg vil sige så langt bagud at vi snakker nok. Ja, nu har jeg ikke noget at have det i, jeg har det med at sige 15 år i hvert fald og dets tankegang er helt godnat. Jeg kan huske engang for mange år siden, så var jeg inde og skulle betale et jagttegn. Det skulle man betale op på borgmesterkontoret i Flensborg mellem klokken 13.00-14.00. Og så kom jeg ind, og så skal jeg aflevere 25 eoru eller hvad det er, også så siger jeg, hvorfor kan vi i grunden ikke køre det herovre? Og på hvad hedder det internet? Åh Hr. Brodersen man må sige at betale, sagde hun så. Det var ligesom nu hvor man skulle betale så eksisterede internettet ikke. Det kunne man ikke og tænkte bare det har vi jo været vant til herhjemme. Vi havde jo mobilepay og alverdens ting, det har man Ikke i Tyskland. Kreditkort det er forholdsvis. Altså der er sgu mange der ikke bryder sig om at bruge den. Så kan de jo spore mig siger de. Har du bare en telefon kan du også spores, men det ligger simpelthen i blodet. Så it. Du skal ikke komme derned og tro hvis du har nogle It-produkter, et vindue som kan sluttes til nettet og som kan åbne og alt efter hvordan vejret bliver. Det kunne godt være den selv kunne finde ud af det. Det kan du glemme i Tyskland, fordi infrastrukturen er der simpelthen ikke.

Bjarne (Reference 29)

De er ikke på det niveau, og det er jo lidt tankevækkende, at et produktionsland som Tyskland er håbløst bagud på IT. Og det betyder jo også noget for deres bilindustri, der har de snorksovet. Du kan se El-biler og alverdens ting med Elon Musk og Sådan noget eller han har desuagtet en stor del af dem. Altså de de er virkelig pressede. Det kan undre mig men.

Bjarne (Reference 30)

Det er de er begyndt at ændre det efter corona, fordi de kunne godt se at de højtbetalte folk var nødt til at gå hjem og kunne ikke lave noget. De kunne ikke undervise på skolerne og så videre. Det kunne man i Danmark. Vi trak lidt på skuldrene når ja okay næste dag, så kørte det igen.

Interviewer
Ja.

Bjarne (Reference 31)
Det har de virkelig kigget efter. Men det ligger jo nogle enormt opgaver med at få infrastrukturen. De skal først lave fiberkabler og sådan noget. De er slet ikke på niveau med os.

Interviewer
Er det ikke mindst opgave, de står for der?

Bjarne (Reference 32)
Ja nej, men nu har de været vant til at bygge ting op flere gange, så mon ikke de får det gjort også men der er ligger en stor opgave og der er de simpelthen ikke med som vi er.

Interviewer
Hvordan vil du sige, hvis man lige tager de sidste år her? Hvordan har fokuset ændret sig frem til nu i forhold til det?

Bjarne (Reference 33)
Fokusset. De er klar over det, de er klar over det, men det er jo ikke bare noget du gør med et knips. Altså da jeg var ansat i udenrigsministeriet. Jeg tror jeg blev ansat i 2008, dengang fik jeg at vide, at alle fakturaer skulle sendes elektronisk. Jeg spekuleret lidt over, hvordan dælen gør jeg nu det. Det var ikke bare en mail, men det skulle jo så sættes op i det her betalingssystem. Men altså det fandt jeg så ud af, og det er jo fordi det offentlige Danmark besluttede jo for at tvinge os alle sammen over i den digitale løsning, så blev det sådan. Det er de ikke nået til I Tyskland endnu, og det var i 2008. De er slet ikke på det niveau.

Interviewer

Ja Det er vildt

Bjarne (Reference 34)

Det er lidt vildt ja og lidt tankevækkende og lidt skræmmende, men det er altså sådan det er.

Bjarne (Reference 35)

Print mediet er stadigvæk temmelig stort i Tyskland kan ikke huske hvor mange fagblade de havde om det var 2500 fagblade de stadigvæk har i Tyskland, hvor i Danmark. Vi har jo stort set ingen. Det bliver delt ud med posten længere eller meget få i hvert fald. Det kører på fulde gardiner i Tyskland.

Interviewer

Og det er jo sjovt lille eksempel på det ikke også.

Bjarne (Reference 36)

Ja. Og hvis du kommer derned og præsenterer en powerpoint, så skal du godt nok selv sørge for det hele. Den hopper de ikke sådan på. Har du ikke en brochure siger de når du er færdig. Jeg kan ikke huske hvornår jeg sidst har haft en brochure med nogen steder.

Interviewer

Lige for at få det med heri. Nu snakkede vi lidt omkring i starten af interviewet. Det var ikke helt lige meget hvad for en placering du hoppet over, når du gik til det tyske marked der var det ikke bare det samme oppe i nordtyskland, som det er i syd og vest.

Interviewer

Der er er det det samme her?

Bjarne (Reference 37)

Ja det er det, og så vil jeg sige lige omkring München. Der er de jo lidt mere IT mindet. Det er faktisk der de store it-virksomhed ligger der også er der mange danskere der arbejder dernede. Dette gælder specielt i Frankfurt og München fordi det er der det hele sker og der tør jeg ikke helt sige hvordan det ligger der, men altså jeg tror ikke meningen er anderledes end andre steder?

Interviewer

Nej det er sådan lidt en generel ting i Tyskland. Hvad angår det her.

Bjarne (Reference 38)

Men de er jo heller ikke flasket op med det i skolen som de er her, altså alle skolebørn. Her har de ipad og interaktive tavler og alverdens ting. Det det kender de jo ikke til.

Interviewer

Nej.

Bjarne (Reference 39)

Så Det er lidt op ad bakke.

Interviewer

Så det skal man i hvert fald være opmærksom på.

Bjarne (Reference 40)

Det skal du. Du skal ikke komme med alt for indviklet IT-løsninger. Det er ikke sikkert de kan modtage dem i den anden ende. Men det er noget de interesserer dem voldsomt for, så der er selvfølgelig nogle muligheder i det også. Det er klart.

Interviewer

OK. Hvis vi så tager det miljømæssige aspekt. Miljømæssige faktorer i Tyskland, hvordan påvirker miljømæssige faktorer i Tyskland danske virksomheders forretningsstrategi og produkt produktudvikling på det tyske Marked?

Bjarne (Reference 41)

Har du tænkt på bæredygtige løsninger?

Interviewer

Yes. Nøjagtigt.

Bjarne (Reference 42)

Sådan som jeg oplever det, så er det mest metropolerne der tænker bæredygtige løsninger og det er jo også Berlin for eksempel. De har jo gjort det i lang tid, hvor du skulle have partikelfilter, eller du skal have Sådan et problem for mig at køre ind midt i byen. Der er man lidt ude efter dieselbil, men det er jo fra før 2017, hvor bilerne fik de her fantastiske partikelfiltre og så efterspørger forbrugerne også bio løsninger, altså økologi og sådan noget. Modsat når du så kommer lidt længere ud på landet, for eksempel elbiler, de fylder jo ingenting i Tyskland. Det har man ingen tiltro til. Jeg er ikke helt sikker på at når EU kommer med nogle normer, at tyskeren står og råber jubii. Han venter lige til sidste øjeblik, hvor det er tungt indført, for han gør det, hvor i Danmark der gør vi det faktisk sådan ja nærmest dukse drengs agtig meget, meget hurtigt, og det kan vi jo godt hidse os op over. Det kan også give os en fordel, men i metropolerne der oplever jeg alligevel, at der er en vis fokus. Så du kommer ikke udenom det, du skal have det med, også fordi eu lovgivningen siger at vi skal den vej. Så det undgår vi simpelthen ikke. Men hvis du skal sælge din dieselbil uden afgift selv, så er Tyskland et særdeles godt marked at sælge din bil i. De indvilliger de stopper ikke med fossile brændstoffer endnu.

Interviewer

Nej, der har de noget tid endnu.

Bjarne (Reference 43)

Jamen, de fanger den jo ikke. De har jo i den tyske regering forsøgt at sælge elbiler med statstilskud for at få dem til at køre i dem. Det skidt, havde jeg nær sagt, for at få dem til at køre i de her elbiler, og tyskeren købte den og så efter 3 måneder når de har fået tilskuddet, og det var faktisk ret mange penge. Jeg tror Det var oppe på 40-50.000 kroner eller sådan noget. Så solgte de dem til Danmark.

Interviewer

Nå.

Bjarne (Reference 44)

Så kunne vi jo få en bil, der var temmelig billig, for den var med tilskud. Og her i Danmark har vi ingen afgifter på dem, så der er nogen, der har gjort nogle gode handler på elbiler. Det hul har de lige lukket nu her. Men, det viser bare den tyske tanker. Det var ikke noget de troede på det elværk, men da vi kunne få tilskud til det så væk med og så kan konen få en dieselbil bagefter.

Interviewer
Nej. Jamen det giver god mening. Det er et godt billede på det. Jamen. Så er vi faktisk ved det sidste spørgsmål eller en af de sidste spørgsmål Der er lige 2-3 til men hvilke juridiske udfordringer skal danske virksomheder så være opmærksomme på, når de udvider aktiviteterne?

Bjarne (Reference 45)
Ja. Du skal altid have styr på juraen.

Interviewer
Ja.

Bjarne (Reference 46)
Og så skal der styr på den tyske, din norm. Og din norm er en sikkerhed eller en dokumentation for at skidtet er i orden der har man nogle dine normer dernede. Det skal man altid sørge for, at man lever op til. Og gør du ikke det, så får du bare problemer og en delstat har jo forskellige regler på de her din normer. Og så har de også noget med at rosen her i Institut og sådan noget, hvor man måske skal have godkendelser. Tyskerne er eksperter i handelsboykot. De er næsten lige så dygtige som vi er. Vi er en lidt bedre til handelsboykot, så derfor har man indført alle de her. Hvad hedder det? De her forskellige mærkninger, vi har C-mærkning og alt muligt. Det er simpelthen for at undgå, at nogen kan gå ind og blokere for handler. For den frie handel i Europa skal vi jo sikre. Men du skal have styr på det fordi det første de gør når du skal aflevere en ordre, er at gå ind og kigge om den er kvalificeret og alt muligt. Bare rolig de skal nok finde alt hvad de overhovedet kan finde. Tyskerne er ekstremt dårligt betalere. Meget endda. Så de gør alt, hvad de kan for at trække betaling så meget som muligt. Og det er generelt et kæmpe problem.

Interviewer
Okay.

Bjarne (Reference 47)

Så det skal man altså også indstille sig på. Man tror det er sådan en regel at indordne sig sådan noget. Det gælder bare ikke betalingen. Den har de ikke lige fanget endnu. Der er de virkelig seje.

Interviewer
Så der skal man måske presse lidt på?

Bjarne (Reference 48)
Du skal sørge for at have bankforbindelser i orden, når du skal sørge for at have dokumentationen i orden, og så skal du jo også være klar til at tage det slagsmål, der nu skal tages. De forstår ikke en ”vil du være venlig at betale?” Den tyske Kultur er maskulin, og den danske er jo feminin, ekstremt feminin, og du kan nok se når vi siger: Vil du ikke nok betale? Altså kan du ikke forstå at så videre. Det forstår han simpelthen ikke.

Interviewer
Nej.

Bjarne (Reference 49)
Altså lige på og hårdt, og det er derfor det tyske marked er barsk, hårdt og hamrende interessant marked, fordi det er stort. Det er 82 millioner købedygtige. Den ene million er vist flygtning, men så 81 millioner købedygtige mennesker. Men de er maskuline og de går ikke af vejen for slagsmål, de råber og skriger af hinanden.

Bjarne (Reference 50)
Men det er et spil og det det skal man altså være. Man skal ikke være konfliktsky når du handler med en tysker fordi så får du det svært.

Interviewer
Så juraen har bare være i orden.

Bjarne (Reference 51)
Ja, og så er det lige en ting som da vi nu snakkede om IT og handel og alt muligt, så blev jeg lige enig med mig selv om at de var håbløst bagud. På nær én ting, og det er at tyskeren han er særdeles

god til handle på for eksempel Amazon. Og der kan man sige, nå, hvordan kan det nu være når de er så bange for det her internethandel og så videre. Og så er det egentlig fordi, at Tyskland var jo et af de store postordresalg firmaer i gamle dage, eller hvad det nu hed postordre. Og Amazon minder jo meget om postordre. Så tyskeren han bestiller faktisk meget på Amazon, og så er det nogle andre der ligger lige i nærheden. Men nogle af de der store handelsplatforme, men tyskerne er en sjov størrelse. Fordi han bestiller det han skal have. Og hvis det er en lad os bare sige et par sko, så bestiller han sko den størrelse han skal have så bestiller et par sko nummeret mindre og et par sko numre større bare for at være sikker og så levere han så de 2 andre tilbage. Det har skabt nogle voldsomme vanskeligheder, lige til logistikken og fra og alverdens ting plus at de sko så kommer retur. Hvordan skal man håndtere dem og alverdens ting? Så mange af dem er jo blevet smidt væk. Det er også en debat der har kørt af pommern til, fordi i vores bæredygtigheds kultur og alverdens ting, så nogle er altså begyndt at markere ret hårdt over for tyskerne, at hvis de sender noget tilbage, så skal det koste og alt sådan noget. Og tyskeren betaler jo ikke med kort og alverdens ting. Der har han ingen tillid til, så det er paypal eller hvad de nu bruger, og de har deres eget system og sådan noget. Det skal man også være klar til, så der er han vældig på nettet havde jeg nær sagt, alle handelsplatformen. Det er så en anden ting, når vi snakker handelsplatform. Der er vi danskere jo fuldstændig tåbelige amatører. Vi er rigtig dygtige til at købe. Vi er ekstremt dårlige til at sælge. Vi har et handelsunderskud på 55 milliarder om året. Det vil sige, at vi køber for 55 milliarder mere, end vi sælger. Det er en kæmpe udfordring og der kan du bare, hvis du lige går ind og læser det op af dansk Erhverv eller dansk industri og deres nyhedsbrev, så vil du se, at der virkelig, virkelig er mange muligheder.

Interviewer
Det vidste jeg faktisk ikke det der.

Bjarne (Reference 52)
Det er sådan ret alvorligt.

Interviewer
Og hvor lang tid har det stået på?

Bjarne (Reference 53)

Der har stået på i alt for lang tid, og jeg blev faktisk først selv opmærksom på det, det er så ved at være et par år siden, at jeg lige blev opmærksom på at det var her. Så vi har også kastet os voldsomt over det, men eksport i dag var i gamle dage. Der sagde man, jamen, vi skåner over grænsen. Vi skal sparke nogle døre ind, og jeg skal ind og snakke med nogle kunder. Sådan er det ikke helt længere. Du er nødt til at tænke de her handelsplatforme ind også, så der er ikke noget enten eller længe. Det er at… jeg lukker lige den her. Det er et mix af alle mulige tiltag nu, som du er nødt til at have med.

Interviewer
Okay.

Bjarne (Reference 54)
Og det skal man være opmærksom på, og derfor når man går på noget eksport, så skal man lave markedsundersøgelse på dit produkt. Mit produkt. Hvordan får jeg solgt det i Tyskland? Hvordan skal min distributions vare være? Hvem skal man samarbejde med? Skal man have agenter eller skal man have et distributionssystem, netværk eller andre handelsplatforme eller hvad skal jeg gøre? Og så er det jo nogle, de tror helt naivt at en handelsplatform er væsentlig billigere end at gå ind fysisk. Det er dyrt at vinde tysk. Altså når jeg snakker med folk, så siger jeg, jamen forskrækker 200.000 dig. Det gør det, så siger jeg at de skal blive hjemme. Så skal du ikke køre til Tysk Erhverv med det. Og det det koster meget, men jeg tør ikke sige mere, fordi så synes de jeg er åndssvag, men det er ligesom det her. Men det koster det altså også at kommer på en handlesplatform. Og der er nogen der tror. Jamen det er jo bare en hjemmeside. Det er ikke noget med en hjemmeside at gøre. De der handelsplatforme, Amazon og så videre, de indeholder jo en masse muligheder, men hvad lever de af? Salg. Så de tester dig. Selvfølgelig kan du lade være. Gør du det du lover og så videre, fordi Amazon gider jo ikke have dårlige anmærkninger. Så det er jo om du kan lade være, og om du er seriøs og alverdens ting, så du skal virkelig være skarp hvis du skal på handelsplatformen. Det er vi faktisk i Danmark, så det er en katastrofe at der er så få der er På handelsplatforme.

Interviewer
Vil du sige at det er en af de primære årsager til at vi danskere er så uhyggeligt dårlige til at sælge.

Bjarne (Reference 55)

Jamen. Jeg har faktisk. Jeg har jo en mantra. Når vi snakker eksport, og det er jo egentlig, at danske virksomheder. Vi er faktisk rigtig, rigtig dårlige til eksport.

Bjarne (Reference 56)

90% af vores eksport kommer fra under 10% af virksomhederne, og der står 6%. De står for stort set hele eksporten. Hvis du så hælder Novo Nordisk ud i den ligning. Så ser det godt nok skidt ud og det er det, vi lever af. Når jeg så tager rundt og vil have folk med til spotmarkedet, det er faktisk lidt svært, fordi vi lider den danske syge. Vi er dovne og gider ikke og det vi kalder bmv syndrom. Jeg tjener den million om året og Jeg har mine ben i og jamen hvorfor skulle jeg? Jamen hvorfor skulle jeg tage risikoen? Nej jeg orker ikke mere. Jeg er sidst i halvtredserne og Jeg har ikke lyst mere, nej skidt med det. Den møder vi hele tiden faktisk i sådan en grad, at jeg valgte at foretager en undersøgelse på området. Jeg har taget min eksamensopgave med til denne snak. Hvis du kan bruge det eller ej. Men jeg gik faktisk til eksamen på sportspsykologi. Hvorfor kan jeg ikke få virksomhederne til at eksportere? Jeg kunne godt få dem med ned og interessere sig. Og de vil gerne være på de der workshops og hvad jeg nu har og salgsteams og sådan noget og vi hygger os og vi har det så sjovt, men lige så snart vi kom hjem og de skal til i gang med det lange seje træk, så kunne jeg ikke få dem i gang, og det er sådan generelt problem vi har i Danmark.

Interviewer

Nu tager jeg lige termet ”doven”. Det er ikke fordi folk ikke er risikovillige?

Bjarne (Reference 57)

Ja og jeg kalder det bare doven og det er fordi jeg forklarer det så meget men det er fordi folk de… Ej Det kan ikke betale sig. Hvorfor skulle jeg og skatten tager alligevel det meste og det er også en risiko ved det. Det er en stor Investering. Ja og lige nu kører jeg meget på, hvis vi skal øge internationaliseringen, og det skal vi. Det er det, vi lever af. Vi kan ikke leve af at klippe hinanden. Vi er en lille nation, vi lever af handel med udlandet. Det er meget vigtigt. Så samtidig med, vi har jo noget eksport, som vi har svært ved at få nok til at interessere sig for. Hvis vi piller det store ud, så er billedet skidt og i Nordjylland i særdeleshed, så har vi en anden bombe end det danske system. Det er ejerskifte eller generationsskifte, der er et hav af virksomheder, der skal generationsskiftes og rigtig mange heroppe er jo nu ved at være oppe i årene. Og skal til at sælge det. Der er bare ingen køber, fordi vi er en nation af lønmodtagere. Mig selv inklusiv. Så Jeg kan ikke rigtig brokke mig over det, men der er rigtig mange som har høje uddannelser, som du selv tager. Men, vil de gå ind og købe en virksomhed? Næh. Sådan virksomhed den skal jo altså være toptrimmet, og så sagde jeg hvad sådan en virksomhed også skulle kunne sælges til nogle højtuddannede fornuftige mennesker, som måske også vil gå sammen flere fordi de vil ikke arbejde dag og nat, som man gjorde for ganske få år tilbage. Man vil have fri og hvad hedder det… Familiemønstrene er også anderledes. I dag skal man mere hjemme og bage kage og til børnefødselsdag og alt muligt. I gamle dage var det måske lidt skævt fordelt men det har ændret sig. Og det vil sige, hvis man skal gå ind og købe en virksomhed, så skal man også vise noget potentiale. Og det kunne jo også være den her internationale del, så den vil jeg rigtig gerne have ind at nogle af de der adskilte virksomheder, de skal have et internationalt potentiale, fordi verden bliver noget mere spændende, og vi kan bare se hvor hårdt man bliver ramt, hvis man kun har et ben at stå på. Så eksporten den gør jo også at du øger din risikospredning plus at det er fakta på tal. Det er at virksomheder der har eksport tjener betydeligt mere. Faktisk 25% mere end en virksomhed, der ikke har eksport, fordi de er tvunget til at ordne i systemerne. De er tvunget til at have styr på stumperne. De er tvunget til alt muligt, plus de tænker også anderledes. Så hvis jeg skulle være indkøber, så ville jeg ikke handle med en virksomhed, der ikke havde en international profil.

Bjarne (Reference 58)
I Danmark er vi jo supergode til engelsk og tænke internationalt og så videre. Så det er jo fuldstændig spild af talentmasse at vi ikke har nogle flere virksomheder, der er på eksportmarkedet.

Bjarne (Reference 59)
Nu fik du lige min personlige holdning.

Interviewer
Jamen det var rigtig godt.

Bjarne (Reference 60)
Mantra

Interviewer

Og det er virkelig nogle gode pointer du har Bjarne. Her helt til sidst her. Nu har vi været igennem det politsike, vi har været igennem det økonomiske, vi har været igennem det kulturelle, og Vi har været igennem nogle forskellige ting. Det er sådan lidt et åbent spørgsmål, det jeg stiller dig nu, og det er lidt sådan hvad du ligesom, bare tænker, på baggrund af når jeg stiller dig spørgsmålet. Men sådan helt generelt. Hvis man står som en mellemstor virksomhed. Og du skal tage nogle beslutninger, inden du hopper ind på det tyske marked. Hvad vil du sige, hvis man kan nævne måske maks 3 eller måske også bare en enkelt eller 2 som lige dukker op i dit hoved? Så hvad er de primære udfordringer, som er de største for de danske virksomheder som gerne vil flytte over på det tyske marked og har du nogle bud på, hvordan du vil imødegå de her udfordringer?

Bjarne (Reference 61)
Vilje, viden, vækst.

Interviewer
Vilje, viden og vækst.

Bjarne (Reference 62)
Ja virksomheden skal virkelig have viljen, og når jeg tager ud til dem, så snakker jeg med dem. Og så kommer jeg med alle de her forfærdelige ting der koster penge og det koster ressourcer og det koster arbejdskraft, og der er en lang afstand og sprogbarrierer og jeg kan se, at de begynder at blive faklen i blikket eller kigge den anden vej, så er det ikke i min målgruppe længere, så viljen er altafgørende, man skal ikke barbarisk bevidstløs kaste sig afsted, men man skal have viljen, og så skal man også have lavet markedsundersøgelse. Det kan godt være det koster 100.000.

Bjarne (Reference 63)
Men det gør jo også, at du kan blive klar på, hvad er det egentlig jeg skal sælge, og der har jeg mine 4 strategiske søjler. Det er noget jeg selv har fundet på. så det kan du nok ikke finde nogen steder, men når vi laver en strategi fra Tyskland. Så siger jeg søjle 1. kunder. Hvem vil vi have som kunder, hvis vi selv kunne blande dem op i en kop? Jamen, så kunne vi godt tænke os dem og dem og dem. Altså branche. Godt så. 2. hvad er der nogle for nogle produkter vi så vil sælge til dem? Er det alle vi har eller er det nogle udvalgte produkter? Og så er det ret ligegyldigt hvad produkt vi har i Danmark. Fordi det har de også i Tyskland. Så hvorfor i guds himlens navn skulle en tysker gå

hele vejen igennem store tyske rige hele vejen op gennem Jylland for at komme op til en solformørkelse og en virksomhed i Nordjylland? Så produktet er ikke nok i dag, så vi er nødt til at sige hvad er det for nogle ydelser i også har? De produkter og ydelser jeg har, passer de så til de kunder jeg har valgt. Nej, nå jamen hvad skal jeg så. Lave om mit produkt, ydelse eller kunderne. Og så kommer den tredje søjle organisation, har jeg de folk jeg skal bruge. Skal jeg hyre og fyre, ansætte, lave strategisk samarbejde, opkøb eller hvad skal jeg gøre? Der findes faktisk ret mange muligheder og den fjerde og sidste søjle det er den mest ligegyldige. Økonomi. Det er simpelthen, har jeg likviditet til det her. Har jeg ikke likviditet, hvordan skaffer jeg likviditeten? Hvornår begynder pengene at rulle den anden vej? Er min forretningsmodel, altså min business case, holder den vand, er der penge i det her eller hvordan ser det ud.

Interviewer
Ja.

Bjarne (Reference 64)
Det er du nødt til at undersøge, sådan godt og grundigt. Du får ingen klare svar, men du er alligevel nødt til at have nogle indikatorer på om det her det passer sammen. Så bare fordi du har et super produkt der sælger i Danmark. Absolut ikke sikkert at det sælger i Tyskland. Det skulle være mærkeligt om det gjorde, så det er man nødt til lige at undersøge. Det kan også være kunderne er helt anderledes. Så vilje, viden og vækst siger jeg altid når jeg er i det humør.

Bjarne (Reference 65)
Virksomheden har viljen, Jeg har viden eller erhvervshusene eller andre. Og så kommer væksten. Men det er nogle lange seje træk. Jeg skulle engang holde et foredrag for udenrigsministeriet. Jeg skulle tage ud og holde et foredrag og det hed ”eksport af ikke svært”, så sagde jeg, det nægter jeg simpelthen. Eksport er svært. Det er fuldstændig tåbeligt at stikke folk blår i øjnene. Eksport er svært, og det kræver en hård indsats.

Interviewer
Okay. Det kan man ikke komme udenom.

Bjarne (Reference 66)

Nej, det kræver arbejde, og det er jo det vi er lidt bange for i Danmark.

Interviewer
Så du har set mange eksempler på virksomheder, der har lidt konsekvenser af, at de måske ikke har ville det nok i første omgang.

Bjarne (Reference 67)
Det irriterer mig til hudløshed. Jeg er faktisk lavet en opgave. Nu kan du bare få lov at læse den, men dengang jeg skrev det, det var så i 2020 og jeg skulle til eksamen. Men jeg gik til eksamen med opgaven. Hvordan dælen får man flere virksomheder ud på eksportmarkederne. Men også til at tage handling på det. Den er ikke løst og det irriterer mig stadigvæk, og den dag i dag har jeg jo forskellige virksomheder at skaffe penge til dem. Jeg skaffet alt. Vi er klar til at gå i gang. Kan du give nogle garantier Bjarne, siger de. Så sige jeg, garantier? Jeg kan ******* give den garanti, hvis du ikke gør noget, så sker der heller ikke noget. Der er jo vildt mange gange jeg må gå baglæns på at der ikke skete noget. For eksempel har jeg haft nogle tyske samarbejdspartnere. Vi er faktisk kommet godt i gang med virksomheden. skal lige til at… Ej vi vil ikke alligevel.

Bjarne (Reference 68)
Den oplever jeg rigtig tit.

Interviewer
Hvis man tager fra 1-10, hvor mange virksomheder hopper så fra?

Bjarne (Reference 69)
Vi er i hvert fald i som hopper fra.

Bjarne (Reference 70)
Vi er i hvert fald oppe på en 6-7 stykker. Det er et skræmmende tal du kan selv læse i den her med. Jeg var topscorer dengang oppe ved udenrigsministeriet og jeg var så flov da jeg kom til at jeg blive målt på det og det var kun 40 procent af mine virksomheder der gik videre. Jeg var så flov at der kun var 40% der gik videre. Jeg synes selv jeg gjorde hvad Jeg kunne. Og blev rost af

udenrigsministeriet, fordi jeg var faktisk topscorer, så tænkte jeg, det er da fuldstændig vanvittigt. Er der virkelig så mange der hopper fra, og det gør vi.

Interviewer

Sådan. Jamen. Det var det sidste spørgsmål, Bjarne, du har ikke noget at tilføje her på falderebet. Du har sagt mange gode ting så.

Bjarne (Reference 71)

Ja og det eneste Jeg kan sige som er hammer vigtigt, og det er altid det vi siger til alle virksomheder lige nu. Eksport forberedelse er simpelthen afgørende vigtig ting. Og så kan jeg godt lide, at man går i gang med et barsk nærmarked, fordi kan du klare dig i Tyskland, så vil du også kunne klare dig andre steder. USA for eksempel.

Bjarne (Reference 72)

Men Tyskland er oplagt. Landet ligger lige nede for enden af bakken.

Interviewer

Ja.

Bjarne (Reference 73)

Du skal tage det alvorligt.

Interviewer

Så der er muligheder så længe man vil levere arbejdet, fordi man kommer ikke afsted uden arbejde.

Bjarne (Reference 74)

Nej.

Interviewer

Men hvis man har viljen til det, så kan man opnå stor succes ved at komme til det tyske marked.

Bjarne (Reference 75)

Absolut men altså du kan også få nogle tæsk. Det kan jeg roligt skrive under på at adskillige virksomheder som har tabt penge. Det er barsk marked.

Interviewer

Jamen Bjarne 1000 tak for snakken og for din deltagelse her, så lukker jeg for interviewet nu.

Interview with Claus T. Pedersen

Interviewer

Mit navn er Mathias Pejs Andersen. Jeg er i gang med min afhandling på kandidatuddannelsen Culture Communication and Globalization. Projektet vil gerne belyse de primære udfordringer, som danske virksomheder kan opleve, når de vil være sig ind på det tyske marked, og hvilke strategier der kunne være relevante at anvende hertil. I dagens anledning har jeg været så heldig at kunne afholde et interview med Claus, som skal hjælpe mig med at komme nærmere et svar på min problemformulering og Claus vil du ikke fortælle lidt omkring dig selv, inden vi Sådan for alvor kaster os ud i interviewet?

Claus (Reference 76)

Ja. Jamen, jeg hedder Claus Pedersen, ansat i spar nord storkunde afdeling i Aalborg, hvor Jeg har været ansat siden 1. januar 2002, og derfor har jeg været erhvervskundechef i Spar Nord Nørresundby altså dækkende for Aalborg Kommune nord for fjorden og oppe i Vendsyssel. I 8 år, og derfor har jeg været 6 år på spar nord kredit kontor. Så Jeg er 62 år. Ja.

Interviewer

Ja, jamen skal vi ikke bare kaste os ind i det første spørgsmål så?

Claus (Reference 77)

Lad os prøve.

Interviewer

Når du hører mig stille spørgsmålet, hvilke politiske faktorer i Tyskland kan udgøre barrierer for danske virksomheder, der ønsker at udvide deres aktiviteter til dette marked? Hvad er det første, der sådan slår dig, når jeg eller jeg stiller dig det spørgsmål?

Claus (Reference 78)

Det er der sådan popper op allerførst. Det er den. Hvad skal vi sige? Forskel i politiske systemer, der er mellem Tyskland og Danmark, hvor at Danmark er et lille miniputland. Med 6-6,5 million indbyggere, godt nok opdelt i 5 regioner, men det er styret landspolitisk, hvor at der i Tyskland er 16 delstater, der kan give deres lave deres egen lovgivning egen forfatning, og det får mig til at tænke, at når man som dansk virksomhed ville entrere på det tyske marked, skal man måske fokusere på delstater en eller flere delstater fremfor at gå efter et marked med 80 millioner indbyggere totalt set. Det er nok en stor mundfuld fra starten af.

Interviewer

Ja det tror jeg på.

Claus (Reference 79)

Og så sørge for at sætte sig ind i den pågældende delstats lovgivning på det område, det felt virksomheden opererer på. Det er sådan, Det er sådan lige det popper op med politisk.

Interviewer

Så svarer du faktisk allerede på mit næste spørgsmål i, hvordan man skal agere i forhold til hvad for en strategi man kunne anvende i forhold til det.

Claus (Reference 80)

Ja hvis Det er det du mener med strategi ja.

Interviewer

Ja ja. Jamen rigtig godt svar. Så hvis vi hopper videre til det lidt mere økonomiske perspektiv. Hvilke økonomiske udfordringer står danske virksomheder typisk overfor, når de udvider deres aktiviteter til Tyskland?

Claus (Reference 81)

Altså enhver udvidelse kræver økonomi af en vis størrelse og en økonomisk kapacitet, som man skal sørge for at have på plads, og det gælder uanset om virksomheden vil ekspandere inden for Danmark, eller man går til udlandet. Men man skal nok have lidt mere polstring og kapacitet, inden man går ud, fordi hvis du kommer ind senere i forhold til selskabet, hvordan vil man repræsentere sig på det nye marked? Er det ved styret fra Danmark, repræsentationskontor og selskab eller hvordan? Men skal man have det fordelt? Jamen, så kræver det jo bedre styring og dermed også mere kapital. Og skal du have selskab, jamen så skal du også have økonomi, altså et selskab skal have egen Bank i Tyskland for at kunne agere indenfor for det tyske marked altså et andet marked.

Interviewer

Ja.

Claus (Reference 82)

Det er sådan lidt lige popper op, når vi snakker økonomien.

Interviewer

Ja rigtig godt svar. Hvis vi så hopper videre til det tredje spørgsmål. Hvad hvis vi snakker omkring, hvordan danske virksomheder? Hvordan skal de forholde sig til kulturelle tilpasninger for at kunne lykkes?

Claus (Reference 83)

Altså det første der popper op, når vi taler kulturelle tilpasninger eller kulturelle forskelle. Jeg har stadigvæk det billede af tyskerne er mere stive i det, hvor danskerne står for fleksibilitet. Danskerne er vel noget af det mest fleksible folkefærd og kan tilpasse os stort set alle situationer. Tyskerne er stive i systemer og meget formelle i deres tilgang. Og derfor, hvis man vil etablere sig kombineret med politik og økonomi, jamen kan man etablere sig og få ansat tyskere, tror jeg det ville være en fordel for en dansk virksomhed for at imødegå den kulturelle side på bedst. Mulig vis så Det er tyskere, der taler om det tyske kunder, fremfor at det er danskere, der kommer derned og skal spille kong smarte.

Interviewer

Ja.

Claus (Reference 84)

Nogle gange ser vi at det det går fint i hak hvor der er stor respekt for den danske fleksible tilgang, men der er nok stadigvæk nogen i virksomhederne i Tyskland, som holder på formerne og er meget formelle med det og så videre. Hvor alle jo Danmark siger ”du” til hinanden. Det er stadigvæk mit billede. Det gør man ikke i Tyskland på samme måde, det er lidt mere ordentligt.

Interviewer

Ja.

Claus (Reference 85)

Altså ordning mod Stein og hierarkiet er der. Sådan er det. Jo.

Interviewer

Ja så så det skal man i hvert fald lige forholde sig til som dansk virksomhed. Der er altså en forskel på kulturen.

Claus (Reference 86)

Ja. Og derfor tror jeg, at det kan være en fordel at man har ansat tyskere til at tale med de tyske kunder. Sådan et skud fra hoften. Et indtryk fra hoften.

Interviewer

Ja.

Interviewer

Så det er nemmere og så alliere sig med en der snakker tysk frem for at de er måske ikke så glade for at snakke engelsk?

Claus (Reference 87)

Jeg tror det går bedre med Tyskerne. De er ikke så stive på sprogdelen som franskmændene er.

Interviewer

Nej.

Claus (Reference 88)

De har erkendt at engelsk det er mere internationalt, men kan man snakke tysk, så er det en fordel.

Interviewer

Ja. Okay, godt svar. Ja. Hvilken rolle spiller teknologi i at lette eller skabe barrierer for danske virksomheders ekspansion til Tyskland?

Claus (Reference 89)

Jamen altså det første der popper op når vi snakker teknologi, er at danske virksomheder og det danske samfund er længere fremme på IT fonden. End det tyske marked er eller det tyske samfund er altså i forhold til at vi har mit ide, nem id og alle er på det offentlige borger Dk, meget kommunikation med det offentlige og fungerer på IT dk eller via systemer digitalt. Vi har digital signatur. Lige i forhold til underskriftdelen skal jeg ikke udelukke, at tyskerne har noget af det samme. Men jeg mener ikke at de har et digitalt underskriftsystem endnu.

Interviewer

Nej.

Claus (Reference 90)

Og i hvert fald ikke i forhold til kommunikationen med det offentlige. Det foregår typisk ved blanketter. De er jo meget mere formelle, og de er også teknologisk bagefter, er det indtryk jeg sidder med fra min stol. Ja.

Interviewer

Og er det noget du synes der er foranderligt? Altså er der fokus på det? Fra tyskernes side. Er det dit indtryk?

Claus (Reference 91)

Ja altså hvis man følger med i pressen, så er der jo en eller anden form for erkendelse af at de er. Tyskerne har sparet for meget på økonomien og dermed er de kommet bagefter og det gør at de har nogle udfordringer. Det har givet bagslag i forhold til økonomien, at den tyske økonomi halter bagefter. Du kan tage det indenfor bilbranchen.

Interviewer

Ja.

Claus (Reference 92)

Et guldæg i den tyske industri betyder rigtig, rigtig meget, men der kommer jo nye kinesere der mærker op som om det amerikanske Tesla, som jo mere er en computer end det er en bil og det giver værdi for forbrugerne på bilmarkedet, som gør, at de tyske bilmærker, som ellers har været guldrandet og prima mærker, er blevet sat tilbage og kommet bagud i konkurrencen i forhold til de nye, fordi det er mere computer end det er bil.

Interviewer

Ja.

Claus (Reference 93)

Det er et billede, der er en erkendelse af, at man har nogle udfordringer. Hvor meget man har sat af har jeg ikke lige styr på, men at man ville sætte af med økonomiske midler for at forsøge at indhente det gap man er kommet bagefter for at redde sig selv.

Interviewer

Men ligesom på nuværende tidspunkt, så skal man i hvert fald som dansk virksomhed forholde sig til, at den teknologi eller IT den er ikke helt identisk med den danske?

Claus (Reference 94)

Nej nej, men kan man kan tilføre noget hvis man har succes på it-området på det danske er det måske et godt marked at gå ind på, fordi der er nogle muligheder. Vil jeg tro.

Interviewer

Jamen perfekt. Vi hopper videre til næste spørgsmål, og det er så lidt omkring det miljømæssige. Så hvordan påvirker miljømæssige faktorer i Tyskland danske virksomheders forretningsstrategi og produktudvikling på det tyske marked?

Claus (Reference 95)

Ja der bliver jeg måske mere tavs.

Interviewer

Jeg kan prøve at give dig en ledetråd. Sådan noget som bæredygtighed.

Claus (Reference 96)

Overordnet har jeg vurderet at jeg har et indtryk af, at tyskerne er gryende og er mindst lige så miljøbevidste som danskerne er. Så umiddelbart så vil jeg ikke tro der er den store forskel i forhold til miljø.

Interviewer

Så det er ikke sådan, du tænker, at en dansk virksomhed, der skal derned. De skal være obs på, at der er noget helt anderledes i forhold til hvordan at de opererer.

Claus (Reference 97)

De vil jeg ikke tro altså fordi indtrykket fra medierne er, at tyskerne er lige så miljøbevidste som danskerne, De har selvfølgelig et hensyn til en tung industri som nok alt, altså bilindustrien. For eksempel nok er mere miljø svinende. Det kan nok ikke undgåes, men verden har jeg brug for produkterne. Men jeg tror, at de gør, hvad de kan for at minimere deres miljøbelastning. Men ja ellers ikke.

Interviewer

Okay, godt svar. Så nærmer vi os de sidste spørgsmål. Ja det er en hård omgang, ikke? Lad os kaste os ud i det, hvilke juridiske udfordringer skal danske virksomheder være opmærksomme på, når de udvider deres aktiviteter til Tyskland?

Claus (Reference 98)

I bund og grund ikke nogen, fordi meget dansk lovgivning er er jo inspireret fra Tyskland og også på den kulturelle side, men tilpasset Danmark, men juridisk. De har måske lidt flere selskabskonstruktioner end vi har i Danmark men i forhold til at etablere sig, så skal man jo som dansk virksomhed vurdere, hvordan vil man være repræsenteret, hvis man vil ind på det tyske marked. Er det den simple med et repræsentationskontor, som er uden selvstændig beslutning bare et repræsentationskontor. Er det ved en filial af den danske. Hvis det er dansk aktieselskab, er det så bare en filial med et driftssted i Tyskland, eller er det et decideret datterselskab? Og hvis man vil ind og virkelig gøre noget ved det, og man har de økonomiske muskler til at kan have et selvstændigt selskab i Tyskland. Så er det nok det bedste for at sikre størst mulig succesrate, og så skal man jo tage stilling til. Jamen hvad er det for et. Er det et AG aktien, GL shaft, er det et KG. VI snakkede med en kollega inden vi gik ind her, KG er i min verden og sammenlignet med et dansk kommanditselskab. Og så eller er det bare at gmbh som jo er en pendant til et aps? Men man skal jo gøre op med om hvilken juridisk form man vil være repræsenteret med i Tyskland selvstændig juridiske enhed som et selskab eller er det bare en filial, eller er det bare et repræsentationskontor? Og hvordan skal det være bemandet?

Interviewer

Ja.

Claus (Reference 99)

Og apropos bemandingen. Det får mig lige til at tænke på. Det er ikke mit indtryk at I forhold til medarbejdere og medarbejderbeskyttelse. Tyskland er meget anderledes end det danske, altså hvis man har ansat medarbejdere jamen, så har man selvfølgelig nogle medarbejdere forpligtelser som følger, og det er jo så en juridisk tilgang af overvejelser, man skal gøre sig, at hvis man ansætter, så kan man jo i fald nogle opsigelsesvarsler og andre personalemæssige ting, som man skal have for øje. Hvis man sådan ud fra medierne, så franskmændene. Det er meget, meget dyrt at fyre medarbejdere i Frankrig. Tyskland måske lidt ikke så slemt som franskmændene, men måske lidt sværere og tungere økonomisk end det er i Danmark. Det koster selvfølgelig også at skille sig af med medarbejdere i Danmark med opsigelsesvarsler og måske erstatninger og kompensation af forskellig art. Det er selvfølgelig også noget, man skal have en jurist med på banen for at overveje.

Interviewer

Så det du siger er hvis man som dansk virksomhed så den strategi man skal lægge skal i hvert fald have sig et klart overblik over det juridiske, inden man sætter sig ind på markedet.

Claus (Reference 100)

Jeg tror jeg formuleret det på den måde, at man skal gøre sig klart hvad det er, hvordan vil man være repræsenteret? Altså er det et stort sats med eget selskab eller hvad starter man op mere forsigtigt med repræsentationskontorer og så med en filial? Det er jo ikke så forpligtende, som hvis det er et selskab. Gør man det store sats, hvis man har markedsmulighederne, så skal man nok også satse stort, men inden man satser stort, har gjort sig konsekvenserne klart. Hvad koster det og at kunne komme ud af det igen? Fordi det kan jo få økonomiske konsekvenser.

Interviewer

Ja.

Claus (Reference 101)

Og derfor skal man jo selvfølgelig have juridisk assistance til at undersøge det. Danske advokater kan selvfølgelig have samarbejdspartnere, som kan undersøge det for sig. Men Der er mange tyske advokater, som tilbyder deres services direkte og i internetsider markedsføre sig direkte over for danske virksomheder. Det er jo bare at gå på nettet.

Interviewer

Så det er egentlig let adgang man har til den type information?

Interviewer

Ja.

Claus (Reference 102)

Hvis det er i nordtyskland, jamen så er de tyske advokater. Jamen de har mange gange også ansat dansk personale til at kan rådgive og kan forstå dansk. Banken har et samarbejde selv med en tysk advokat, som vi henviser kunder til, og han taler dansk. Han er tysker, men taler dansk og forstår dansk, så vi kommunikerer bare også, hvis banken har en juridisk tysk udfordring. Jamen så kommunikerer vi jo bare på dansk.

Interviewer

Sådan.

Claus (Reference 103)

Det er nemmere end på tysk.

Interviewer

Ja så Tyskland har opdaget at lige for enden af bakken der ligger i Danmark og der har været noget samspil i en længere periode. Jamen Claus, så så er vi nået til det sidste spørgsmål, og det er sådan lidt sjovt spørgsmål. Nu har vi været igennem en masse forskellige faktorer, og vi har været igennem det politiske. Vi har været gennem det økonomiske, kulturelle og så videre ikke? Så nu vil jeg bare gerne høre dig sådan helt generelt. Hvad vil du sige er de primære udfordringer for danske virksomheder, der ønsker at flytte deres virksomhed til Tyskland? Og hvis du har nogle bud på, hvordan man skulle imødegå dem, hvordan skulle man imødegå det?

Claus (Reference 104)

Man skal i hvert fald sørge for at gøre sit hjemmearbejde, altså undersøge markedsmulighederne. Har man et produkt, som gør sig i Danmark, hvor man formentlig er startet. Det giver en jævnbyrdig opgave i sig selv, men udspringer af Danmark. Hvordan passer det ind i den tyske mentalitet, som vi har været inde på? Er mere stift? Altså er der undersøge, er der en mulighed, er der muligheder for at få produktet tilpasse? Det gør, at man skal starte i Nordtyskland, som måske er noget påvirkning fra Dansk Kultur til at de ligner os lidt mere, end man gør nede i Sydtyskland hvad ved jeg? Men sørge for at gøre sit hjemmearbejde ordentligt, undersøge mulighederne for produktets markedsmuligheder, inden man springer ud i det. Og så dernæst er at tage stilling til, hvor meget vil man så satse? Altså repræsentationskontor, filial selskab og hvordan bemanding.

Interviewer

Så det jeg egentlig hører dig sige, det er, at en af de primære årsager til, som du tror, er årsagen til, at hvis det går galt i forhold til at ekspandere til Tyskland, det er at virksomhederne har simpelthen sat sig nok ind i og få sig dannet et helt konkret overblik.

Claus (Reference 105)

Altså man skal være realistisk i sin tilgang og sige bare fordi et produkt har succes i Danmark er det jo ikke sikkert, at det er nødvendigvis kan få succes i Tyskland, hvor mentalitet og kulturen er en helt anden. Og så kigger man på de traditionelle succes varer, som Danmark eksporterer med fødevarer, tøj, møbler, maskiner og så videre. Det er jo mere traditionelle varer fremfor hvis det er ny IT som Apples iPhone, som er world wide, som har bragt succes. Fordi at et produkt en fødevare er en succes i Danmark er det ikke sikkert, at tyskerne kan lide den på samme måde. Det skal man sørge for at undersøge, hvis man kan.

Interviewer

Hej. Ja så vidt muligt og så hørte lige det sidste der det et var noget med risikovillighed. Man skal også være villig til hvis man har økonomien i orden…

Claus (Reference 106)

Hvis man kan. Det koster jo. Det er altid på grund af med risici at gå ind på noget nyt, og det gælder jo også, hvis du skal produktudvikle til det danske marked, at du risikerer at sende gode penge efter dårlige. Som er et udtryk for branchen. Det koster altid at udvikle hvad enten det er til hjemmemarkedet eller til eksportmarkedet.

Interviewer

Ja.

Interviewer

Perfekt. Har du noget at tilføje her på falderebet, ikke?

Claus (Reference 107)

Nej ikke andet end puha.

Interviewer

Jeg siger rigtig mange tak Claus, det var kanon godt. Jeg lukker ned for interviewet nu.