Developing an integrated cross-cultural marketing communication strategy for software developing B2B SMEs

Johan Elgh
Felix Nyberg-Åslund

Master’s thesis LIU-IEI-TEK-A—15/02275—SE
Department of Management and Engineering
Division of Industrial Economics
Developing an integrated cross-cultural marketing communication strategy for software developing B2B SMEs

Johan Elgh
Felix Nyberg-Åslund

Supervisor: Christina Grundström
Examiner: Roland Sjöström

Master’s thesis LIU-IEI-TEK-A—15/02275—SE
Department of Management and Engineering
Division of Industrial Economics
Executive Summary

This thesis has been created as a response to the growing interest among small and medium-sized business-to-business software developers to internationalise in order to grow their businesses. The initial study of the problem lead to the insight that a strategic mix of communication channels is a key success factor for an internationalisation. The purpose of this thesis was therefore determined to be to explore what and how different factors influence the effectiveness and efficiency of a business-to-business marketing communication mix strategy that leverages the brand, in the context of internationalisation of software developing small and medium-sized enterprises.

Academic literature within three areas, related to the purpose of the thesis, was identified and discussed and presented in a frame of references. The first area concerned the development process of a strategic business-to-business marketing communication mix. Following this, the culture factor, including how communication is affected by cultural differences, was considered as a relevant area to study and add to the frame of references. Finally, the internationalisation process of business-to-business small and medium-sized enterprises was studied. Based on the study of academic theory, an analytical model was constructed and targeted issues for each area identified for the subsequent empirical study.

An explorative case study approach was found to be suitable for the purpose of the thesis. It was performed by conducting qualitative interviews with representatives of the studied case company as well as a selection of its customers. Additional secondary data was withdrawn to triangulate with the primary data for the analysis of culture. By applying the analytical model to analyse the empirical evidence, using the academic theories and models from the frame of references, insights were generated and conclusions could be drawn.

The analysis found that a key success factor is to build credibility in the eyes of prospects, regardless of where they are on the journey from being unaware of the company to becoming loyal customers. This is due to the risk avert nature of business-to-business decision makers. The most important factor for establishing credibility is to be able to show strong customer references, which makes nurturing present customer relationships a critical activity for success.
Further, it was firmly established that the particularly long sell cycle that characterises the software industry in which the studied case company operates in, requires the communication channels to be integrated in order to be effective for the whole customer journey. Channels through which the communication can be adapted to suit a specific audience should be prioritised. Also, cultural differences and similarities should be considered, especially when it comes to views on power and the level of social restraint in the country to which the internationalisation is directed.

The digitalisation of communication is a trend that evidently has a significant impact on the effectiveness of a marketing communication strategy. Digital communication channels are becoming increasingly relevant and suitable for communicating customer references, demonstrating product features and conveying corporate brand messages. By developing a business-to-business digital marketing communication strategy that is culturally adapted, the preconditions for the internationalisation of small and medium-sized enterprises are improved.

On a final note, this Master’s thesis has identified a number of factors that influence the effectiveness and efficiency of a business-to-business marketing communication mix strategy that leverages the brand, in the context of internationalisation of software developing small and medium-sized enterprises. While this has contributed to academic theory, the findings concerning how these factors influence the effectiveness and efficiency provide practitioners with actionable insights. It is therefore the belief of the authors of this Master’s thesis that the content of this report can help managers of internationalising software developing small and medium-sized enterprises in their communication strategy development process.
Contents

1 Introduction to the thesis - Why internationalisation matters
  1.1 SMEs need to go international to grow their businesses
  1.2 Communication is a key success factor when internationalising
  1.3 Purpose of the study

2 Academic literature for the understanding of international B2B communication
  2.1 Developing a strategic B2B Marketing Communication Mix
    2.1.1 Integrated marketing communication (IMC)
    2.1.2 Micro perspective: The Marketing Communication Tetrahedron
    2.1.3 Macro perspective: Six IMC choice criteria to consider
    2.1.4 Summary: Evaluating an IMC programme
  2.2 Managing cultural differences in cross-cultural communication
    2.2.1 What culture is and its origin
    2.2.2 Measuring cultural distance – The Hofstede Model
    2.2.3 Academic discussion on Hofstede’s model
    2.2.4 Framework for understanding culture in cross-cultural communication
    2.2.5 Characteristics of Hofstede’s dimensions
  2.3 The SME Internationalisation process - networks matter
    2.3.1 What internationalisation is
    2.3.2 The famous Uppsala model goes networking
    2.3.3 High-technology B2B SMEs leveraging networks and relationships
2.4 Specified task and analysis model.............................................................................. 37

3 A description and evaluation of the methodology.......................................................... 40

3.1 Approach ...................................................................................................................... 40

3.1.1 Depth: the motivation for a single case study approach ........................................ 40

3.1.2 Motivation for a qualitative approach over quantitative.......................................... 41

3.1.3 Time perspective ..................................................................................................... 41

3.2 Scientific view ............................................................................................................. 41

3.2.1 The ‘system view’ of how knowledge is created.................................................... 41

3.2.2 Experience from reality is fundamental .................................................................. 41

3.3 Study setup ................................................................................................................. 42

3.4 Data collection............................................................................................................. 44

3.4.1 Amigo AB is a suitable case company ................................................................... 44

3.4.2 Interviews as an approach for gathering data ......................................................... 44

3.4.3 Developing the interview guides ........................................................................... 45

3.4.4 Selection of interviewees ........................................................................................ 46

3.4.5 Interview conduction, follow-up methodology and ethics ..................................... 49

3.4.6 Secondary data to reinforce the empirical study of culture .................................... 50

3.5 Analytical process ...................................................................................................... 50

3.5.1 The general analysis strategy relied on theoretical propositions ......................... 50

3.5.2 Using the organisational level as analysis unit ....................................................... 51

3.5.3 The step-by-step process of analysing gathered data............................................. 51
3.6 Quality of study.............................................................................................................. 53
3.6.1 Reliability................................................................................................................ 54
3.6.2 Validity ................................................................................................................... 54

4 The case of Amigo AB: An internationalising SWD SME .............................................. 57
4.1 Introduction to Amigo AB, the studied case company .................................................. 57
4.1.1 Amigo AB in essence.............................................................................................. 57
4.1.2 What a POS system is .......................................................................................... 57
4.1.3 The product portfolio of Amigo.............................................................................. 59
4.1.4 POS Software is only one of many modules required by customers ...................... 60
4.1.5 Categorisation of competitors in the industry....................................................... 61
4.1.6 Market segmentation............................................................................................. 61
4.1.7 Amigo’s target group ............................................................................................ 62
4.1.8 Amigo takes advantage of partnerships to complement its offer ......................... 63
4.1.9 Research companies.............................................................................................. 63

4.2 The communication strategy for internationalisation.................................................. 64
4.2.1 A new market entry with focus on a defined target group...................................... 64
4.2.2 The brand as a strategic differentiator ................................................................. 65
4.2.3 The role of customer references............................................................................. 66
4.2.4 The view on cost efficiency................................................................................... 68

4.3 Updating a traditional communication mix to meet the future ..................................... 68
4.3.1 From traditional to digital communication options ............................................... 68
4.3.2 Engaging the audience ............................................................................................ 69
4.3.3 Conveying the brand message ................................................................................. 69
4.3.4 Views on how to adapt the communication mix to the audience ....................... 70
4.3.5 Unexploited venues of communication .................................................................. 74

4.4 Culture in Amigo’s target industries .............................................................................. 76
4.4.1 Hofstede’s data for Swedish and French culture .................................................... 76
4.4.2 As perceived by Amigo .......................................................................................... 77
4.4.3 How the customers characterise the culture of their organisations ....................... 80

4.5 Managing and leveraging networks ............................................................................... 82
4.5.1 Personal networks ................................................................................................... 82
4.5.2 Professional networks ............................................................................................. 83
4.5.3 The role of advisers ................................................................................................. 83
4.5.4 Partners ................................................................................................................... 84
4.5.5 The network of Amigo’s present customers ........................................................... 86
4.5.6 Internal networking within Amigo .......................................................................... 86
4.5.7 Internal networking within a prospect’s group ....................................................... 87

5 Analysis of the case company Amigo AB ............................................................................. 88
5.1 Strategy ........................................................................................................................... 89
5.1.1 Coverage .................................................................................................................. 89
5.1.2 Contribution .............................................................................................................. 89
5.1.3 Commonality and complementarity .......................................................................... 90
5.1.4 Robustness .............................................................................................................. 91
5.1.5 Cost ......................................................................................................................... 91
5.1.6 Summary of the first step of the analysis – Strategy .............................................. 91
5.2 Communication mix ...................................................................................................... 92
  5.2.1 Personal Selling ...................................................................................................... 93
  5.2.2 Fairs......................................................................................................................... 94
  5.2.3 Research companies............................................................................................... 96
  5.2.4 Proof of Concept - a communication option for the Trial stage ......................... 97
  5.2.5 Website ................................................................................................................... 98
  5.2.6 Social media............................................................................................................ 99
  5.2.7 Summary of the second step of the analysis - Communication mix ..................... 100
5.3 Culture .......................................................................................................................... 101
  5.3.1 Power distance is a national quality ................................................................. 101
  5.3.2 Individualism-collectivism ................................................................................. 102
  5.3.3 Masculinity-femininity ....................................................................................... 103
  5.3.4 Uncertainty avoidance ............................................................... 104
  5.3.5 Long-term orientation ......................................................................................... 105
  5.3.6 Indulgence versus restraint ................................................................................. 106
  5.3.7 Summary of the third step of the analysis - Culture ............................................. 106
5.4 Networks ........................................................................................................................ 108
  5.4.1 Personal networks ................................................................................................. 108
Figures

Figure 1. Structure of the frame of reference................................................................. 5

Figure 2. "Marketing Communication Tetrahedron" (MCT) (adapted from Keller, 2001, p. 826).8

Figure 3. Motor carrier marketers’ associations of communication tools (Garber & Dotson, 2002, p. 12)............................................................................................................................................ 10

Figure 4. Coverage and overlaps of an IMC programme (Keller, 2001, p. 832).............. 15

Figure 5. Global advertising research – understanding cultural values of consumers (De Mooij & Hofstede, 2010, p. 86).................................................................................................................. 27

Figure 6. The updated Uppsala Model (Johanson & Vahlne, 2009, p. 1424). .................. 33

Figure 7. The connection of the frame of reference to the steps of the analysis model visualised. ....................................................................................................................................................... 38

Figure 8. The analysis model of this Master’s thesis illustrated........................................ 39

Figure 9. The Wahlbinian U (adapted for this report, from Lekvall & Wahlbin, 2001) .......... 42

Figure 10. A POS system is usually integrated with other IT systems of a company (as depicted by Amigo). .............................................................................................................................. 58

Figure 12. Illustration of values in each of Hofstede's (2010) dimensions for Sweden and France. .......................................................................................................................................................... 77

Figure 13. A simple illustration of the analysis model.................................................... 88

Figure 14. Change in network position by leveraging adviser. ........................................ 111
Tables

Table 1. The communication mix (adapted from Smith & Taylor, 2004) ........................................ 11
Table 2. Overview of digital communication options (adapted Keller, 2009). .............................. 13
Table 3. Micro perspective measures........................................................................................... 18
Table 4. Macro perspective measures......................................................................................... 19
Table 5. Synthesised characteristics of the dimensions in Hofstede’s model............................... 30
Table 6. Strategic networks and the opportunities they can create (adapted from Jones, Suoranta & Rowley, 2013). ......................................................................................................................... 36
Table 7. The connection between the interviewees and interview guides ................................. 47
Table 8. An illustration of how the Amigo Retail suite consists of three layers. ......................... 59
Table 9. Description of POS system modules and time between updates ................................... 60
Table 10. Categorisation by Amigo of its competitors based on the width of offering. .............. 61
Table 11. The tier system of differentiating customers based on their size................................. 62
Table 12. Description of hardware and service partners of Amigo ............................................ 63
Table 13. The values in each of Hofstede’s (2010) dimensions for Sweden and France............. 77
Table 14. Summarising the findings of the analysis of the strategy with the IMC choice criteria 92
Table 15. Relevance of personal selling in the different stages of Garber & Dotson's (2002) model ................................................................................................................................................. 94
Table 16. Relevance of fairs in the different stages of Garber & Dotson's (2002) model............ 95
Table 17. Relevance of research companies in the different stages of Garber & Dotson's (2002) model ................................................................................................................................................. 96
Table 18. Relevance of Proof of Concept in the different stages of Garber & Dotson's (2002) model ................................................................................................................................................. 97
Table 19. Relevance of a website in the different stages of Garber & Dotson's (2002) model.... 98

Table 20. Relevance of social media in the different stages of Garber & Dotson's (2002) model. ....................................................................................................................................................... 99

Table 21. Overview of relevance of available communication options at the stages of Garber & Dotson’s model (2002). .............................................................................................................. 100

Table 22. The impact of power distance on the IMC ................................................................. 102

Table 23. The impact of individualism-collectivism on the IMC.............................................. 103

Table 24. The impact of masculinity-femininity on the IMC ..................................................... 104

Table 25. The impact of uncertainty avoidance on the IMC ..................................................... 105

Table 26. The impact of long-term orientation on the IMC ....................................................... 105

Table 27. The impact of indulgence vs restraint on the IMC ................................................... 106

Table 28. Overview of indications for applicability of Hofstede’s (2010) model................. 107

Table 29. Relevance of personal networks in the different stages of Garber & Dotson's (2002) model........................................................................................................................................... 109

Table 30. Relevance of professional networks in the different stages of Garber & Dotson's (2002) model........................................................................................................................................... 110

Table 31. Relevance of advisers in the different stages of Garber & Dotson's (2002) model.... 112

Table 32. Relevance of partners in the different stages of Garber & Dotson's (2002) model.... 113

Table 33. Relevance of customer network in the different stages of Garber & Dotson's (2002) model........................................................................................................................................... 115

Table 34. Relevance of prospect intra-network in the different stages of Garber & Dotson's (2002) model........................................................................................................................................... 116

Table 35. Overview of Amigo’s available networks and their respective relevance at the stages of Garber & Dotson’s model (2002). .............................................................................................................. 117
Table 36. Suitability of all available communication options and networks for the stages of the new product adoption model by Garber & Dotson (2002). ........................................................ 118

Table 37. An illustration of the complementary brand associations for the stages of Garber & Dotson’s (2002) model, along with effective communication options and networks. ............... 122

Table 38. Summary of cultural considerations for the IMC. ................................................................. 126

Table 39. Recommendation of strategies for considering culture in the marketing communication strategy. .................................................................................................................. 131
Foreword

This Master’s thesis has been created as a result of a dialogue with the studied case company Amigo AB, a fictional name for the real case company. The company recognised the potential benefit of giving the authors the task of conducting the study which this report is based on. We are therefore thankful for having received this opportunity and for being able to get access to all the valuable information that has been shared with us throughout the study.

Our special thanks goes to all the Amigo AB employees, Amigo AB customer representatives and other parties who have contributed to this study, without you this Master’s thesis would not have been possible. You know who you are.

We would like to direct our warmest gratitude to our supervisor at the Linköping University, Christina Grundström, for pushing us to perform at our best and being available for us when we have needed support. Also, we are happy to have had Jesper Stengard and Emilie Raud Westberg as student reviewers, who have been providing us with insights, new perspectives and motivation.

This Master’s thesis would not have been the same without the support of Roland Sjöström, who helped us to kick start the project from the beginning. He has also taken up the role of reviewing the thesis for approval on behalf of the Linköping University.

Finally, we hope that the reader of this Master’s thesis will find it interesting. Thank you so much for your attention.

At your service,

Johan Elgh, MSc.       Felix Nyberg-Åslund, MSc.
1 Introduction to the thesis - Why internationalisation matters

In this introductory chapter, the reader is provided with a detailed description of the background to the problem, the problem as well as a declaration of the purpose of this Master's thesis.

1.1 SMEs need to go international to grow their businesses

According to an extensive study from the Swedish Agency for Economic and Regional Growth, in which 16,000 Small and Medium-sized Enterprises (SMEs) participated, 70% say they want to grow their businesses. However, there are barriers to accomplish this and many SMEs experience their domestic market to be saturated and therefore find limited opportunities to grow at home. Opportunity lies instead in internationalising the business (Tillväxtverket, 2015). Although there seems to be a general need for SMEs to grow through internationalisation, software developers (SWDs), are of particular interest. SMEs within the IT sector, including SWDs, are more internationalised than others. 20% of them regard their main market to be abroad (Tillväxtverket, 2015).

There is not a certain growth strategy that suits every company and situation. Two choices to be made are a) to either continue serving the current market or finding new ones and b) to offer what is in the existing portfolio or developing new offerings. The growth strategy will always be a combination of these, according to the conceptualisation by Ansoff (1957). For instance, the so-called market development strategy refers to the option to pursue new customers with the company’s existing offerings (Ansoff, 1957). This is likely to happen if the company experiences that the domestic market is constrained, while they often see opportunities abroad (Kyläheiko, Jantunen, Puimalainen, Saarenketo & Tuppura, 2011). Companies with increasingly large R&D budgets have yet another reason to pursue an international market development strategy, as it offers them an opportunity to receive more return on their R&D investments and consequently boost the performance of their businesses (Kyläheiko et al., 2011).

The strong trend of globalisation, which is characterised by companies going abroad, requires managers to have a ‘global mind-set’ (Fletcher, 2000). This includes a will to look abroad for opportunities and an ability to build relationships with members of other cultures and manage these relationships. The author highlights that in order to succeed, managers of SMEs need to understand and overcome the challenges that are especially relevant to them. One important factor to watch when internationalising is the marketing communication mix (Toulova, Votoupalova, & Kubickova, 2015). This is the collection of tools a company chooses to use for
promotional purposes. Toulova et al. (2015) results showed that the choice of which communication options to use is a critical success factor for an SME when entering a new market abroad. Their study also showed that the perception of which options were efficient differed from what the actual data said. This implies that knowledge is limited regarding the efficiency of different communication options in the context of doing international new market entry (Toulova et al., 2015).

The effectiveness of the marketing communication mix has been found to be affected by the brand as described by Ohnemus (2009). The author argues that communication efforts will be more accepted by the recipient if it comes from a strong brand. Low & Blois (2002) also supports this and highlights other advantages of having a strong B2B brand such as increasing the buyer’s confidence before a deal is made and increasing the satisfaction afterwards. Other authors points at even further advantages and argues that a strong brand is also more likely to receive more referrals (Hutton, 1997), reducing the perceived risk and uncertainty (Ohnemus, 2009) and is more easily placed on the shortlist in an evaluation situation and may help achieve consensus (Wise & Zednickova, 2009). Low & Blois (2002) also outlines the process of developing a brand and describes the marketing communication mix as a fundamental tool in building the brand, once a brand strategy has been established.

1.2 Communication is a key success factor when internationalising

The existence of barriers facing SMEs in general, which are aspiring to go international, is well known in the academic literature. For instance, researchers have distinguished between internal and external barriers (Buckley, 1989). However, little research exists regarding the specific challenges facing the B2B SWDs who look abroad for growth opportunities beyond their constrained domestic markets.

Toulova et al. (2015) outlined what barriers SME managers perceived when considering internationalisation. This was then compared to what the data actually said about the correlation between success in the internationalisation and the examined factors. The study highlighted the choice of communication channels as an important factor for the real success of SME internationalisation. Only quantitative data appears to have been withdrawn from the respondents, which leaves Toulova et al. (2015) simply guessing which reasons may lay behind the results. Further studies on the topic should therefore seek a qualitative approach. There is also a need for further studies focusing on SWD SMEs in particular, since available studies such as Toulova et al. (2015) have had a broader scope.
Communication channels is a topic that has received significant attention from researchers. However, as Keller (2001) points out, most of these researchers have focused exclusively on a particular kind of channel, therefore not assessing what he calls “interaction effects” between multiple communication channels. He suggests that this broader view on communication should be applied in academic research, since many companies are moving towards integrating their marketing communication. It is relevant in practice as well, because marketers today are facing a large and diverse set of communication channels to choose from (Keller, 2001). The solution is to develop an integrated marketing communication programme, which means taking the available communication channels into consideration both in isolation and in combination (Keller, 2001; Schultz & Schultz, 1998).

Although many companies are taking an interest in, and increasing the usage of digital communication channels, an investigation by Järvinen, Tollinen, Karjaluoto & Jayawardhana (2012) of B2B companies from various industries revealed that many companies keep focusing on the established digital tools (e-mail, e-journals, etc.). This means that B2B marketers are not taking advantage of the opportunities that have emerged with the rise of social media (blogs, Facebook, Twitter, YouTube, etc.). Continuous adjustment of which communication channels a company uses to fit the defined target group’s changing preferences is key. Järvinen et al. (2012) point out that, since attitudes toward technology are dynamic, researchers must not fall behind.

The already mentioned study of Toulova et al. (2015) did not assess the cultural barrier with exception for the sub-factor language. When doing a new market entry internationally, being able to handle intercultural communication becomes a necessary skill. Trompenaars and Woolliams (2004) argue that culture is the dominant factor affecting international business. According to these authors, culture affects all areas of business and challenge marketing strategy, price assumptions, customer relations, products and promotion. Especially promotion is closely related to culture as it is mainly based on relations, language and communication (Usunier & Lee, 2009). This is also supported by Bannon & Mattock (2003) who identifies culture as a key foundation in building international business and a factor that can be the final decision point in sales. Based on Lennartz, Fischer, Krafft, & Peters’s (2015) data from international online surveys of managers, Lennartz et al. (2015) could determine that the marketing mix instruments had different effects depending on industry and country. This suggests that the cultural influence on communication strategy should be further investigated.

Usunier & Lee (2009) argues that to be able to differentiate cultures at the national level, there has to be a reference point. For example, this means that one country may contain several sub-cultures but in comparison to another country it can be seen as similar enough to be seen as one. By understanding the differences between a foreign country of interest and the home market, a
SME develops better preconditions to expand internationally, but it might not be enough. As Goodenough (1971) points out, the nationality is not always the determinant factor in a person’s cultural background. An individual’s profession, ethnicity, sex or other cultural elements could override the effect of nationality.

In sum, many SWD SMEs intend to internationalise for growth (Tillväxtverket, 2015). However, they face the challenge of putting together an efficient mix of communication that is culturally fit to create awareness in the target group (Usunier & Lee, 2009; Bannon & Mattock, 2003). Developing a marketing communication strategy that leverages the B2B brand and takes the specific place and situation into account to generate awareness appears to be a key factor for a successful internationalisation.

1.3 Purpose of the study

With the background and description of the problem in mind, the purpose of this Master’s thesis is:

To explore what and how different factors influence the effectiveness and efficiency of a B2B marketing communication mix strategy that leverages the brand, in the context of internationalisation of SWD SMEs.
2 Academic literature for the understanding of international B2B communication

This chapter explains the analytical model and examines academic literature from which relevant frameworks are used to construct the analytical model.

By interpreting the purpose, see 1.3, it was determined that at the core of the frame of reference the development process of a strategic B2B marketing communication mix should be examined. Following that, the challenges for B2B SMEs entering new markets need to be examined. Since the international context is a key element of the purpose, knowledge about how communication is affected by cultural differences and how to manage it was also brought in. Finally, the process of B2B SMEs entering new markets is examined. The structure is depicted in Figure 1.

This chapter consists of four separate sections. The three following sections detail the components of the analysis model with the first section giving an overview on a model for analysing communication options, both individually and integrally. The second section shows how the Hofstede model (Hofstede, Hofstede & Minkov, 2010; hereafter referred to as “Hofstede’s (2010) model” as it known in academic literature and to facilitate reading) for cultural distance can be used to assess cultural impact on marketing, and what adaptations to make on communication options to counter this. The third section details the importance of SMEs seeing their network as communication option in the promotional mix. The fourth and last section summarises the chapter and describes how the analysis model should be used to create a marketing communication strategy.

![Figure 1. Structure of the frame of reference.](image-url)
2.1 Developing a strategic B2B Marketing Communication Mix

This second section of the frame of reference deals with strategies on how to effectively and efficiently develop a strategic B2B marketing communication mix.

The section builds on the work of Keller (2001) concerning how to develop an integrated marketing communication programme. This is supported and complemented with other researchers’ work to create a foundation on which the other sections of the frame of reference can build on.

2.1.1 Integrated marketing communication (IMC)

This subsection gives an overview of the IMC and discusses why it should be used.

Studying integrated marketing communication (IMC) has been deemed to be highly relevant for this report for multiple reasons. Keller (2001) as well as Schultz & Schultz (1998) propose that academic researchers study, and marketers employ, IMC to create an optimal mix of communication options. Even though IMC has been adopted more within the B2B sector, earlier research on IMC has only been focused on B2C (Garber & Dotson, 2002). IMC should be viewed as a critical tool in modern times, when the Internet is creating more dynamism and putting the customers in control of the modern marketplace (Kitchen & Burgmann, 2010).

With limited amount of research conducted on IMC applied to real organisations, there is a lack of a single definition of IMC that researchers have agreed upon. This has drawn attention from critics, who characterise IMC as too ambiguous (Kitchen & Burgmann, 2010). To show how perceptions about IMC can differ, two definitions from prominent authors follow. The first is more focused on the process of implementation and evaluation of IMC over time, while the second regards the involvement of multiple communication options as a core aspect of IMC. The second definition was adopted as a platform for this section, since it is best aligned with the thesis’ focus on developing a communication mix.

"A strategic business process used to plan, develop, execute and evaluate coordinated, measurable, persuasive brand communication programmes over time with consumers, customers, prospects and other targeted, relevant external and internal audiences."

(Schultz and Schultz, 1998, p.18)

"An integrated marketing communication programme involves the development, implementation, and evaluation of marketing communication programmes using multiple communication options where the design and execution of any communication option reflects the nature and content of other communication options that also make up the communication programme."

(Keller, 2001, p. 825)
Designing an IMC programme not only involves choosing between the various communication options, defined by Keller (2001) as “any marketer-initiated form of communication that is related directly or indirectly to the brand” (p. 820). Keller (2001) makes the case that an IMC designer should consider both what he calls “interaction effects” and “main effects”. Main effects refer to the individual effects from the different communication options. To assess the “main effects”, Keller (2001) proposes using the Marketing Communication Tetrahedron which gives a micro perspective, consisting of the four dimensions consumer, communication, response and situation.

The interaction between the communication options should also be considered, as they influence the total communication effect. This is referred to as “interaction effects”. The advantage of a well-developed IMC is that the communication mix tools support each other, creating synergy effects (Kitchen & Burgmann, 2010). Regarding the synergies, or “interaction effects”, Keller (2001) further suggests his six macro perspective IMC choice criteria coverage, contribution, commonality, complementarity, robustness and cost considerations. Noteworthy, since he uses the terms consumer and customer interchangeably, the authors of this report will adopt and use the term customer exclusively to suit the B2B context.

The frameworks of the micro and macro perspectives were introduced by Keller (2001) for evaluating communication options in isolation and the IMC as a whole. But he lacks suggestions on what concrete methods should be applied when assessing communication options for the four dimensions. This need has therefore been fulfilled by introducing other notable authors where relevant, in association to their own sections following below, starting with the micro perspective.

2.1.2 Micro perspective: The Marketing Communication Tetrahedron

This subsection explains how communication options can be evaluated independently by considering four factors.

Keller’s (2001) Marketing Communication Tetrahedron (MCT), shown in Figure 2, can be used to evaluate a communication option individually. The purpose of the MCT is to develop an understanding about how to design an IMC, using different kinds of communication that takes into account a variety of customers, external situations and possible responses (Keller, 2001). In the following part of this section reviews each of the four micro perspective dimensions in turn, as visualised by the MCT, starting with ‘Customer’.
In marketing communication, collecting information and understanding the customer is critical in order to reach and influence effectively (Garber & Dotson, 2002; Kitchen & Burgmann, 2010). This is particularly relevant in the international context, since it means that there are even more demographic and behavioural characteristics to consider (Keller, 2001).

Utilising the new product adoption process model to optimise the IMC programme

Garber & Dotson (2002) propose using a modified variant of the innovation decision process by Rogers (1983) as an analytical tool for serving as guidance when designing an IMC programme for a heterogeneous customer base. They call it the new product adoption process model and it is seen in Figure 3. Similarly to Rogers’s (1983) model, their model implies that customers go through a process from general awareness to fully embracing the specific product. They argue that its stages can be associated with different promotional objectives. Smith & Taylor (2004) also propose using different communication options to move the customers through the stages of a process from awareness to purchase. This is also why the stages will regard a customer, not an individual as in the original presentation of the model. It will therefore be adopted in this report.
to evaluate communication options based on where customers stand on the model of Garber & Dotson’s (2002). The stages of the new product adoption process are (adapted from Rogers, 1983):

1. **Awareness**: the customer becomes cognisant of the innovation, but lacks information about it.
2. **Interest**: the customer is stimulated to seek information about the innovation.
3. **Evaluation**: the customer considers whether it would make sense to try the innovation.
4. **Trial**: the customer tries the innovation on a small scale in order to improve their estimate of its use.
5. **Adoption**: the customer decides to make full and regular use of the innovation.

Garber & Dotson (2002) demonstrated how this model can be used by performing a study in which the respondents were asked to report their knowledge and current use of different promotional tools and for which promotional objectives. The results were input for generating a map (Figure 3), which shows marketing communication options and stages of the new product adoption process as points in a joint space. It is interpreted by looking at physical proximities between particular options and stages of the adoption process, as this reveals suitability of using the different communication options to influence customers at different stages. The idea of the framework is therefore to 1) understand where a customer stands on the new product adoption process and 2) match this to a suitable communication mix for the associated promotional objective (Garber & Dotson, 2002).

The horizontal axis of the map in Figure 3 differentiates the stages of the adoption model, from **Awareness** to **Adoption**. The communication options to the left are associated with **Awareness** and interest while those to the right are closer to **Evaluation**, **Trial** and **Adoption**. The vertical axis was added to differentiate the evaluation stage from the others. This was required, since some communication options, like **personal selling** and **Internet**, are both associated with **Evaluation** while differentiating significantly when it comes to **Interest** and **Trial** (Garber & Dotson, 2002). The model explains 95% of the variance in the study (Garber & Dotson, 2002). On this basis, the authors of this Master’s thesis concluded that the pattern shows that the new product adoption process model is indeed a useful normative template for IMC programme designers.
This dimension deals with the ‘Situation’, i.e. all contextual factors influencing the communication effectiveness that are external to the communication itself. A recommendation is to keep in mind that contextual factors, such as time and place, can have a significant impact on the communication effectiveness and that some communication options are more sensitive to this than others (Keller, 2001). In this report, the ability of communication options to deliver relevant messages to a particular target group will be examined, as this enhances the likelihood of high-involvement situations (Greenwald & Leavitt, 1984). Time in terms of how far the customer has moved on the decision process has already been dealt with under the customer part of section 2.1.2. Hence, the focus here is time in terms of how long the effect from a communication option actually last.

It has been widely claimed that durable cognitive and attitudinal effects depend on the level of involvement of the audience (Greenwald & Leavitt, 1984). This was examined by Laczniak & Muehling (1990), who found that the endurance of the effect of communication significantly correlates with the level of involvement. Exposure to communication in high-involvement situations will result in a longer lasting effect, a view which Greenwald & Leavitt (1984) agree on. The ability to create high-involvement situations is a relevant topic for this report, since the endurance of the effect of the communication should not be overlooked by only focusing on the immediate effects (Laczniak & Muehling, 1990).

Laczniak & Muehling (1990) used the level of message relevance as a measure of involvement level. This is supported by Greenwald & Leavitt (1984), who suggest that involvement can be approximated by perceived relevance. The authors further argue that when an individual perceive
a message to be relevant, he or she is more likely to become involved, which suggests that relevance is an antecedent of involvement.

**Communication**

The dimension ‘Communication’ is included in the MCT to highlight the importance of not only examining the customer, their response processes and situational factors but also the communication options themselves (Keller, 2001). To be able to optimise the IMC, the availability and characteristics of the communication options must be fully understood (Keller, 2001). The purpose of the dimension ‘Communication’ is therefore to evaluate the characteristics of the communication options available to the company that is developing an IMC, including digital types.

The communication must happen where the customers are, which is increasingly online (Keller, 2009; Mangold & Faulds, 2009). As Keller (2009) explains, few communication programmes exist without some form of digital communication. Mangold & Faulds (2009) even argue that, in today’s modern marketplace, the digital communication options should always be considered when designing and implementing IMC.

Recent development in the marketing communication environment has led to the creation of several new communication options and sources where customers get information from and as a result marketing communication programmes today typically include bigger and more diverse sets of communication options than before (Keller, 2001). There is a need to develop an understanding about the various communication options and combine them optimally to develop a suitable mix for the objectives of the company (Garber & Dotson, 2002). The communication mix, also known as the promotional mix, is shown in Table 1 and lists all of the available communication options available to a marketer (Smith & Taylor, 2004).

<table>
<thead>
<tr>
<th>Selling</th>
<th>Advertising</th>
<th>Sales promotion</th>
<th>Direct marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsorship</td>
<td>Exhibitions</td>
<td>Packaging</td>
<td>Point-of-sale</td>
</tr>
<tr>
<td>Publicity &amp; PR</td>
<td>Word-of-mouth</td>
<td>E-marketing</td>
<td>Corporate identity</td>
</tr>
</tbody>
</table>
The adoption of digital communication usage in B2B marketing in recent times is significant, yet progressing slowly (Järvinen et al., 2012; Katona & Sarvary, 2014; Michaelidou et al., 2011). A study found that just over a quarter of B2B SMEs in the UK use social media tools (Michaelidou et al., 2011). The most prominent objective was to attract new customers but also to generate general awareness of the brand (Michaelidou et al., 2011). In another study, Järvinen et al. (2012) confirmed that awareness and brand building are the two main objectives of digital marketing for B2B SMEs. Jones, Suoranta & Rowley (2013) also acknowledged that companies are increasingly sensing the need for adopting online communication technology while still retaining offline communication options.

According to Keller (2009), the Internet enables targeting and customisation of the content at an individual level which increases the efficiency of marketing efforts. The author also argues that it allows the communication to reach customers with perfect timing, for instance when they seek information with the intent to make a purchase from the category. Another advantage of digital communication options such as websites and similar is the ability to share detailed information regarding reasons-to-believe, points-of-parity and points of difference versus competitors, success stories and similar content to strengthen the brand (Keller, 2009). Michaelidou et al. (2011) highlight the potential benefits, especially for B2B SMEs, through building and fostering customer relationships through social media in particular.

One of the main reasons for social media communication options still remaining rather unexploited by B2B companies overall, is that they lack resources in terms of people, time and know-how (Järvinen et al., 2012; Swani, Brown & Milne, 2014). Michaelidou et al. (2011) have a similar view regarding the barriers. They identified, in line with Katona & Sarvary (2014), that many B2B companies perceive social media to be irrelevant in their particular sector. Michaelidou et al. (2011) and Järvinen et al. (2012) share the view that B2B companies have not fully understood and taken advantage of the potential benefits that social media communication options offer.

Keller (2009) provides an overview of digital communication options, see Table 2. It is complemented with examples from other authors when relevant.
Table 2. Overview of digital communication options (adapted Keller, 2009).

<table>
<thead>
<tr>
<th>Websites</th>
<th>Expressing purpose, history, products and vision of the company.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Microsites</td>
<td>Managed by third party. Mangold &amp; Faulds (2009) states blogs as an example.</td>
</tr>
<tr>
<td>Search ads</td>
<td>Ads shown alongside relevant search results from Google and similar.</td>
</tr>
<tr>
<td>Display ads</td>
<td>Shown on relevant websites.</td>
</tr>
<tr>
<td>Interstitials</td>
<td>Pop up between changes on a relevant website.</td>
</tr>
<tr>
<td>Internet videos</td>
<td>Videos on YouTube and similar websites, to be shared virally.</td>
</tr>
<tr>
<td>Sponsorships</td>
<td>Sponsoring special content on websites such as news.</td>
</tr>
<tr>
<td>Alliances</td>
<td>Internet-present companies advertising for each other.</td>
</tr>
<tr>
<td>Online communities (social media)</td>
<td>Advertisement on social media websites. Michaelidou et al. (2011) gives Facebook, Twitter and LinkedIn as examples.</td>
</tr>
<tr>
<td>E-mail</td>
<td>Sending communication straight to the e-mail inboxes of customers.</td>
</tr>
<tr>
<td>Mobile marketing</td>
<td>Sending communication straight to the texting inboxes of customers.</td>
</tr>
</tbody>
</table>

Response

The variety of state changes that marketing communication can induce on customers, either permanently or temporarily, is also necessary to study. The designer of an IMC program should build an understanding of how the response process works for the target group. (Keller, 2001)

Since this report is concerned with the B2B context, only the B2B decision making is considered. B2B customers behave differently to B2C customers, since they have a different buying process and are motivated by different things (Gilliland & Johnston, 1997; Greenglass, 2000). Since B2B customers are not spending their own money, there is a particular accountability factor that drives them to avoid taking risks (Rieck, 2000). In contrast to a B2C customer, a B2B customer’s buying process is more rational and often involves a whole group for the decision making (Garber & Dotson, 2002; Gilliland & Johnston, 1997). The process
involves people who can be defined as *initiators, users, buyers, deciders, influencers,* and *gatekeepers* (Garber & Dotson, 2002).

One factor to assess under the MCT dimension ‘Response’ is the ability for a particular communication option to convey the brand message. It may be argued that brand equity has a small role in B2B compared to B2C. The justifications behind that notion often break down to the perception of brand loyalty as a non-rational behaviour which simply does not apply to the “rational” B2B context (Kotler & Pfoertsch, 2007). However, despite this argument, research actually suggests that brand equity is a critical competitive driver in the B2B case. It appears that B2B buyers are more likely to buy more frequently and pay a price premium if the brand is perceived as strong (Bendixen, Bukasa, & Abratt, 2004; Kotler & Pfoertsch, 2007).

2.1.3 **Macro perspective: Six IMC choice criteria to consider**

*This subsection considers how the communication options an organisation employs work together and the effects they create when used in combination.*

The purpose of the six IMC choice criteria is to give a macro perspective of the IMC as a whole. Together, they show what effects the communication options have *in combination.* Insights from the micro assessment, using the MCT, are useful to have at hand when doing this macro assessment. The IMC choice criteria are of high relevance to this report, since the purpose is not simply to assess communication options in isolation, but also in combination. They are presented in turn below, together with related views from other authors.

**Coverage**

Assessing this criterion means both determining how big proportion of the targeted audience is reached by each communication option and examining if there are any overlaps. That is, if parts of the targeted audience is reached by multiple communication options. This is visualised in Figure 4, where circles represent the market segments reached by various communication options. Shaded portions represent areas of overlap in communication options (Keller, 2001)
Contribution

While coverage regards reaching a proportion of the targeted audience, contribution regards creating the desired response of the reached audience (Keller, 2001). This report considers the objectives that are linked to the stages of the new product adoption model of Garber & Dotson (2002), described in 2.1.2, such as generating awareness or Trial. The IMC should be constructed of a set of communication options which contribute to these objectives in a certain way depending on what options are included and how they interact (Keller, 2001).

Commonality and complementarity

Since some of the targeted customers and portions of the audience may have already been exposed to some other communication option and therefore been affected as a result, Keller (2001) argues that the IMC designer should consider what is called commonality and complementarity. Commonality means having common associations reinforced by the multiple communication options while complementary means having different associations covered by the communication options across the programme (Keller, 2001).

The idea behind emphasising commonality is that multiple exposures to the same communication content via different channels facilitate learning (Keller, 2001). This has been shown by research, for instance by Unnava & Burnkrant (1991). Commonality is more relevant the more abstract the message to convey is Keller (2001). He exemplifies this by comparing conveying the more abstract message of “a contemporary brand” to the concrete attribute “rich chocolate taste”.

Figure 4. Coverage and overlaps of an IMC programme (Keller, 2001, p. 832).
Madhavaram, Badrinarayanan & McDonald (2005) and Keller (2001) hold a firm view that complementarity is a key factor in creating the synergy effects that characterise a well-designed IMC. Different types of brand associations may be more effectively conveyed by some communication options over others. The IMC programme should be designed in such a way that these different associations create synergies that strengthen the overall brand.

It is important to note that a communication option can prove beneficial for both commonality and complementarity, if the IMC is well designed. In other words, commonality and complementarity are not opposites (Keller, 2001).

Robustness

As noted in the previous section, see 2.1.3 which describes commonality and complementarity, the audience is probably heterogeneous in terms of what communication they have already been exposed to. Some may even never have been exposed to any of the company’s communication. There is also the problem that some customers move slower than others through the decision process (Smith & Taylor, 2004). It is necessary to understand the customers’ background knowledge, because parts of the communication might not work without already having been exposed to other communication. (Kitchen & Burgmann, 2010; Keller, 2001)

Therefore, there is a need to construct an IMC programme that is robust, i.e. works effectively for different parts of the audience (Keller, 2001). The new product adoption model, as described by Garber & Dotson (2002) and presented earlier in this report, has been proven to be effective for finding out what communication options works best for customers in different stages of the decision process.

To ensure robustness, Keller (2001) suggests two alternative strategies. Either 1) provide different information through different individual communication options or 2) provide only one kind of information across the communication options that are rich or ambiguous enough to work for different parts of the audience. A possible issue to watch regarding the first alternative is that the exposed audience might perceive the communication as overloading, confusing and subsequently, due to their annoyance, respond negatively. Concerning the second alternative, the “one-size-fits-all”-strategy has the issue of possibly lose effectiveness, since the communication is brought down to fit the “lowest common denominator”, therefore becoming meaningless for the already informed parts of the targeted audience. (Keller, 2001)
Cost

All the other five criteria regard effectiveness, that is, how well suited the IMC programme is to accomplish its purpose. What is left to consider then is efficiency, since an effective IMC programme should also be considered together with the investment it requires. For this, the criterion cost is introduced and concludes the list of macro IMC choice criteria. (Keller, 2001)

Schultz & Schultz (1998) are concerned that communication expenditures are being increasingly questioned by executives. They note that marketing communication investments were easily justified before, with promises of increased non-financial metrics such as attitudes and brand recognition. Seggie, Cavusgil, & Phelan (2007) respond to this and explore new ways to measure the efficiency of marketing investment. They focus on seven key characteristics that they believe an optimal measurement method on return on marketing investment (ROMI) should have: Financial, Forward-looking, Long-term, Micro-data, Causal chains, Relative, and Objective.

First, a financial method speaks the same language as the rest of the company, which gives more clarity and legitimacy for marketing initiatives throughout the whole company. A forward-looking method takes into account dynamic factors shaping the future, i.e. not simply extrapolates on past developments. The long-term perspective requires the marketer to focus on long-term gains over quick wins. Breaking down to micro data as much possible enables for more accurate projections. Also, marketing investments should be evaluated by their causal chain effect on the overall profitability of the company, via for instance increased market share. Finally, the use of relative metrics allows for benchmarking to competitors and doing all of the above in an objective fashion will be increasingly important to marketing performance and productivity. (Seggie et al., 2007)
2.1.4 Summary: Evaluating an IMC programme

*This subsection summarises the section’s two main parts and concludes with a discussion on priorities and trade-offs.*

Evaluating IMC at the micro level

Table 3 shows a summary of Keller’s (2001) micro perspective MCT dimensions and the associated measures that have been brought in from other authors, as presented earlier in the chapter. They can be used to evaluate individual communication options.

*Table 3. Micro perspective measures.*

<table>
<thead>
<tr>
<th>MCT dimension (Keller, 2001)</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer</td>
<td>Suitability for the customer’s stage in the new product adoption process (Garber &amp; Dotson, 2002)</td>
</tr>
<tr>
<td>Communication</td>
<td>Availability and characteristics of traditional (Smith &amp; Taylor, 2004) and digital Keller (2009) communication options</td>
</tr>
<tr>
<td>Situation</td>
<td>Ability to create high-involvement situations by being relevant to the audience (Laczniak &amp; Muehling, 1990)</td>
</tr>
<tr>
<td>Response</td>
<td>Influence on the decision making process (Garber &amp; Dotson, 2002; Gilliland &amp; Johnston, 1997; Greenglass, 2000; Rieck, 2000) and ability to convey brand message (Bendixen, Bukasa, &amp; Abratt, 2004; Kotler &amp; Pfoertsch, 2007)</td>
</tr>
</tbody>
</table>
Evaluating IMC on macro level

Table 4 shows a summary of Keller’s (2001) macro perspective IMC choice criteria with short explanations in the right column. They can be used to evaluate the IMC program as a whole.

Table 4. Macro perspective measures.

<table>
<thead>
<tr>
<th>IMC choice criteria (Keller, 2001)</th>
<th>Measure (Keller, 2001)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coverage</td>
<td>Proportion of the targeted audience that is reached by the IMC programme.</td>
</tr>
<tr>
<td>Contribution</td>
<td>The extent to which the IMC programme contributes to the set up objectives.</td>
</tr>
<tr>
<td>Commonality</td>
<td>The extent to which the IMC programme reinforces common associations across multiple communication options.</td>
</tr>
<tr>
<td>Complementarity</td>
<td>The extent to which the IMC programme reinforces different associations across multiple communication options.</td>
</tr>
<tr>
<td>Robustness</td>
<td>The extent to which the IMC programme works effectively for portions of the audience with different previous experiences of the company’s communication.</td>
</tr>
<tr>
<td>Cost</td>
<td>The cost efficiency of the IMC programme.</td>
</tr>
</tbody>
</table>

Establishing priorities and trade-offs

Given that communication options and programmes come with strengths and weaknesses, the final decision requires establishing priorities and trade-offs. Based on the company’s objectives with the IMC programme, Keller (2001) states that an adequate weighing of the measures should be put in place before evaluation. The decision will then be a result of the strategy and what works most effectively and efficiently to fulfil it. These priorities can look differently, for instance if the objectives with the IMC programme are short or long term concerns (Keller, 2001). The company must therefore understand how the criteria interrelate to each other and establish priorities for managing trade-offs, for instance the two common relationships described below.
The commonality and complementarity trade-off regards the common conflict between commonality and complementarity. Assuring that the IMC programme is conveying the same associations to the brand across all communication options minimises the possibilities to effectively emphasise complementary associations through different communication options (Keller, 2001).

The robustness and complementarity trade-off regards another conflict which can arise when attempting to design an IMC programme with maximised complementarity and robustness at the same time. A high degree of complementarity means differences will exist between the individual communication options, and therefore the IMC programme will be less robust, i.e. it will not have been designed to work effectively for any audience member through any of the used communication options (Keller, 2001).

### 2.2 Managing cultural differences in cross-cultural communication

This section describes how culture affect marketing communication and how the IMC can be adapted to account for cultural differences. The section concludes with a framework for using Hofstede’s model in marketing situations and for identifying characteristics of different cultures which constitute the base for choosing necessary adaptations.

Studies have shown that an adaptation strategy seems to be more effective in cross-cultural marketing (Calantone, Kim, Schmidt & Cavusgil. 2006; Dow 2005; Wong & Merrilees 2007). A problem that arises when trying to assess culture is how to measure cultural distance between two countries in an internationalisation processes (De Mooij & Hofstede, 2010). To answer these questions, the Hofstede’s (2010) model has been chosen, as it is one of the most widely used for the purpose.
2.2.1 What culture is and its origin

This subsection describes how culture can be defined and what sources it originates from.

Goodenough (1971) defines culture as the knowledge and beliefs that are shared by a group and used by the individuals in order to know how they should feel, react, relate to other people, what to do and how to do it.

Kroeber and Kluckhohn (1952) reviewed 164 articles on definitions of culture and came up with the following definition:

"Culture consists of patterns, explicit and implicit, of behaviour acquired and transmitted by symbols, constituting the distinctive achievements of human groups, including their embodiments in artefacts; the essential core of culture consists of traditional (i.e. historically derived and selected) ideas and especially their attached values."

- Kroeber and Kluckhohn (1952, p. 181)

As the two definitions in their essence are equal, this will constitute the base for how culture is defined in this report. However, this study consider Goodenough’s definition to be more operationalized and therefore has been selected for use it in the report.

Usunier & Lee (2009) argues that it is probable that shared culture has been the foundation in the emergence of the modern nation-states. However, he also states that the internal cultural differences in a nation only make it possible to define a national culture in reference to another country culture. Usunier & Lee (2009) exemplifies this by Germany and India. In comparison to one another they have a clear difference in culture. Yet India is a culturally diversified country, consisting of many different ethnic and religious groups and languages. Goodenough (1971) also supports this view and continues to state that the culture on an individual level may be based on other sources. Examples of this include medical researchers or computer hardware specialists who share a culture independent of their nationality as a result of having a common profession, interest, working for the same companies and reading the same publications (Usunier & Lee, 2009). Sources for culture may be (1. Czinkota & Ronkainen, 1988; 2. Harris. & Moran, 1979; 3. Usunier & Lee, 2009):
2.2.2 Measuring cultural distance - the Hofstede Model

This subsection describes Hofstede’s model for measuring cultural distance and explains each of the six dimensions that Hofstede has identified to describe culture.

As stated in the first part of this section (2.2), various studies have shown that culture affects marketing communication and that an adaptation strategy seems to be more efficient. The following issue then arises: how does one know how culture affects communication and what adaptations to make in order to increase the effectiveness? Various models for measuring cultural distance between two nations have through the years been developed and one of the most widely used, according to Rosenbloom (2003), is the Hofstede’s (2010) model, first developed in 1980 and then refined.

Hofstede’s (2010) model has gained widespread adoption by being a simple tool to use and by having a large set of data, from many different countries, that supports it (De Mooij & Hofstede, 2010). The results from Hofstede’s initial research in the 70’s has also been reconfirmed several times as shown by Søndergaard (1994) and for these reasons Hofstede’s (2010) model has been chosen. Hofstede (2010) distinguish cultures according to six dimensions: power distance, individualism/collectivism, masculinity/femininity, uncertainty avoidance, long-/short-term orientation and indulgence/restraint. The model provides a scale from 0 to 120 for 93 countries for each dimension, and each country has a position on each scale or index, relative to other...
countries, which was calculated through factor analysis. Below follows an explanation of each of the dimensions based on the description by Hofstede (2010).

**Power distance (PDI)**

The PDI dimension describes how the members of a society handle inequality and how hierarchical structures work. A country that scores high will have a system where people have their place in society, for example, a low-ranking member never thinks of questioning an authority.

Hofstede (2010) illustrates the impact a difference in scoring in this index can have with an example. France is a country that scores relatively high (68) and Sweden is a country which scores low (31), and in the year 1809 Sweden abolished King Gustav IV and invited the French general Jean Baptiste Bernadotte to become the new king. Bernadotte accepted and held an inaugural speech to the parliament in Swedish. As he had a heavy accent the Swedes were amused and laughed at him and the new king became so upset that he never spoke Swedish again. He had experienced a cultural shock. Nothing in his French background had prepared him for the experience of lower-ranking members making fun of the mistakes of an authority.

A common trait of the low ranking countries is a preference for consultative style of decision; i.e. the subordinates want their opinion heard before a decision is made, whereas in a high ranking country the subordinates are afraid to disagree with their superior and consequently want him or her to take an autonomous decision.

**Individualism–collectivism (IDV)**

The IDV describes the types of relationships that are present within a society. A nation which is individualistic will have a strong independence of individuals and normally consist of small core families. The individuals of a collectivistic society think of themselves as part of a “we” group, called the “in group”, where the interest of the group prevails that of the individual and the families are extended ones that exchanges protection for loyalty to the group. Hofstede (2010) also states that one of the main characteristics of a collectivistic society is that work and personal life are interrelated whereas in an individualistic society the emphasis is on the separation of the two. Another common trait of the collectivistic society is that trust needs to be built before anything else can happen when dealing from someone from another group, called an “out group”. De Mooij & Hofstede (2010) points out that this leads to persons from individualistic countries wanting to get to the point fast and persuasion becomes important, while people from collectivistic societies will want to have an established relation before.
Some of the differences identified by Hofstede (2010) include collectivists are more susceptible to social networks than media, they treat customers differently depending on whether they are “in group” or “out group”, they consider relationships more important than tasks, students and employees only speak up when the group allows it and the collectivist generally have opinions which are predetermined by the group.

De Mooij (2013) also found that collectivists rely more heavily on word of mouth (WOM) which consists of personal communication. This relationship was also found in electronic word of mouth (eWOM) which means communication through social media sites like Facebook. This indicates that information sources that influence purchase decisions vary by culture.

**Masculinity - femininity (MAS)**

MAS concerns how genders act in a society. A very masculine society has large gaps between men and women in the sense that men are supposed to be assertive, tough, and focused on material gains and women are supposed to be modest, tender and concerned with the quality of life. Feminine societies on the other hand have small gender gaps and both sexes are supposed to be more in line with the feminine qualities. In feminine societies the members will also try to avoid conflict rather than confront it and may have a tendency to undersell themselves, whereas in contrast a highly masculine society will oversell and may promise more than they can deliver. De Mooij & Hofstede (2010) has also identified that masculine cultures are more interested in facts and data and feminine cultures more interested in the story behind the product.

**Uncertainty avoidance (UAI)**

UAI relate how individuals in a society either react to ambiguous or uncertain situations. This can take the form of stress and a need for predictability through rules, both written and unwritten. Hofstede (2010) exemplifies this with the stereotypical need for punctuality in Germany. When one enters a train in Germany they can expect to find a “Zugbegleiter” which lists all stops and show the arrival and departure time in order for the passenger to check that the trip progresses as expected against their watch.

Religion, laws and technology are all human means of dealing with the uncertainties of nature, may it be what happens after death, tracking a package or laws against unpredictable behaviour of people. High uncertainty avoidance is also closely related to the level of anxiety in a society which may take form of alcoholism, suicides and prisoners per capita.
The uncertainty avoidance is also related to the acceptance of new products and innovations and investment risks. Where a culture with low uncertainty avoidance will be more open to new innovations and features as well as making risky investments, a society with high uncertainty avoidance will go in the opposite way and stay to tried and true concepts and make conservative investments. Countries with strong uncertainty avoidance will also have top management more involved with daily operations rather than focusing on strategy and will also put greater trust in experts rather than generalists.

**Long-term orientation (LTO)**

LTO describes how the members of a society are inclined to invest in the future through perseverance and thrift or to invest in short-term, as well as acting in the present and past by respecting traditions and fulfilling social obligations. A more short-term orientated society will expect efforts to produce results quickly while a long-term oriented society will persevere to achieve results in the long run. De Mooij & Hofstede (2010) exemplifies the long-term oriented society by highlighting the relationship between long-term orientation and broadband penetration, which requires large, upfront investments.

**Indulgence versus restraint (IVR)**

The IVR dimension explains how a culture tends to either give in to desires and impulses or control them. Being an indulgent culture means giving in to basic human needs and desires which tend to lead to happier societies. On the other hand a restrained culture will have social rules that demand such behaviour to be restrained. The implication of this factor for business is, among others, extroversion in indulgent cultures, which will also have a stronger recollection of positive memories - whereas the restraining society will have a stronger recollection of negative memories.

De Mooij (2013) also found that in the more indulgent society the members are more likely to exchange e-mails with family, friends, and colleagues, and an especially big gap was found between the communication on internet with foreigners, where more indulgent societies will do this more often.

**2.2.3 Academic discussion on Hofstede’s model**

_In this subsection the Hofstede model and criticism towards it is discussed to give the reader a motivation for why it has been chosen over other models._
Hofstede has conducted research for a long period and the importance of it in conceptualising theories of cultural types cannot be denied, with over 1000 citations in different contexts (Rosenbloom, 2003; Søndergaard, 1994). A comparison of models for measuring cultural distance done by Magnusson, Wilson, Zdravkovic, Xin Zhou & Westjohn (2008) shows that other frameworks done more recently only provide limited improvements, with often added complexity, from Hofstede’s (2010) model. Albers-Miller and Gelb (1996) found statistically significant evidence that at least individualism, uncertainty avoidance and power distance had an impact on the appeal of advertising.

Several shortcomings in Hofstede’s model have however been identified by various authors. Soares et al. (2006) notes that the original findings are based on empirical work carried out from 1967 to 1973 and consequently may be out dated. However, Sivakumar & Nakata (2001) argue that although cultures change, the pace is slow. Hofstede (2001) opinion on this point is congruent and states that a large enough change in culture as to invalidate the score should not be apparent for a long period. McSweeney (2002) critiques Hofstede’s model as it is portrayed in his book from 1980 and goes on to say that the underlying assumptions of a national, heterogeneous culture with no other sources (such as education or ethnicity) affecting it are too simplified and consequently the empirical data leads to the wrong conclusions. Hofstede’s second edition of the book (2001) answers most of the concerns brought up by McSweeney (2002). The anthropologist Chapman (1997) also supports the level of abstraction and usefulness of making the comparison on national level. Another aspect, that Hofstede (2010) highlights, is that his dimensions must be seen in comparison to other nations. They may not be valid on individual level, where a more psychology-based framework may be more apt. This he describes as “level of analysis” issue.

Although critique exist for Hofstede’s model, De Mooij & Hofstede (2010) shows the relevance of using it in international marketing communication, and as the adaptation strategy seem to be more effective (Calantone et al., 2006; Dow, 2005; Wong & Merrilees, 2007), it indicate the usefulness of the model in situations where culture must be gauged. Steenkamp (2001) and Baack & Singh (2007) analysed the Hofstede model in comparison with the Schwartz model, which is considered as one of the main national culture analysis models together which Hofstede’s (Steenkamp, 2001). Steenkamp (2001) came to the conclusion that they should be used in combination as part of a cross-analysis to understand all aspects of cultures in research purposes. However as Magnusson et al. (2008) found this may only provide limited additional knowledge, as well as having several reconfirmations of the data and conclusions made by Hofstede (Søndergaard, 1994), Hofstede’s model has been selected for this study.
2.2.4 Framework for understanding culture in cross-cultural communication

To understand how Hofstede’s model can be used in a marketing context the reader is in this subsection provided with a framework that explain how his model affect different dimensions of communication.

De Mooij & Hofstede (2010) put forth the model in Figure 5 to describe how global marketing works across cultures. As various underlying components affect the way the customer behave, and consequently the branding and promotional strategy for a company, De Mooij & Hofstede (2010) constructed a framework for which the underlying factors can be explained by Hofstede’s dimensions.

An important aspect that De Mooij & Hofstede (2010) highlight is that cultural values has to be viewed as an integral part of the customer and not an environmental factor, as the cultural values define important aspects of the customer’s self and personality. They also include mental processes, which are internal processes of individuals such as how they perceive, categorise and process information, and social processes which explain how individuals interact with others. Both of these will affect how a person reacts to communication, which also means it will affect how promotion is delivered and the content. A cultural model, which in this case is explained by Hofstede’s dimensions, helps to understand how promotional activities and strategies can be adapted to be more effective in a specific culture (De Mooij & Hofstede, 2010).
The Customer

Understanding the customer in marketing and branding strategy is done through the concepts of self, personality, identity and image. De Mooij & Hofstede (2010) have identified that attaching a personality to a brand is typical for individualistic cultures and that some societies have preferences for specific personalities, for example “Ruggedness” in the US and “Passion” in Spain. Following this the individuals in a culture will attribute their own personality to brand to fit their cultural values (De Mooij & Hofstede, 2010). Red Bull for example may be “Adventurous” in the US and “Trustworthy” in Japan.

De Mooij & Hofstede (2010) states that masculinity and femininity of a culture explains the variation of the self-concept. They argue that masculine cultures will have a better reception of messages of self-enhancement and success which leads to a higher demand for status brands. Whereas in a feminine culture relationships are more important and family values will have a higher impact (De Mooij & Hofstede, 2010).

Mental Processes

Mental processes constitute how people see the world, how they interact through communication and how they learn. De Mooij & Hofstede (2010) have identified three mental processes that they claim to be especially related to this: abstract versus concrete thinking, categorisation and information processing.

Abstract versus concrete thinking:

Individualistic cultures are more used to conceptual thinking and as a result have easier to understand and appreciate abstract personality traits of brands and products and their related values (De Mooij & Hofstede, 2010). Collectivist societies are more inclined to be interested in concrete product features and, as relationships are more important, it is more common to link brands to concrete persons – in Japan called talents (Praet, 2001). This results in a difference among individualistic and collectivist countries where a company in an individualistic country will try to persuade the customers to buy their products whereas a company in a collectivist country will try to inspire trust among its customers (Souiden et al., 2006).

Categorisation:

Categorisation of objects is also different between individualists and collectivists. The former categorise by rules and properties and the latter by relationships between objects (Choi et al., 1997).
Information processing:

How information is gathered and understood in a culture is affected by two factors: individualism-collectivism and power distance (De Mooij & Hofstede, 2010). The authors argue that in collectivistic or high power distance cultures people will gather information through implicit and personal communication and base their decision on trust in the company. In low power distance and individualistic countries people will gather their information from media to a larger extent.

Social Processes

Social processes are mostly affected by individualism-collectivism and indulgence versus restraint (De Mooij & Hofstede, 2010). Research has shown a strong correlation between individualism and expression of emotions, especially showing happiness and surprise (Matsumoto et al., 2008). People from different cultures will also read faces differently. A collectivist country will focus more on the eyes whereas an individualistic country will focus more on the mouth (De Mooij & Hofstede, 2010).

Social processes are also affected by indulgence and restraint as De Mooij & Hofstede (2010) state that indulgence and restraint mostly affect how people in a culture will spend money on pleasures and indulge in leisure activities. They also argue that an indulgent society will also react more negatively to assertive behaviour.

Culture and communication

There is not one universal model on how communication works. In some cultures it is more important to persuade while in others it is more important to build relationships and trust (De Mooij & Hofstede, 2010).

Research questions in the past have had a focus on which elements of communication to standardise and when (De Mooij & Hofstede, 2010). This has been based on an assumption that customers process various elements of communication and promotional activities separately, whilst customers are affected by the whole picture (De Mooij & Hofstede, 2010). This suggest that only to change certain elements of the IMC mix is not effective and the whole process from awareness to closing the deal must be reconsidered for each market.

Customers are more inclined to react positively to locally adapted communication (Pae, Samiee & Tai, 2002) which also affects website design that often are the same globally. Faiola & Matei (2005) identified that people were able to gather information on the internet quicker in the case
when the material had been designed by someone from the same culture as themselves. Singh, Fassott, Zhao, & Boughton (2006) found that not only does local adaptation of a website lead to higher ease of use but also affect the attitude of the users towards the company.

Rosenbloom (2003) found that cultural distance has not been decreased by the invention of internet and, as he calls it, “old fashioned” means of communication such as telephones still has a higher degree of usage in international communication, especially when communicating between an individualistic and a collectivist culture.

Wong & Merrilees (2007) argue that international marketers need to take context into account as there are likely some differences, but also similarities, in foreign markets that do not have to be taken into the decision in domestic marketing which makes it especially important when a company starts its internationalisation journey.

### 2.2.5 Characteristics of Hofstede’s dimensions

*Based on the previous subsections the reader here finds a summary of the characteristics that has been identified for each extreme of each dimension.*

The adaptations for style of communication and general content for the different dimensions is identified by 1De Mooij & Hofstede (2010), 2Hofstede (2010) and 3De Mooij (2013) are synthesised in Table 5.

*Table 5. Synthesised characteristics of the dimensions in Hofstede’s model.*

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Power Distance</strong></td>
<td><strong>Low:</strong> Innovative(^1)</td>
</tr>
<tr>
<td></td>
<td>Different(^1)</td>
</tr>
<tr>
<td></td>
<td><strong>High:</strong> Prestigious(^1)</td>
</tr>
<tr>
<td></td>
<td>Luxury(^1)</td>
</tr>
<tr>
<td></td>
<td>Hierarchical(^1)</td>
</tr>
<tr>
<td><strong>Individualism-Collectivism</strong></td>
<td><strong>Collectivism:</strong> Trust-building(^1)</td>
</tr>
<tr>
<td></td>
<td>Positive feelings(^1)</td>
</tr>
<tr>
<td></td>
<td>Concrete product features(^1)</td>
</tr>
<tr>
<td></td>
<td><strong>Individualism:</strong> Persuasive(^1)</td>
</tr>
<tr>
<td></td>
<td>Informative(^1)</td>
</tr>
<tr>
<td></td>
<td>Direct communication(^1)</td>
</tr>
<tr>
<td>Masculinity vs Femininity</td>
<td><strong>Feminine:</strong></td>
</tr>
<tr>
<td>---------------------------</td>
<td>---------------</td>
</tr>
<tr>
<td></td>
<td>Modesty¹</td>
</tr>
<tr>
<td></td>
<td>Family values¹</td>
</tr>
<tr>
<td></td>
<td>Interested in the story behind the product¹</td>
</tr>
<tr>
<td>Uncertainty Avoidance</td>
<td><strong>Low:</strong></td>
</tr>
<tr>
<td></td>
<td>More open to change¹</td>
</tr>
<tr>
<td></td>
<td>Innovative¹</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-Term Orientation</td>
<td><strong>Low:</strong></td>
</tr>
<tr>
<td></td>
<td>Immediate benefits¹</td>
</tr>
<tr>
<td></td>
<td>Respect for tradition¹</td>
</tr>
<tr>
<td></td>
<td>steadiness¹</td>
</tr>
<tr>
<td></td>
<td>Stability¹</td>
</tr>
<tr>
<td>Indulgence vs Restraint</td>
<td><strong>Indulgence:</strong></td>
</tr>
<tr>
<td></td>
<td>Extraversion²</td>
</tr>
<tr>
<td></td>
<td>Optimistic²</td>
</tr>
<tr>
<td></td>
<td>Higher usage of internet and e-mail²</td>
</tr>
<tr>
<td></td>
<td>Higher tolerance of deviant behaviour²</td>
</tr>
<tr>
<td></td>
<td>Non-assertive²</td>
</tr>
</tbody>
</table>
2.3 The SME Internationalisation process - networks matter

This fourth section of the frame of reference deals with the internationalisation process, with the focus of developing an understanding for SMEs in particular.

Recent research has inspired the authors of the famous Uppsala model (Johanson & Vahlne, 2009) to make some adjustments to highlight the role of networks and relationships. This view receives further support by recent research and the section concludes with an exploration of how the networks of a SME can be leveraged for a successful internationalisation.

2.3.1 What internationalisation is

This subsection explores several definitions on the notion of internationalisation and state the one chosen for this Master’s thesis.

Recent research seems to move toward highlighting the company’s network as a major success factor for internationalisation. Therefore, this report considers it a relevant topic to examine. However, the term internationalisation needs to be considered, before going into this.

There is no exact definition of the rather ambiguous term internationalisation that the majority of researchers agree upon. Ruzzier, Hisrich & Antoncic (2006) mean that “internationalisation is a synonym for the geographical expansion of economic activities over a national country’s border” (p. 477). Calof & Beamish (1995) have a broader definition of internationalisation, namely, "the process of adapting firms' operations (strategy, structure, resource, etc.) to international environments" (p. 166). A recurring element in many scholars’ definitions is the view of the internationalisation as a process. This leads to the Uppsala model (Johanson & Vahlne, 1977; 2009) with the purpose to explain the process of internationalisation, presented in this section.

2.3.2 The famous Uppsala model goes networking

The previous subsection stated that internationalisation can be viewed as a process and this subsection was created to explain how this process can be described in detail.
The updated Uppsala model (Figure 6) consists of four stages and is considered to be dynamic by its creators as each stage is input for the next one, and so forth in a loop without a beginning or an end (Johanson & Vahlne, 2009). Suitably, the Uppsala Model is also referred to as the incremental school (Mtigwe, 2006).

![The Updated Uppsala Model (2009)](image)

Figure 6. The updated Uppsala Model (Johanson & Vahlne, 2009, p. 1424).

The state is where the model houses the temporarily fixed aspects of internationalisation. The current network position includes the level of knowledge, trust and commitment that characterises the company’s relations. Within this position, the company has the possibility to develop more knowledge and recognise opportunities on the market. These opportunities can be found outside the current boundaries within the company but in the context of its network. The accumulated knowledge and perceived opportunities form the base upon which the company makes active relational commitment decisions. This activation is therefore part of the change side of the model. The decisions lead to acts of learning, creating and trust-building, which shape the new network position of the company. (Johanson & Vahlne, 2009)

The updated Uppsala model was created as a response to the emerging importance of the internationalising company’s network in the modern context of increased globalism and IT technology. It considers a business environment of a huge international network of relations, with lower and vaguer boundaries between companies and markets and suggests that a successful internationalisation demands managing relations and the network. Business relations can provide the company with knowledge and trust, which can reduce uncertainty for decision makers. (Johanson & Vahlne, 2009)
Network theorists argue that high-technology companies in particular do not exhibit the incremental internationalisation process, as suggested by Johanson & Vahlne (1977) in their original model from 1977 (Mtigwe, 2006). Instead, these types of companies can achieve a short-circuited internationalisation by leveraging experience and resources within their networks (Mtigwe, 2006). This is also a characteristic of the so-called born-globals, defined by Knight (2004) as “business organizations that, from or near their founding, seek superior international business performance from the application of knowledge-based resources to the sale of outputs in multiple countries.” (p. 124). However, the reader should note that this report has a broader focus, looking at the roles of a company’s networks regardless of how shortly after the foundation that the internationalisation begins. Therefore, theories regarding born-globals in particular are not taking part of this frame of reference, since they are too narrow to fit with the purpose of the report.

In the update of the Uppsala model, Johanson & Vahlne (2009) put more emphasis on the company’s relationships and networks as means to have a successful internationalisation. They drop the neo-classical view of the market with independent companies working only for themselves in favour of a new view of a networking business environment. By being a source for market information and knowledge that otherwise would have had to be acquired over a long period of time, a network may function as a bridge speeding up the internationalisation process (Mtigwe, 2006).

2.3.3 High-technology B2B SMEs leveraging networks and relationships

This subsection classifies networks based on their character and identifies opportunities that have been associated with each type.

SMEs, especially those in high-technology industries, can no longer operate without considering risks and opportunities at the global level (Ruzzier, Hisrich & Antoncic, 2006). Eternad (2004) notes that internationalising SMEs must develop a strategy that competitors, regardless of size and resources, cannot imitate in the short run. He goes on to say that a distinct advantage that SMEs have over the typical large firms is the ability to attract and manage unique relations, at home as well as abroad. Therefore, he argues similarly to Johanson & Vahlne (2009) when suggesting that internationalising companies, particularly SMEs, should exploit the advantage of networks. The success of the internationalisation depends on the company’s network and relationships, which may include partners both at home and abroad (Johanson & Vahlne, 2009).
Jones, Suoranta & Rowley (2013) respond to a need in marketing research to understand the value of different kinds of networks for B2B SMEs. Their “Strategic Network Marketing Model” (SNMM) was generated based on a study of software technology B2B SMEs in the US and the UK. The network types can be described as (Jones, Suoranta & Rowley, 2013):

1. **Intra-firm networks** – includes the employees within the company. In this study, this type of network will only be considered within the customers’ organisations as internal communication in the organisation of the SWD SME is not relevant as a mean of communication to the customer.

2. **Social networks** – individuals external to the company who are friends, relatives, and other social acquaintances of the employees of the company.

3. **Customer networks** – networks of customers of the company.

4. **Business networks** – networks of firms and individuals that support the businesses processes of the company, such as banks, venture capitalists, lawyers, business advisers, and other technology companies.

5. **Innovation networks** – networks of innovators, both other firms, public institutions and creative individuals.

6. **Marketing and sales networks** – networks of organisations and individuals in the company’s marketplace, which support the firm in marketing and selling its products.

In Table 6, the six strategic network and the associated potential opportunities that can come with them are presented (Jones, Suoranta & Rowley, 2013). Out of the listed opportunities that can be created through the respective strategic networks, those that are in any way relevant to the issue of communication and promotion have been put in the right column of Table 6, since these are of particular interest for the purpose of this report. Other kinds of opportunities are not presented here, in order to facilitate for the reader of this report.
<table>
<thead>
<tr>
<th>Strategic network</th>
<th>Creation of opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intra-firm network</td>
<td>a. Dissemination of market intelligence</td>
</tr>
<tr>
<td></td>
<td>b. Creativity and generation of ideas</td>
</tr>
<tr>
<td></td>
<td>c. Tacit knowledge (data repositories)</td>
</tr>
<tr>
<td>Social network</td>
<td>a. Gather market and competitor information</td>
</tr>
<tr>
<td></td>
<td>b. Firm profile raising</td>
</tr>
<tr>
<td></td>
<td>c. Word-of-mouth sales promotion</td>
</tr>
<tr>
<td>Customer network</td>
<td>a. Customer referrals</td>
</tr>
<tr>
<td>Business network</td>
<td>a. Market influence</td>
</tr>
<tr>
<td></td>
<td>b. Advice from professional service providers</td>
</tr>
<tr>
<td></td>
<td>c. Gathering market/industry information</td>
</tr>
<tr>
<td></td>
<td>d. Partnerships/alliances with larger companies</td>
</tr>
<tr>
<td>Innovation network</td>
<td>a. Access to knowledge transfer from universities</td>
</tr>
<tr>
<td>Marketing and sales network</td>
<td>a. Channel partnerships with larger players</td>
</tr>
<tr>
<td></td>
<td>b. ‘Grass-root’ level marketing</td>
</tr>
<tr>
<td></td>
<td>c. Sales leads</td>
</tr>
<tr>
<td></td>
<td>e. Word-of-mouth (customers talk to each other)</td>
</tr>
<tr>
<td></td>
<td>g. Promotion and sponsorship of events</td>
</tr>
<tr>
<td></td>
<td>h. Geographically dispersed sales teams</td>
</tr>
<tr>
<td></td>
<td>i. Re-sellers with global reach</td>
</tr>
</tbody>
</table>

In summary, researchers’ recent consensus on the topic of internationalisation seems to move towards highlighting the company’s networks as a major success factor. It appears to be of higher relevance for SMEs than large companies. Consequently, the authors of this report consider it a relevant topic to examine in this particular study.
2.4 Specified task and analysis model

This section describes how the three main areas in the frame of reference should be used together to perform an analysis that responds to the purpose of this Master’s thesis. The section concludes with a figure that visualises the model.

To be able to meet the purpose of this Master’s thesis, three main areas of focus were identified for retrieving relevant knowledge from notable authors and recent research. These are (A) developing a strategic B2B marketing communication mix, (B) the B2B SME internationalisation process and (C) managing cultural differences. This resulted in a six step analysis model, assessing 1) Strategy, 2) Communication mix, 3) Culture and 4) Networks before taking all of this under consideration in 5) Macro level assessment of IMC and finally reflecting on 6) Resulting conclusions and recommendations. It is fundamentally based on the Marketing communication Tetrahedron (MCT) for Communication mix (step 2) and the six IMC choice criteria (Keller, 2001) for Strategy (step 1) and step 5 Macro level assessment. Two major additions are Hofstede’s model for assessing Culture (step 3) and the SNMM model (Jones, Suoranta & Rowley, 2013) for assessing Networks (step 4).

As noted in section 2.1.2, the MCT (Keller, 2001) serves as a tool to analyse the Communication mix, by understanding the characteristics of available communication options. The four MCT dimensions have been complemented with associated measures from other authors. Communication options will be assessed at (1) Customer on suitability for the customer’s stage in the new product adoption process (Garber & Dotson, 2002), at (2) Communication on availability and characteristics of traditional (Smith & Taylor, 2004) and digital (Keller, 2009) communication options, at (3) Situation on ability to create high-involvement situations by being relevant to the audience (Laczniak & Muehling, 1990) and at (4) Response on influence on the decision making process (Garber & Dotson, 2002; Gilliland & Johnston, 1997; Greenglass, 2000; Rieck, 2000) and ability to convey brand message (Bendixen, Bukasa, & Abratt, 2004; Kotler & Pfoertsch, 2007).

The third step of the analysis model uses Hofstede’s cultural analysis, as presented in section 2.2.2. The process starts with identifying the values of each dimension in Hofstede’s model for the society in question by using Hofstede’s (2010) data. Once the values of the dimension indexes have been identified the characteristics of the society can be identified by using the framework developed by De Mooij & Hofstede (2010) and the various considerations that are needed can be assessed through 2.2.2.
In step 4, the characteristics of available networks for the studied case company, in the country of internationalisation, are assessed with the SNMM model as referred to in section 2.3.3. This will be done through looking at Intra-firm networks, Social networks, Customer networks, Business networks, Innovation networks, Marketing and sales networks for availability and possible opportunities. Since the networks of a company can be seen as communication options in themselves, the MCT (Keller, 2001) will also be used in this step.

The IMC choice criteria (Keller, 2001) serve two purposes. First, to analyse the Strategy (step 1) by understanding the goals and priorities of a company developing a communication mix. Then, to finally create the most effective and efficient combination of communication options that makes up the optimal communication mix. This final part (step 5) will be performed after having analysed 1) the communication mix, 2) the strategy, 3) the culture and 4) the networks.

The result of step 5 in the analysis is then used to identify general conclusions in the context of SWD SME internationalisation as well as providing implications for practitioners and insights for further research. This will respond to the purpose of this report, which is to develop an understanding of what and how different factors determine the success of such a strategy.

Figure 7 depicts the structure of the frame of reference, complemented with numbers, representing steps of the analysis model, placed according to which section they are associated to. Subsequently, Figure 7 serves to facilitate the reader’s understanding of how the different parts of the frame of reference relates to the analysis model.

The analysis model of this report is depicted in its entirety in Figure 8. In the left column, the steps of analysis are shown. The middle column explains what theoretical input belongs to which step. The column to the right, the reader will find what the targeted issues, i.e. empirical input, are and to what part of the analysis they are associated. These five main questions are the detailed task.
### 2.1 Developing a strategic B2B Marketing Communication mix

<table>
<thead>
<tr>
<th>Analysis</th>
<th>Theoretical Input</th>
<th>Empirical Input (targeted issues)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Strategy</td>
<td>IMC Choice criteria</td>
<td>1. What are the goals and priorities of the marketing communication mix strategy?</td>
</tr>
<tr>
<td>1.a. Coverage</td>
<td>1.d. Complementarity</td>
<td></td>
</tr>
<tr>
<td>1.b. Contribution</td>
<td>1.e. Robustness</td>
<td></td>
</tr>
<tr>
<td>1.c. Commonality</td>
<td>1.f. Cost</td>
<td></td>
</tr>
<tr>
<td>2. Communication mix</td>
<td>MCT model</td>
<td>2. What are the characteristics of available communication options (ACO)?</td>
</tr>
<tr>
<td>New product adoption model</td>
<td>2.a. What traditional and digital communication options are available?</td>
<td></td>
</tr>
<tr>
<td>2.b. What are the ACOs’ suitability for different stages of the new product adoption model?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.c. What ability does the ACO have to create high-involvement situations?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.d. What ability does the ACO have to influence the decision making process and convey brand message?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Culture</td>
<td>Hofstede dimension analysis</td>
<td>3. How does culture impact the marketing communication strategy?</td>
</tr>
<tr>
<td>National characteristics</td>
<td>3.a. Does culture have an impact?</td>
<td></td>
</tr>
<tr>
<td>3.b. How can the impact be measured?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.c. How can a communication mix strategy be adapted to account for that impact?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Networks</td>
<td>SNMM model</td>
<td>4. What are the characteristics of available networks in the country of the internationalization?</td>
</tr>
<tr>
<td>Uppsala model</td>
<td>4.a. What types of networks are available?</td>
<td></td>
</tr>
<tr>
<td>New product adoption model</td>
<td>4.b. What possible opportunities does each available network pose?</td>
<td></td>
</tr>
<tr>
<td>MCT model</td>
<td>5. How should the IMC be designed for maximum effectiveness and efficiency?</td>
<td></td>
</tr>
<tr>
<td>5.a. For maximum IMC Choice criteria score?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.g. For maximum utilization of networks and relationships?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.h. For maximum cultural fit?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 6. Results and findings from the analysis

6.a. To explore what and how different factors influence the effectiveness and efficiency of a B2B marketing communication mix strategy that leverages the brand, in the context of internationalisation of SWD SMEs.

6.b. How can this analysis model be improved and utilised in the future?
3 A description and evaluation of the methodology

This chapter is devoted to thoroughly describe and evaluate the methodology of the entire study, along with motivation and support from relevant academic methodology theory.

The chapter initially deals with the approach that was taken to solve the problem, followed by the scientific view of the authors and its implications on the study. It continues by presenting a detailed description of the data collection and the analysis process. Lastly, the quality of the study is assessed, considering aspects of both reliability and validity.

3.1 Approach

This section describes the chosen approach for the study and discusses the approach by considering relevant literature and by relating to the purpose and the specified task of the study.

The approach, according to Lekvall & Wahlbin (2001), considers the essential technical configuration. Merriam (1988) defines the methodological approach as a plan for gathering, organising and integrating information or data, resulting in a specific end product. The author deems the choice of approach to be determined by the characteristics of the problem, what kind of questions it raises and what end results the study sets out to deliver. To give a full picture of the approach, the three dimensions described by Lekvall & Wahlbin (2001) have been considered: depth, qualitatively or quantitatively and time-perspective.

3.1.1 Depth: the motivation for a single case study approach

The knowledge about the specific topic of strategic communication mix for internationalising B2B SWD SMEs is limited (see 1.2). Yin (2014) argues that a case study approach is the preferred strategy when researching “how” and “what” questions. A case study approach has therefore been determined to suit the purpose of this report as well as the targeted issues in the specified task which concerns several “what” and “how” questions. It is relevant when focus on discovering new knowledge, when exploring key variables and the relationships between them, rather than proving existing theories (Lekvall & Wahlbin, 2001; Merriam, 1988; Yin, 2014). The case in this study is highly suitable, as is further shown in 3.4.1, which is why it was chosen. Studying a single case is useful in situations where the case constitutes a prototypical case, i.e. the case meets the propositions made by the theory (Yin, 2014).
3.1.2 Motivation for a qualitative approach over quantitative

The second dimension making up the approach of this study regards whether it should be classified as quantitative or qualitative. Since the purpose of this study is to deliver answers in terms of words rather than numbers, the qualitative approach was deemed to be suitable. As Merriam (1988) points out, information conveyed with words can be classified as qualitative. According to Pratt (2009), a qualitative approach is also more relevant than a quantitative approach when trying to answer “how” questions, which makes it suitable for the purpose of this Master’s thesis as well as the questions proposed in the targeted issues, see 2.4.

3.1.3 Time perspective

Since this Master’s thesis takes an exploratory approach, the study was designed to deliver insights concerning the situation of today as well as how the future likely looks like. This was done by withdrawing and analysing information related to how both the present is viewed and the future envisioned.

3.2 Scientific view

*How a researcher views the world can have an effect on how knowledge is created. In this section, the scientific view of the authors of this Master’s thesis is discussed.*

3.2.1 The ‘system view’ of how knowledge is created

The view of the authors of this Master’s thesis on how to create knowledge within the specific area of this thesis fits well with the so called *system view*. As a consequence, the thesis has been conducted through a rigorous theoretical study that led to an analysis model. This perspective is described by Arnbor & Bjerke (2009) as seeing the context as a system and then trying to find patterns, interactions and relations. However, an issue that arises is that, as the problem is seen in its context, the generalizability decreases (Arnbor & Bjerke, 2009).

3.2.2 Experience from reality is fundamental

Empiricism is described by Bryman & Bell (2003) as the view that understanding can only be formed from empirically collected data, i.e. information gained through experience and sensing. As this thesis set out to gain an understanding of marketing communication in a specific context, a case company was studied in detail and subjects were interviewed with a language-based approach. The data from the interviews was then interpreted by the authors of this Master’s...
thesis, which according to Bryman & Bell (2003) is an approach that is epistemologically known as interpretivism. Interpretivism seeks to understand social actions from the viewpoint of those involved in them (Bryman & Bell, 2003). By interpreting how those involved interpret their world there is a double interpretation going on, and by interpreting it with the theory (see chapter 2), there is also a third level of interpretation (Bryman & Bell, 2003), which is necessary in order to draw usable conclusions in the specific context.

3.3 Study setup

*In this section the setup and execution of the study is discussed to give the reader an understanding of how and why certain choices were made and carried out the way they were.*

The setup of this study has been based on “the Wahlbinian U”, proposed by Lekvall & Wahlbin (2001) to be used for market research studies. It offers a logical and structured work process through different stages that also interconnect with each other. This is shown in Figure 9, portraying the altered version that reflects the particular work process of this report.

![Figure 9. The Wahlbinian U (adapted for this report, from Lekvall & Wahlbin, 2001).](image)

The study commenced with the writing of a planning report (chapter 1 in this report), where the *decision analysis* was conducted in terms of examining the problem from a broad perspective. The insight was that the main problem area had received insufficient research and was relevant
to study. A purpose was phrased and then broken down into sub-problems which would then be used as a base for studying literature and create the frame of reference, see chapter 2.

The theory of the frame of reference was found through searching for articles by notable authors as well as more recent research at the library of Linköping University, both online and at the physical location. An author has been deemed notable if the work has been cited a significant amount of times. Searches were made with keywords related to the three main sub-problem areas that make up the frame of reference, which are listed in Appendix 1. Also, key literature was found by examining the references in relevant authors’ works. The frame of reference was synthesised into an analytical model and a specified task.

This chapter explains the choices made regarding approach, methodology and tactics which have then been applied throughout the fieldwork, mainly consisting of qualitative, non-standardised interviews with subjects at the studied case company as well as its customers. A research plan was made in advance; interview guides were created and interviews were booked. Contact details were provided by the studied case company to possible customer interviewees in Sweden as well as one contact in France. Unfortunately more contacts could not be provided for France, which meant that we had to call the telephone exchanges of relevant companies and try to make ourselves understood in order to find relevant representatives of companies that we found relevant to interview. After having been denied interviews with more or less every relevant organisation in France, after over two weeks of cold calling, it became evident that French interviewees were going to be difficult to be found. This inhibition of the research planning process is illustrated in Figure 9 with a cross. Eventually we settled with the few interviews we had in France and planned those interviews extra carefully in order to get sufficient data for the analysis.

In parallel with the interviews, gathered base data was compiled and managed in such a way that it was interpretable and some parts of the analysis was even possible to commence before the last interview had been finalised, a back-and-forth process that is visualised by double arrows in Figure 9. Conclusions regarding the case study could subsequently be drawn from the analysis. Finally, the conclusions were used to make general recommendations based on the insights from the case study. Naturally, minor changes were made to the purpose, literature study and specified task throughout the steps of the study following the field work, in order to be able to deliver a report that is consistent and sound.

The activities and number of hours that were put in each day were logged and documented in a spreadsheet. This documentation has helped us to keep the project on track with goals as well as actually being able to go back and check what has been done. Documentation is also useful for
3.4 Data collection

The process of collecting empirical evidence is in this section outlined for the reader. The section discusses the choice of case company and the complete interview process.

3.4.1 Amigo AB is a suitable case company

As stated in 3.1.1, a single case can provide relevant insights when the case fits well with the preconditions constituted by the theory. Amigo AB, which is a fictional name for the real case company, has been selected to be the single case company for this study. It fits perfectly into the purpose and context of the studied problem, being a SWD B2B SME with an internationalisation recently initiated, starting in France (see 4.1). The company has created a brand strategy but lacks knowledge about which communication mix would be strategic for the internationalisation to France (see 4.1). It can therefore be claimed that Amigo AB both has attributes and faces a situation that matches with the purpose of this report. This one single case should therefore have contributed with significant knowledge in this study.

3.4.2 Interviews as an approach for gathering data

Qualitative data was gathered from interviews with representatives of the case company as well as a selection of its customers. Most of the interviews were conducted in person and some had to be done over the phone due to the geographical barrier. Since they were personal, the interviews could be performed dynamically, adapting the questions to the situations. In practice, the interviews were planned in such a way that the order of the questions could be changed during the interview. Time was also reserved for allowing for spontaneous questions during the interview, to make sure that as much relevant data as possible was withdrawn. This non-standardised approach enabled for getting a deeper understanding of the perspectives of the interviewees, which was the intention of the interviews (Yin, 2014). Still some structured elements were kept, which is firmly recommended by Merriam (1988) in order to ensure that all areas were covered as planned.
3.4.3 Developing the interview guides

Five interview guides were generated to provide the analysis with relevant information, based on the specified task and the targeted issues. The first four interview guides for each of the first four steps of the analysis model were created to be used for interviews with Amigo employees: *Strategy, Communication mix, Networks and Culture*. An additional interview guide, *Customers*, was created and used for interviews with the customers. It consists of the same themes as those of communication mix, networks and culture, but from the customer perspective. No interview guides were created or used for the introductory interviews with Amigo’s representatives, as these were held to familiarise the authors of this report with the company and build rapport with the interviewees.

When designing the interview guides, the authors of this report have sought to operationalize the theory from the frame of references, see chapter 2, as much as possible. This means converting theoretical concepts into practical measurement procedures (Lekvall & Wahlbin, 2001). Below, the reader is provided with detailed descriptions of how each interview guide is derived from the theories in chapter 2, the frame of references. The entire interview guides can be found in Appendix 2-6.

1. *Strategy* - This interview guide addressed the first targeted issue, namely the goals and priorities of the marketing communication mix strategy. It is derived from the 6 IMC choice criteria by Keller (2001), as well as an open question for the interviewee to complement with own thoughts. The questions have been designed for executives and sales managers at Amigo, focusing on the Swedish and French market.

2. *Communication mix* - The four dimensions of the MCT model by Keller (2001) have served as a base for this interview guide. This is to address the questions of the second targeted issue, which concerns understanding what the characteristics of available communication options are. Since this study was conducted at Amigo, the questions have been designed for interviews with Amigo executives and sales managers. Questions are derived from Keller’s (2001) work as well as the complementing work from other authors, as explained in section 2.4.
3. **Culture** - The purpose of this interview was to provide data in order to answer the questions of the targeted issue regarding culture, see Figure 8. The goal was to identify if culture had an impact on the communication in the context, and if it had, to answer the question about whether Hofstede’s (2010) model can be used to measure it. The interview guide was based on Hofstede’s (2010) model, which resulted in the questions being clustered around the six dimensions and the interview guide being designed in its entirety to draw answers that could be matched to the characteristics of each dimension. The interviews were conducted with sales managers in both Sweden and France to highlight were differences and similarities could be noted, which would imply an impact of culture on the communication.

4. **Networks** - The SNMM model by Jones, Suoranta & Rowley (2013) has had influence on this interview guide. It was made to address the fourth targeted issue, which is to understand what are the characteristics and opportunities of the available networks. Since this study is being done at Amigo, the questions have been designed for interviews with Amigo executives and sales managers. Focus is on France, but openings have been put in for the interviewee to reflect on differences and similarities to Sweden.

5. **Customers** - As already mentioned, interview guides 2, 3 and 4 were merged, shortened and adapted to fit with interviews with customers in Sweden and France. By doing this, both the perspectives of the case company Amigo and its customers are made possible to be taken into consideration in the analysis.

### 3.4.4 Selection of interviewees

To gain a full understanding, both the case company and its customers were targeted. Both Swedish and French customers were approached to collect information from which insights could be drawn to identify similarities and differences. The number of interviews was determined by the amount of data collection deemed necessary to be able to perform analysis within the different areas of the analysis model. The different interviewees were targeted with different interview guides, as described in 3.4.3. Most of them have even been interviewed multiple times, using one interview guide per occasion. The connections between the interviewees and the interview guides can be found in Table 7.
Table 7. The connection between the interviewees and interview guides.

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Interview guides (Date of interview)</th>
<th>Total sessions and time (HH:MM)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Amigo-SE1 - CTO at Amigo</strong>&lt;br&gt;Amigo-SE1 is part of the business management. He has worked at Amigo since 2001 and is today the head of marketing strategy. He provided a large amount of information about how Amigo views its market communication strategy. Given his long experience at Amigo, it was determined that he would be a suitable interviewee for the networks and communication mix interviews as well.**&lt;br&gt;In addition to the interviews, Amigo-SE1 held several introductory sessions with the thesis’ two authors, which the description of the company in section 4.1 was based on.</td>
<td>None (2014-10-07, 2014-11-05, 2015-01-30)</td>
<td>3 sessions (2:03)</td>
</tr>
<tr>
<td></td>
<td>Strategy (2015-03-12, 2015-03-16, 2015-04-08)</td>
<td>3 sessions (2:13)</td>
</tr>
<tr>
<td></td>
<td>Networks (2015-04-10)</td>
<td>1 session (0:46)</td>
</tr>
<tr>
<td></td>
<td>Communication mix (2015-04-27)</td>
<td>1 session (0:57)</td>
</tr>
<tr>
<td><strong>Amigo-SE2 - Head of Global Sales</strong>&lt;br&gt;With a background from big global companies, such as IBM and Capgemini, Amigo-SE2 began working for Amigo in December 2013. He is now part of the business management and his focus is on selling in Amigo to new prospects. First we held an interview where he gave introduction on his view of the company and sales process. Given his focus on the actual sales process, it seemed he was chosen to give his perspective on networks and the communication mix. Also, since he is frequently interacting with customers in Sweden and abroad, he was interviewed about his view on culture.</td>
<td>None (2015-04-02)</td>
<td>1 session (0:48)</td>
</tr>
<tr>
<td></td>
<td>Networks (2015-04-01)</td>
<td>1 session (0:48)</td>
</tr>
<tr>
<td></td>
<td>Communication mix (2015-04-27)</td>
<td>1 session (0:42)</td>
</tr>
<tr>
<td></td>
<td>Culture (2015-04-24)</td>
<td>1 session (0:40)</td>
</tr>
<tr>
<td><strong>Amigo-FR - Internal consultant for Amigo in France</strong>&lt;br&gt;Amigo-FR has worked with Amigo for 5 year during which he has been a key player in the process of getting a deal with French customer FRFO. He was therefore was determined to be a suitable interviewee to get his perspective on company’s presence in France, networks in France and his views on the communication mix itself. He</td>
<td>None (2015-03-16)</td>
<td>1 session (0:30)</td>
</tr>
<tr>
<td></td>
<td>Networks (2015-04-01)</td>
<td>1 session (1:05)</td>
</tr>
<tr>
<td></td>
<td>Communication</td>
<td>1 session</td>
</tr>
</tbody>
</table>
was also interviewed about the French *culture*, since he is a Frenchman himself and has broad experience from dealing with organisations in France.

<table>
<thead>
<tr>
<th><strong>Amigo-SE3 - Head of Professional services</strong></th>
<th>mix (2015-04-13)</th>
<th>(1:10)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amigo-SE3 has been working with Amigo since January 2014. His focus is on the <em>proof-of-concept</em> process, which is when prospects can try out a system to see how it works in reality, which can be linked with the <em>Trial</em> stage of the new product adoption model by Garber &amp; Dotson (2002). Therefore, it was therefore decided to interview him to ask about what makes a proof-of-concept successful, which was done by selecting relevant questions from the communication mix interview guide.</td>
<td>Culture (2015-04-13)</td>
<td>1 session (1:03)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Communication mix</strong></th>
<th>Communication mix (2015-04-15)</th>
<th>1 session (0:39)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Customer representative SEFO</strong></td>
<td>Customer representative SEFO (2015-04-13)</td>
<td>1 session (0:51)</td>
</tr>
<tr>
<td>SEFO (Swedish food retailer) was established through a merger between a number of Swedish food retail chains and is now one of the major Swedish food retailers. This company has since long ago chosen Amigo as its POS-system supplier. (SEFO, 2015) The representative of SEFO is the Store Solution Architect at the IT department of SEFO. He is therefore not a decision maker himself, but still a strong influencer and a relevant <em>customer</em> interviewee. (SEFO, 2015)</td>
<td>Customer (2015-05-08)</td>
<td>1 session (0:56)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Customer representative SEFA</strong></th>
<th>Customer representative SEFA (2015-04-17)</th>
<th>1 session (1:05)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEFA (Swedish fashion retailer) has been an Amigo customer for over 20 years. The representative of SEFA is the IT Operations manager. He has worked for SEFA since 1992, making him a suitable representative of his organisation. He was therefore was approached with the <em>customer</em> interview guide.</td>
<td>Customer (2015-04-17)</td>
<td>1 session (1:05)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Customer representative FRFO</strong></th>
<th>Customer representative FRFO (2015-04-17)</th>
<th>1 session (1:05)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FRFO (French food retailer) is a major French food retailer with operations in multiple countries in Europe and Asia. Recently, FRFO chose Amigo to be its supplier of POS-system in France. (FRFO, 2015) The representative of FRFO has worked with the company</td>
<td>Customer (2015-04-17)</td>
<td>1 session (1:05)</td>
</tr>
</tbody>
</table>
for 15 years (FRFO, 2015). His last project was to manage the process of finding and purchasing a new POS-system for multiple countries, including France. Although he does not work at FRFO anymore, he was considered to be a suitable representative of FRFO and was interviewed with the Customer interview guide.

3.4.5 Interview conduction, follow-up methodology and ethics

The interviews were designed for one hour each. However, as seen in Table 7, some took longer than planned and some shorter. The total amount of time of the conducted interviews is 16 hours and 5 minutes. Physical interviews were held with all of Amigo’s representatives and customers in Sweden except for the communication interview with Amigo-SE2 and the interview with SEFA, which were conducted through telephone. All French based interviewees had to be contacted via phone or Skype.

One of the authors of this report would take responsibility for moderating the interview, ensuring that desired information was extracted, while the other one took notes on a laptop. The note taker was also let in at times to ask his questions to complement the main interviewer. Most interviews were also documented through voice recording, which the moderator later listened through to ensure that the notes from the secretary were complete. This kind of documentation provides accurate records from interviews (Yin, 2014).

A discussion would then follow after each interview, to make sure that the two authors had reached a similar understanding of the interviewee’s answers. Notes were synthesised into a transcription at a more refined level, while keeping the original notes for possible future reference. This follows Yin’s (2014) second principle of collecting case study evidence, ensuring that the entire interviews were documented to a satisfactory level. The raw data, including the audio recordings, has been compiled and archived to ensure that all information is available if there would be a need to go back and verify it.

Each interviewee was notified well in advance, from two to four weeks before the time of the interview, in order to allow for him or her to prepare. The academic purpose of the report and how the resulting findings may benefit the interviewees were highlighted in advance. This was done to ensure that they understood why they were being interviewed about the specific topics, and what was in it for them. Quotes that have been printed in this report have been verified and approved by the sources. It has been a priority to make sure that human subjects involved in case studies have been informed adequately and that their participation has always been voluntary,
which Lekvall & Wahlbin (2001) describe as vital from an ethical point of view. The transcripts were anonymized when digitalising from the interviews. Protecting privacy is a responsibility for a case study researcher (Yin, 2014).

3.4.6 Secondary data to reinforce the empirical study of culture

Secondary data was collected on culture in order to triangulate with the primary data withdrawn from the qualitative interviews, and specifically to help with the second and third question of the third targeted issue, see Figure 8. The secondary cultural data collected was the values of Hofstede’s dimensions as presented in his book from 2010. As discussed in 2.2.3, the data has been deemed to be reliable since it has been verified by others as well as being based of a large number of respondents. Reliability should, as argued by Lekvall & Wahlbin (2001), be a priority of highest concern when selecting a set of secondary data.

According to Lekvall & Wahlbin (2001), it is necessary to consider the processing of the collected secondary data. The data of Hofstede (2010) is in this report not used in its raw form, but the factor analysed values that relate to his dimensions. The culture values, as presented by Hofstede (2010), were chosen as a result of choosing his framework, and the framework of De Mooij & Hofstede (2010), which is based on the dimensions, to answer the third targeted issue.

3.5 Analytical process

This section describes the process of analysing the collected empirical data, describing which strategies were chosen and how each step of the analytical model was carried out.

3.5.1 The general analysis strategy relied on theoretical propositions

The analytical model described in chapter 2 is derived, as described by Bryman & Bell (2003), deductively. This means that is was created through studying academic literature with the purpose in mind, selecting and combining those relevant to the studied problems. The primary data collected was processed to a usable form by using one of Yin’s (2014) general strategies for analysing a case study which he calls “relying on theoretical propositions” (p. 136). As the problem was defined by reviewing the academic literature and the design of the case study was formed upon the basis of the theoretical review in chapter 2, the analytical priorities were guided by these propositions. Yin (2014) argues that this strategy helps point towards relevant contextual conditions to describe as well as explanations to examine.
The strategy was complemented with two methods for qualitative analysis. Firstly, patterns and themes were identified from the perspective of the theoretical basis of the analytical model by comparing the findings with the expected outcome based on the theoretical framework. Yin (2014) argues that the method is relevant for exploratory case studies as it can produce support for the explanations given by the theory. Secondly, the identified patterns and themes were clustered based on their similarity to the relevant of theory. Merriam (1988) argues that clustering observed patterns allows for conceptualisation which then makes it possible to reach higher levels of abstraction, which was done in chapter 5. The empirical findings from the analysed data then constituted the basis for more generalised conclusions, as well as exploratory theoretical contributions with some regards to context.

3.5.2 Using the organisational level as analysis unit

Yin (2014) proposes as a general guideline for defining the unit of analysis that the researcher chooses a holistic view, i.e. a single unit of analysis, or an embedded view, i.e. multiple units of analysis. He further argues that a holistic unit of analysis is advantageous when the used theory is of a holistic nature. As the three areas of the frame of reference are based on an organisational point of view, or can be used from an organisational point of view in the case of culture, this should favour defining the unit of analysis at organisational level. To be precise, this means looking at the communication strategy of Amigo as an organisation, with the intended audience being the group of decision makers at customer organisations. Hence, the study considers the organisational level as the unit of analysis and the interviewees represent their organisations and their responses are presented in chapter 4 as if they were responses from the organisations.

3.5.3 The step-by-step process of analysing gathered data

Below follows a detailed explanation of how the empirical data needed for each component of the analytical model was analysed.

3.5.3.1 Step 1: Strategy

This step was about identifying the overall and the brand strategy of the studied case company. This was mainly done through analysing the data from the interview with a member of the company management, Amigo-SE1, see 3.4.4. As the questions in the interview were based of the first targeted issue in the analytical model, see 3.4.3, the answers could be mapped to each of the six IMC choice criteria of Keller (2001). This set up the foundation of which step 5 of the analysis would be based on when evaluating the communication options.
3.5.3.2 **Step 2: Communication mix**

The second step concerns assessing which the available communication options are and their characteristics. This involved interviewing customers and prospects to gain an understanding of which are most effective in reaching the targets, at what stage of the new product adoption model and to what extent. Interviews were also held with sales managers at Amigo, to identify the communication options used today and their perceived effectiveness. The data from the interviews were then grouped around the questions of the second targeted issue in order to analyse. The analysis consisted of matching the data with the propositions of the theory of the MCT model of Keller (2001) and the new product adoption process model of Garber & Dotson (2002). This allowed mapping out which communication options seemed to be effective in what stage of the prospect’s journey towards becoming a customer. The second step of the analytical process is therefore deemed to be essential for answering the second and fifth targeted issue, as well as part of the purpose.

3.5.3.3 **Step 3: Culture**

The third step deals with the third targeted issue concerning assessing if culture impacts the communication strategy, how it can be measured by using Hofstede’s (2010) model and how it can be accounted for. Hofstede’s (2010) data was cross analysed with responses from customers to the case company and its sales managers to identify if the context provided other sources of culture, as Goodenough (1971) argues there may be, and to assess the applicability of Hofstede’s model. By analysing the primary data in comparison to what should be expected according to Hofstede’s measurements, a method Yin (2014) states is known as pattern matching, a higher level of quality could be achieved. The result of the first two parts of the cultural analysis then provided input for the third part, how the cultural impact can be accounted for. By using De Mooij & Hofstede’s (2010) framework, the characteristics of the culture could be assessed and used as a basis for how the communication programme should be adapted.

3.5.3.4 **Step 4: Networks**

In order to identify existing networks, possible networks and their relevance, in-depth interviews with all subjects were conducted. These interviews were then cross analysed to identify which networks could be useful in strengthening the awareness and equity of the brand the proposition. By using the SNMM model by Jones, Suoranta & Rowley (2013), the networks of the case company could be categorised and associated opportunities identified, which provided insights for how the networks could be improved through the Uppsala model by Johanson & Vahlne.
(2009). These insights were then related to an analysis of the networks with the MCT model Keller (2001) and the new product adoption process model by Garber & Dotson (2002) by seeing the networks as communication options. This allowed the networks to be mapped out in the same manner as in step 2 of the analysis, see 3.5.3.2. Insights for the fourth and fifth targeted issue were obtained and used as input for step 5 of the analysis.

3.5.3.5 **Step 5: Macro level assessment of the IMC**

As the fifth steps deals with identifying the interaction between the different communication options, it relied on the data collected in the four preceding steps. The answers from the interviews were analysed to identify which communication options reaches a prospect at which step in Garber & Dotson’s (2002) new product adoption model, to what extent and in what way. This resulted in an illustration which visualises where the different options reach the customer and with which efficacy, effectively answering the fifth targeted issue. The analysis also provides an answer to the purpose of the study, which is to explore what and how different factors affect the effectiveness and efficiency of the marketing communication mix strategy.

3.5.3.6 **Step 6: Resulting conclusions and recommendations**

By using the results from step 5, generalised conclusions were made and the implications of these for practitioners were developed. The general conclusions could be drawn from the analysis as the case is considered to be prototypical.

3.6 **Quality of study**

*This last section of the methodology chapter discusses how the quality of a study can be affected by different factors and what actions the authors of this Master’s thesis have taken to ensure the quality of this report in all steps.*

To ensure that the quality of the report and case study is acceptable and that the correct conclusions are drawn, the approach described by Yin (2014) to assess four different aspects has been followed. He denotes them “four design tests” and states that they are established in empirical social research. They are reliability, internal validity, construct validity and external validity. This section describes these tests in more detail and how they were ensured in this report.
3.6.1 Reliability

Reliability concerns the replicability of the report. Eisenhardt & Graebner (2007) describes transparency and replication as keywords in this test. Yin (2014) describes that data should be collected in such manner that should someone do the same study again they will arrive at the same insights, albeit the insights might be interpreted differently. The already mentioned log of activities and work time, see 3.3, together with the database of raw and refined data, increases the reliability and replicability of this study. This is following the recommendations of Yin (2014), who suggests documenting a case study with a case study protocol, specifying how the study has been conducted, and a case study database, including all collected data throughout the study.

Two issues were identified with the reliability of the report, namely the anonymization of the case company name and interviewees as well as the language barrier in interviews. Anonymization is likely to affect the reliability of a case study according to Gibbert et al. (2008), as facts concerning the case company cannot be evaluated. In this report it was necessary to anonymize the data in order to maintain a good research ethic, see 3.4.5. However, measures were taken in order to mitigate the issue of it affecting the reliability. Firstly, the interviewees were asked to review collected data in order to avoid misunderstandings. Secondly, the notes from the interviews were checked against each other where possible to ensure that we had received the correct information. Thirdly, the collected data was checked against the company website (Amigo AB, 2015), where possible as well as against publicly available information from the most recent annual report (Amigo AB, 2014). The language barrier refers to the fact that the interviewers had Swedish as mother tongue whilst some of the interviewees had French as mother tongue and the interviews were conducted in English, which Song & Parker (1995) suggest may affect which information is revealed. As previously stated, the informants reviewed collected data which should mitigate the risk for misunderstandings, even though a language barrier existed.

3.6.2 Validity

This section discusses the internal, construct and external validity.

3.6.2.1 Internal validity

Internal validity deals partly with causality and with avoid making incorrect conclusion about causal relationships (Yin, 2014). However, as this study is exploratory, rather than a causal case study, this is not important in ensuring the quality of this report (Yin, 2014). Yin (2014) also
highlights a second problem with internal validity which is inference. An inference is encountered when an event cannot be observed directly and has to be explained through statements in interviews and collected documentary evidence. To increase the internal validity three measures has been taken in this study. Firstly the theory triangulation enabled us to verify that several perspectives point in the same direction, see chapter 2 and chapter 5. Secondly, pattern-matching has been used to see that the predicted outcome from the theory matched the observed outcome, see 3.5.3 and 5.3. Thirdly, a comparison was made among the answers from the interviewees to ensure that situation had been interpreted correctly.

3.6.2.2 Construct validity

Yin (2014) describes construct validity as establishing the correct operational measures for the concepts being studied. That is, that the study actually investigates what it claims to do. He also proposes three ways for increasing the construct validity: use multiple sources of evidence, establish chain of evidence and have key informants review the draft case study report.

The construct validity in this study has been ensured partly by having interviewees review the given information at several occasions to give their input. The chain of events was also documented to the best of the authors’ ability. The multiple sources criteria, which the construct validity can be evaluated on, have partly been taken into account by the triangulation and the use of Hofstede’s (2010) data, which has been confirmed several times as mentioned in section 2.2.3. The triangulation increased the validity through using multiple sources of data as well as different perspectives.

3.6.2.3 External validity (Generalizability)

The external validity, also known as generalizability, deals with the issue of understanding if the conclusions, made in the specific case, are usable in other contexts (Yin, 2014). He explains that in the case of a survey a statistical generalizability can be done, whereas in a case study an analytical generalizability can be seen. Analytical generalizability refers to building theoretical propositions before the data is collected and then confirm, modify or reject the propositions based on the findings in the case study. As the problem background and description are based on recent research on the need of SMEs to internationalise and a theoretical foundation on issues and factors that influence the success of the internationalisation in a broader context, the ability to draw analytical generalisation is deemed to be acceptable. The chosen case company is also arguably prototypical of the situation, see 3.4.1. However, the credibility of the generalizability of the conclusions (6.1) and recommendations (6.2) could have been increased with the use of multiple cases, as argued by Eisenhardt & Graebner (2007).
To avoid having personality as a basis for comparison, the questions of the interviews were asked at an organisational level. However, as the interview group was small, this should only be seen as an indication of what differences are present.
4 The case of Amigo AB: An internationalising SWD SME

This is the fourth chapter, presenting the data that has been withdrawn from the empirical study.

The chapter commences with an introductory presentation of the studied case company Amigo AB, with the purpose of providing a knowledge base that facilitates the understanding of the subsequent parts of the chapter. After the introduction, the chapter follows a structure based on the analysis model, as depicted in section 2.4. This means starting with the case company’s strategy, followed by views from the case company and its customers on the communication mix, culture and finally the networks. The content in this chapter is a consolidation of data that comes from interviews with the interviewees, described in Table 7 (see 3.4.2), as well as a secondary data as described in 3.4.6.

4.1 Introduction to Amigo AB, the studied case company

This first part presents the studied case company and particular situation. It provides information that enables the reader of this report to easier understand the subsequent parts of chapter 4.

4.1.1 Amigo AB in essence

The studied case company, Amigo AB (hereafter referred to as Amigo), is a SME SWD, founded in Sweden 1982. It has experienced strong growth in recent years and is today the Nordic market leader in Point-of-Sale (POS) solutions in food, fashion and specialty retail. It had a total annual turnover of SEK 181 million and employed 145 people in 2013. Amigo has been working increasingly on an international expansion, as a big French food retail chain, FRFO, recently chose Amigo to be its supplier of POS software (hereafter POS SW).

4.1.2 What a POS system is

A POS system is an IT system that enables for registration of purchases. It can help the cashier staff with simple tasks such as weighing vegetables, calculate rebates, summarising the total amount due for payment and realise the actual payment. Also, the POS system can also be used to instantly create sales reports of the day.
More advanced functionality is demanded by big retailers, which means the POS system is integrated with other IT systems such as Customer Relationship Management (CRM), Enterprise Resource Planning (ERP), Data Warehouse (DW) and Central Office (CO). In Figure 10, this is illustrated for a generic retail chain, where the small boxes represent individual stores and the bidirectional arrows symbolises bilateral communication.

The POS system takes in information from the POS applications, such as cashier machines, in each store and communicates that information to the CO. The CO is the central coordination unit between the POS system and other components such as ERP systems, CRM systems and DW. It allows administrators to control user roles within the system, control means of payment, exchange rates, search through all transactions and more.

For instance, sales statistics can be withdrawn this way. The CO can also send information to the POS system, which in turn makes that information available to the applications in the stores. For instance, the CO may communicate new rebates that are supposed to work in a specific manner. Through the POS system, a cashier machine knows exactly what rebates it should give a buyer making a purchase.

Another example considers a retailer that perhaps may have a loyalty programme with a bonus card. A POS system that is able to recognise individual consumers and groups, since they swipe their bonus cards, can take in and send valuable information about the purchasing behaviours of consumer individuals and groups to the CRM system.
4.1.3 The product portfolio of Amigo

The Amigo product offering is centred on three categories: Retail Suite, Retail Self-scan, and Express. The main product is the Retail Suite, featuring POS SW including functionality with other IT systems and self-checkout functionality. Below follows a description of Amigo’s products, according to Amigo.

*Amigo Retail POS* is a platform independent product mainly for use by fashion, food and general merchandise retailers. The software is highly adaptable. This way, it can be used through a large amount of sales channels, for example self-checkout, mobile, web shop, self-scanning and more.

*Amigo Retail Self-scan* works by using the business logic of the POS system on a smartphone or a designated, portable scanner found in the store. This equips a consumer to scan his or hers e.g. own groceries while walking through the store and then checking out directly without having to remove all groceries from the cart to have them scanned by the cashier. The system therefore allows for a higher throughput and decreased staffing cost.

*Amigo Express* is a simpler product, directed at independent stores and small chains of stores. It allows for control over inventory, pricing, suppliers, promotional campaigns, customer information and reporting. This information can in turn be shared with Headquarters.

The Amigo Retail suite consists of three layers that are the *standard product*, the *core product* and the *country product*, see Table 8.

*Table 8. An illustration of how the Amigo Retail suite consists of three layers.*

<table>
<thead>
<tr>
<th>Country</th>
<th>Alterations on national level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core</td>
<td>Alterations on global level</td>
</tr>
<tr>
<td>Standard</td>
<td><em>The original product</em></td>
</tr>
</tbody>
</table>
The standard product is the main module and is the same for all customers. The suite can be configured to fit the particular needs of a specific customer through the core product layer, which allows for alterations, replacements and removing of features. Changes of the core product override the standard product.

The top layer is the country layer in which country-specific changes are made such as language, Value Added Tax (VAT), requirements for receipts and more. This way, Amigo allows its customers to adapt the product for different countries. This is particularly useful for retailers that are present internationally.

4.1.4 POS Software is only one of many modules required by customers

Amigo focuses on offering the POS Software to its customers. However, for the POS system to work in its entirety, other components are also required. As shown in Table 9, these are Hardware, IT infrastructure and Service.

<table>
<thead>
<tr>
<th>POS system modules</th>
<th>Number of years between updates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Software</td>
<td>8-10</td>
</tr>
<tr>
<td>Hardware</td>
<td>5</td>
</tr>
<tr>
<td>IT infrastructure</td>
<td>3</td>
</tr>
<tr>
<td>Service</td>
<td>3</td>
</tr>
</tbody>
</table>

As can be seen in Table 9, software has a significantly longer sell cycle. According to Amigo, this means large customers usually have a long-term mind-set on the software, while trying hard to open up for competition when it comes to the other modules with shorter sell cycles. Small customers on the other hand usually buy all components from a single POS system supplier that can provide everything, since they simply do not have the capability that large customers have to keep up parallel buying processes for each component. Given this, Amigo explained that it believes that it is more relevant in the eyes of large customers who can have Amigo as their software supplier and a mix of other suppliers for hardware, IT infrastructure and service.
4.1.5 Categorisation of competitors in the industry

Amigo explained that the competition can be divided into three categories. This is shown in Table 10, together with a selection of examples of POS system suppliers and their respective competitive advantages that they use as sales arguments. Hereafter, software is shortened to the acronym SW and hardware to HW.

Table 10. Categorisation by Amigo of its competitors based on the width of offering.

<table>
<thead>
<tr>
<th>Subcategory</th>
<th>Examples of companies</th>
<th>Sales arguments</th>
</tr>
</thead>
<tbody>
<tr>
<td>POS SW</td>
<td>Amigo, GK Software, PCMS, Lindbak (Sweden), Visma (Sweden), Epicor</td>
<td>Focus on customisability</td>
</tr>
<tr>
<td>POS SW + ERP</td>
<td>Microsoft, Oracle, SAP</td>
<td>Focus on a complete SW suite for the entire organisation</td>
</tr>
<tr>
<td>POS SW + HW + Services</td>
<td>Fujitsu, Toshiba, NCR, Microsoft (owned by Oracle), Wincor Nixdorf</td>
<td>Focus on integration of SW and HW, end-to-end headquarters to stores. These players originate from HW development and later moved into integrated solutions.</td>
</tr>
</tbody>
</table>

4.1.6 Market segmentation

Amigo segments its market on three factors: type of industry, size, and geographic location.

Type of industry is defined by its main product (food, fashion, hospitality, etc.). This definition is necessary, due to the different needs of the industries. Needs, such as booking in hospitality, instant weighing of groceries in food retail, seasons in fashion, etc. fundamentally change the required functionalities of the SW.

Within Amigo’s type of industry, the size of a customer is defined by tier based on revenue. Amigo has its own definition, which mostly coincides with the industry definition with the addition of tangible attributes, e.g. global presence. Tier 1 (T1) includes large retail chains with a global presence, for example H&M and Walmart. Tier 2 (T2) consists of large retailers with a strong local presence. The tiers below T2 are limited in size with tier 6 (T6) being the smallest, consisting of lone merchandisers. This is shown in Table 11.
Table 11. The tier system of differentiating customers based on their size.

<table>
<thead>
<tr>
<th>Tier</th>
<th>Description</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Big international retailers</td>
<td>IKEA, H&amp;M</td>
</tr>
<tr>
<td>2</td>
<td>Big retailers with some international presence</td>
<td>Ica, Axfood,</td>
</tr>
<tr>
<td>3</td>
<td>Big national retailers</td>
<td>Kappahl, Lindex</td>
</tr>
<tr>
<td>4</td>
<td>Small national retailers</td>
<td>Matöppet</td>
</tr>
<tr>
<td>5</td>
<td>Chains of only a few stores</td>
<td>Gallerix</td>
</tr>
<tr>
<td>6</td>
<td>Independent stores</td>
<td>Haberdash</td>
</tr>
</tbody>
</table>

The size definition is also needed to differentiate between needs of the customer. As described in 4.1.4, the top tiers are looking for flexibility (i.e. independent systems) while smaller tiers are looking for more complete systems from the same supplier.

4.1.7 Amigo’s target group

Amigo has a niche focus and defines its core market to T1 and T2 retailers in food, fashion and general merchandise. However, Amigo also serves smaller retailers in T3 and T4 in Sweden as the T1 and T2 market is limited in Sweden and there have been other target strategies in the past.

The target in new markets is on T1 and T2, given that this is where Amigo’s strength lies. Amigo can show this through a number of strong references from present T1 and T2 customers. Given that Amigo also has the technology to serve smaller customers, the target may be broadened when the T1 and T2 markets are saturated.

In France, Amigo has identified several food retailers in T1, which currently is its focus in trying to enter the market. The country lacks T1 fashion retailers, which makes it more difficult to target the fashion industry in France initially.
4.1.8 Amigo takes advantage of partnerships to complement its offer

Amigo has a wide network of partners that are used to be able to offer a holistic solution to prospects, which requires more than the core offer of the software. The company uses four kinds of partners: technology partners, add-on partners, system implementation partners and reseller partners. These can in turn be broken down into two groups of partners, denoted as HW partners and service partners, according to Table 12.

Table 12: Description of hardware and service partners of Amigo

<table>
<thead>
<tr>
<th>HW partners</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology partners</td>
<td>Amigo uses the middleware and platform solutions, as well as HW products of technology partners, as deployment platforms. Since the product focus of Amigo is on POS SW, it needs HW from other producers such as handheld scanners and platform solutions such as database management systems.</td>
</tr>
<tr>
<td>Add-on partners</td>
<td>Add-on partners are SW partners that offer additional functionality on top of Amigo’s POS SW. These partners’ solutions are pre-integrated to decrease the time to market and the cost of integrating add-on products since it removes the necessity of an integration project from the customer. Examples of add-on products include invoicing, payment, and tax refund solutions.</td>
</tr>
<tr>
<td>System implementation partners</td>
<td>System Implementation partners are used to offer systems integration, implementation and rollout of Amigo’s products in non-Scandinavian countries. As Amigo is not locally present in many of its global customers’ markets, the implementation partners are necessary.</td>
</tr>
<tr>
<td>Reseller partners</td>
<td>Reseller partners are partners that sell Selfscan systems in countries outside of Sweden and wishes to utilise Amigo’s expertise and SW. Amigo is dependent on its partners to implement and integrate its product as well as to increase the reach of the offering.</td>
</tr>
</tbody>
</table>

4.1.9 Research companies

The research companies are organisations that make reviews of Amigo and its competitors. In Amigo’s experience, they can have significant influence on prospects who want to get a sense about who are the notable POS system suppliers on the market and what differentiates them.
Amigo therefore called the research companies “professional influencers”. In Amigo’s view, it is crucial to be part of these reports, which usually include about 10-15 POS system suppliers, to be seen as a trustworthy supplier. In other words, it is a stamp of quality.

The reports from the research companies may include additional information and recommendations to the readers on how to evaluate POS system suppliers themselves. The criteria that one research company proposed toward POS system buyers in one of its reports were:

- **Functionality** - Matching the requirements of different functions to the offered solutions.
- **Application Architecture** - Make sure the offered system can be integrated with other systems and updated with ease.
- **Usability** - Ensure that end-users get to test the system and take their feedback seriously.
- **Delivery and Support services** - It is critical that a solid service organisation is provided.
- **Trust** - Check customer references and take measures to ensure a high level of trustworthiness.

Amigo and its competitors can also use the research companies to buy valuable market information. It is the perception of Amigo that those who buy a lot of services from the research companies tend to be more frequently cited in their reports toward POS buyers. Therefore, when buying market information from a research company, it is a side goal of Amigo to increase its influence through its communication toward prospects.

### 4.2 The communication strategy for internationalisation

*This part of the empirical study regards the marketing communication strategy. It presents the views of the interviewees on what are the goals and priorities of the marketing communication mix strategy.*

#### 4.2.1 A new market entry with focus on a defined target group

Amigo does not have a defined communication strategy for the home market in Sweden, given its strong market position there. However, the preconditions are different when it comes to international markets such as France. Few prospects know about Amigo, or have an idea about what Amigo does and stands for. An important goal of the communication strategy in France is therefore to generate such a level of awareness and interest among all prospects, that they regard Amigo as a top candidate when considering buying a new POS system.
According to Amigo, its prospects will in most, if not all, cases have been exposed for every part of the communication mix. Therefore, the perception is that it is important to leverage the unique advantages of every communication option rather than push out the exact same message through every channel. Still, Amigo emphasised that it is important to reinforce the core values and value propositions of Amigo throughout all communication; a clear structure of the communication mix is seen as a key success factor.

Amigo explained that the short-term plan is to start with a narrow coverage of prioritised prospects. The first objective is to create awareness among that small group of prospects about Amigo’s existence. Then, the goal is to make deals with one or a couple of these prospects, build strong customer reference cases of them and use those references when expanding further in the long-term perspective. Big food retailers are prioritised. The reason for this is that these types of companies are similar to the reference case of FRFO, the big French food retail chain that recently became the first customer to Amigo in France.

### 4.2.2 The brand as a strategic differentiator

In spring 2015, the Amigo brand platform began to develop. Amigo described that its ambition is to have consistency throughout all communication, making it clear to the targeted audience that Amigo is a small, genuine and niched company with strong corporate values. *Openness and partnership* are important values. The slogan “*Standardised, yet differentiated*” is a message, which Amigo wants to push out to the audience, throughout all communication options. This means Amigo wants prospects to think of Amigo as a supplier of standard solutions, but still differentiated to suit the specific needs of individual customers and prospects. This is something that, according to the belief of Amigo, responds to many concerns that prospects have. Therefore, there should be much to gain by consistently communicating this capability, making sure that prospects strongly associate it to Amigo.

Another differentiator that Amigo mentioned that it should capitalise on is its *independency*, which enables Amigo to offer a prospect to *tap into market innovation*. This means a customer does not have to be dependent on one supplier for all components of the POS system, limiting oneself to the innovation from that particular supplier. Amigo stated that their customers can get the state-of-the-art innovation of POS SW and integrate it with other systems from other suppliers. Amigo argued that this creates a unique selling point; customers get a holistic solution consisting of subsystems and are not limited to the amount of innovation that one company can come up with.
Amigo stated that it is seeing that many retailers are aware about the technological shift that the retail industry will experience in the future. Their challenge right now is that retail business is doing quite well, changes always come with risks and nobody has yet successfully implemented the new technology to create advantages. Given that retailers must somehow relate to this technological shift, Amigo stated that the tap into market innovation offer should be relevant to them and suggested that it should therefore be put at the core of the communication strategy.

Amigo further pointed out that, given the long product life that characterises the product of Amigo and its competitors, it is important to be able to show that a genuine company stands behind the product. This means showing more than just the product features, as that would be seen as too short-sighted. Many POS SW suppliers appear to be failing to convey their brand messages through their communication, falling back on communication the product features only. The reason behind this, as Amigo explained it, is probably the fact that it is convenient and measurable. The issue is that it is difficult to differentiate oneself on product features in this industry. Amigo therefore explained that it sees an opportunity to create a niche at the French market, if the communication strategy succeeds.

Looking from the customer perspective, SEFO explained that it is the “unofficial” brand that influences the decision making. The unofficial brand is what a customer perceives the Amigo brand to be, mostly based on personal selling meetings. SEFO stated that experience from reality weighs more than what is said officially on a website; the “official” brand can only influence before the first personal selling meeting at which point the creation of the “unofficial” brand begins. To fully convey the brand message, FRFO stated that it is crucial to explain and prove it each time and it has to be compliant with the overall message.

It is the understanding of both Amigo and interviewed customers, that a B2B decision maker cannot avoid making a decision that is at least partly influenced by emotions. References and product features are not enough; it also has to feel right. Purchasing POS SW is a decision of huge magnitude that comes with responsibility, which means that decision makers do not want to take risks.

4.2.3 The role of customer references

According to Amigo, the core elements of the corporate brand should always be brought up when communicating with prospects, since a strong association between these things and Amigo is a key goal of the communication strategy. However, to be fully taken seriously by prospects, it is the strong belief of both Amigo and the interviewed customers that references from existing customers are an essential component as well.
“If a reference customer cannot be visited or brought to a meeting with a prospect, especially the first prospects in a new country, to explain why it would recommend Amigo, the prospect will most likely feel that doing business with Amigo is too risky.”

(Amigo-FR, Communication mix interview, 2015-04-13)

Amigo mentioned that it was easy to get first meetings with almost all of the targeted retailers in France thanks to the referral from FRFO. SEFO stated that contacting present customers of a potential POS SW supplier, to speak privately about topics such as the company’s reliability and how the relationship is going, is a central part of its decision making process. The reason behind agreeing to this type of meetings is, according to SEFO, that present customers of Amigo want Amigo to gain more customers. A larger customer base means the development costs of the standard product can be distributed over more customers.

Because of the importance of customer references, Amigo described it as essential to maintain a good relationship with all customers, especially the strategically important ones for the given goals. A reference from a fashion retailer may not be relevant for a food retailer and so forth. Amigo therefore argued that relationships with present customers must be managed strategically.

Making the present customers reassured that they have chosen the right POS SW supplier is essential to keep them long-term. Having existing customers that are so convinced that they would recommend Amigo to others also enhances the possibility for positive word-of-mouth effects. Amigo made the case that, since its industry is populated by relatively few actors, the word-of-mouth effect is particularly strong.

“Just by having the market leader of food retail in France choosing Amigo, this information was spread over the market without us having to do anything, because everyone is aware of what the others are doing.”

(Amigo-FR, Communication mix interview, 2015-04-13)

Information spreads quickly in this type of industry and Amigo-FR argued that competitors, prospects and customers quickly learn about new investments and partnerships through the partners. It is therefore Amigo’s perception that it is important to manage the relations with not only present customers but also partners and the rest of the extended network as well, to be able to leverage the networks for creating and taking advantage of new opportunities.
4.2.4 The view on cost efficiency

Amigo stated that it is has some issues with measuring the efficiency of marketing efforts. It currently does not employ any defined processes for following up investments aimed at conveying the Amigo brand. The reason given by Amigo for this deficiency is that it finds it difficult to find data to perform financial analysis on, especially when it comes to broad targeting communication options. Amigo mentioned that it currently qualifies marketing efforts by sporadically comparing expenditures on marketing in relation to what achieving the same effect through sellers would cost.

4.3 Updating a traditional communication mix to meet the future

*This part of the empirical study regards the available communication options. It presents the views of the interviewees on what are the available communication options and how they should be used to create effective and efficient marketing communication.*

4.3.1 From traditional to digital communication options

When asked about what the main communication options in France are, Amigo mentioned the website and personal selling, as well as connections within various networks. Amigo noted that no direct advertising is done by Amigo. The reason that was given is that advertising does not offer enough space for the content. No advertisements are placed in trade journals either. Amigo expressed that it is not sufficiently relevant and SEFO regarded it to be a non-trustworthy communication option.

Traditionally, Amigo has deployed e-mail newsletters for various occasions. It has been difficult to determine what the objective for that channel is, which consequently has made it difficult to maintain continuity. The estimation is that most kinds of mass mailing probably end up in the spam, unread.

No other digital communication option has been used in France yet by Amigo. Amigo expressed that it is optimistic that there is potential for social media, for both productive outbound and inbound communication. According to Amigo, the targeted decision makers are more comfortable with LinkedIn and e-mail than Twitter and Facebook, although this is anticipated to change due to a generational shift. Amigo’s slight doubt about the effectiveness of social media communication options was based on the B2B nature of Amigo’s business.
4.3.2 Engaging the audience

Amigo, FRFO, SEFO and SEFA described the personal selling as a time of high engagement from prospects and a long term customer-supplier relationship is built. FRFO explained that there is no other communication channel that can easily create this level of involvement. Amigo stated that prospects face many challenges that they like discussing at these meetings and Amigo can adapt the content to a prospect depending on its particular concerns.

Social media was perceived by Amigo to be another channel where there is some potential to create an engaging dialogue with the audience; there is an opportunity to receive input from the audience. Both positive and negative feedback is valuable to Amigo, considering the value of the information itself but also for building a brand associated to openness and transparency. Amigo also proposed the idea of using social media to publicise news, which it believes would probably make the audience view Amigo as more innovative.

According to Amigo, fairs do not usually create nearly as much involvement from a prospect as personal selling does. One reason for this is basically that it is not a suitable forum for leveraging references. A special event, with a specific topic that is relevant for prospects, is seen by Amigo as a better option for involving the prospects in the conversation. For payment, access can be granted to these kinds of events; where suppliers such as Amigo, prospects and other relevant organisations gather to discuss a topic. According to SEFO, the engagement can be quite high at these kinds of events.

4.3.3 Conveying the brand message

At fairs, Amigo explained, the brand message can get overshadowed by the topics at the fair or a particular innovation that Amigo wants to get attention for. Amigo viewed instead the website as a useful platform for conveying the brand. FRFO thought that having content on the website, perhaps even online conferences could create dialogues between a POS SW supplier and its prospects. Relevant content and updated references are two hygiene factors for the website. The perception is that the website has potential to be a strong platform for conveying the Amigo corporate brand.

Amigo mentioned that it is sensing that the website is not working efficiently in France, since it is only in the languages of Swedish and English. Also, at the moment it has not yet been updated after the newly developed corporate brand. FRFO and Amigo-FR stated in their respective interview sessions that a French website is necessary to be able to do successful business in France.
“Even though the audience might understand English, having a website in French shows that the company has strong international capabilities.”

(Amigo-FR, Communication mix interview, 2015-04-13)

In spring 2015, a video was being produced with the purpose to provide a sense of the Amigo brand. Amigo explained that this video will help communicate the brand at the website and presentations during personal selling, which can be highly influenced by the Amigo presenter, making it difficult to convey the whole brand.

4.3.4 Views on how to adapt the communication mix to the audience

This subsection finalises section 4.3. It presents empirical data on how the interviewees view how marketing communication should be adapted to different stages that a prospect goes through, from being unaware to become a customer. The stages of awareness, interest, evaluation, trial and adoption are gone through, one at a time.

4.3.4.1 Awareness

Given that the market in which Amigo operates in is a small B2B market, according to the Amigo the type of communication that is most relevant to Amigo is word-of-mouth. It was revealed by Amigo, that it views it as important to promote itself in a way that gets prospects and customers talking about Amigo themselves. Word-of-mouth is the key driver of generating awareness and becoming seen as a trustworthy supplier by prospects. Amigo, FRFO, SEFO and SEFA explained in their respective interviews that if one of Amigo’s present customers talks positively to a prospect about Amigo, then that prospect will likely be affected by that and view Amigo as a trustworthy supplier.

When asked about how this should be accomplished, Amigo and FRFO had similar views, emphasising broad communication and the importance of network, personal selling, as well as fairs to some extent. Both the interviewed customers, as well as Amigo affirmed the efficiency of all kinds of direct contact to build awareness and focusing on establishing trust. Many times, in the experience of Amigo, a door opener (further assessed in 4.5.3) sets the stage for these meetings to occur.

The interviewed customers viewed networks as a primary channel that a prospect uses to search for information on its own initiative. Also, according to both Amigo and all interviewed customers, being part of the reports from research companies is important at the stage when the targeted audience is not aware of Amigo. FRFO explained that both awareness and interest may be awoken after seeing Amigo in these reports. According to the interviewed customers, the
research companies are indeed a relevant communication option, both for finding out what there is to choose from but also in order to establish a perception about whether a POS SW supplier is trustworthy.

Amigo considered e-mail, social media and the website as less efficient at this stage, since the perception is that the audience usually does not look there for information if it does not know about Amigo. Similarly, SEFO stated that the website is definitively not used for finding a specific supplier. When looking for a POS SW supplier, FRFO did search the web, but without relevant results. Consequently, it did not have any effect on the decision. SEFA held a firm view that a website has little to no actual effect on the company’s decision, but a serious supplier is still expected to have one. This view was based on the fact that a website usually is too general, making communication options with direct contact more preferable since they allow for getting down to specific questions.

SEFO mentioned fairs as the main channel for getting to know a new supplier that has not been known to SEFO before. SEFO and SEFA stated in their respective interviews that there is a sense of everyone knowing each other within the food and fashion retail industry respectively, which makes networks having a far stronger influence on the decision makers than fairs. In Amigo’s experience, going to fairs at a new market is difficult, since a new market entrant is not approached by prospects that are not aware of it. Amigo is therefore also positive to personal selling as a method for generating awareness, but the perceived challenge is that there is only capacity to address about 20 prospects per year through with that communication option.

4.3.4.2 Interest

Amigo mentioned that fairs becomes an efficient option when the audience knows about Amigo and is at least somewhat interested, because there is a higher probability that the audience recognises and begins talking to the Amigo representatives. Personal selling is still an important communication option at the stage of interest, while digital communication options such as social media and the website do not attract much traffic. Amigo also stated that an audience at this stage is not particularly susceptible to e-mail. A prospect at this stage does not usually ask Amigo for information itself; Amigo has to make an approach to create a dialogue. Therefore, Amigo stressed its view that this as a stage when building trust is critical, which is an objective that personal selling was perceived to be fit for.

The present customers and their networks become increasingly important. The reason that Amigo gives for this statement is that an interested prospect may start to inquire present customers about how Amigo’s products are used, how issues are worked out and whether
implementation projects are running smoothly and so forth. SEFO, FRFO and SEFA mentioned in their respective interviews that customer referrals are usually inquired at this point to find out about up- and downsides with Amigo.

All interviewed customers considered a POS SW supplier’s website to be a channel where a prospect goes to check up on the company, to ensure that it is credible and has the capacity to deliver. As also mentioned in 4.3.3, it is a hygiene factor for a POS SW supplier such as Amigo that the website is designed to communicate both the corporate brand as well as product features. FRFO stated that even websites managed by third parties may be checked up, since it is seen as a good sign if the company is mentioned there frequently, in articles and reviews.

SEFO, SEFA and FRFO all explained in their respective interviews that the reports from research companies usually do not have any effect at the stages beyond awareness and early interest. This is because their communication is not adapted to a specific customer, such as SEFO, that may be looking for “softer” qualities such as “Swedish standard”, and “responsiveness”.

4.3.4.3 Evaluation - Request for information (RFI)

According to Amigo, the Evaluation stage can be equated to a request for information (RFI) process. This is when a prospect has reached a stage where it has specific questions and wants to meet with Amigo, making personal selling an important main communication channel. In Amigo’s opinion, these meetings are so critical that if they do not go well entire deals may be lost.

It is not uncommon that a prospect, when at the beginning of the evaluation stage, asks one of Amigo’s existing customers about the company and the product. According to Amigo, a present customer could potentially be one of the most efficient “communication option”, since its approval weighs a lot in the eyes of prospects. Amigo explained that, because the POS system is so critical for a prospect’s business, hearing from present customers that the system and Amigo’s support are reliable is a critical factor when evaluating a POS SW supplier.

4.3.4.4 Trial - Proof of concept (PoC)

A pre-study, or Proof of Concept (PoC), is always offered by Amigo at the stage when a prospect is interested enough that it wants to try the POS SW. Amigo explained that, because the POS SW is so critical for a prospect business, a PoC has to be done. It is seen as an opportunity for Amigo to show a prospect how a solution works in reality. The tendency to do a PoC depends on the
size of the prospect, being more common with prospects that are large companies. According to Amigo and all interviewed customers, compared to other IT systems such as ERP, it is very common that the decision makers usually give a mandate to do a PoC that leads to a recommendation which they strongly consider to follow.

Amigo explained that there are many advantages of doing a PoC. A prospect invests money and staff hours and shares information that the POS SW supplier cannot get otherwise, making it harder for the prospect to let go of the supplier and search for others. Even the opinions of the cashier operators are considered at the later stage of the PoC. This information makes it easier for a supplier, such as Amigo, to tailor the offer to fit better with the prospect’s particular needs. During the PoC, the commitment in the relationship under development deepens.

According to Amigo, from a prospect’s point of view, doing a PoC increases the possibility that the subsequent offer to a prospect is well designed. It estimated that only about 20-40% of prospects decline an offer after completing a PoC. The probability correlates with the size of the PoC; it is much harder for a prospect to decline an offer that is based on a large PoC. SEFA explained that in order to be able to measure the efficiency of the investment, clear objectives must be put in place and sufficient resources made available.

When evaluating potential POS SW suppliers, SEFO was looking for “a local and reliable supplier”, which Amigo proved to be during the PoC process. By being attentive and responding quickly to issues during the PoC, Amigo also showed that it is a dedicated supplier. Offering the PoC for free simply established this image further. Offering the PoC for free shows that the supplier is serious. According to SEFA, dedication can only be shown through personal contact. In SEFO’s view, a prospect’s view of a supplier’s brand is strongly established during the PoC process.

Amigo further emphasised that a new market entrant, such as Amigo in France, should consider that it is difficult to appear as a credible alternative unless a PoC is offered. The PoC can be fully paid for by Amigo or shared between them. In Amigo’s view, to show dedication, the PoC should be offered with a rebate or even for free until the brand is well established on that market.

It is the belief of Amigo, that since they are all stakeholders and keep important information, various levels of the prospect’s organisation should be represented at the PoC. The opinions of the end-users in the stores have, according to SEFO and SEFA, significant bearing on the decision makers at this stage, because it is a question of work environment. Approval from the staff that is going to use the system is necessary, especially when it concerns the cashier machines.
What characterises the final stage of the process, as Amigo described it, is that the prospect does not usually wish to receive any more communication that may affect the decision making process. SEFO explained that the intensity of personal selling goes down during the process, while technicians become more used.

4.3.4.5 Adoption

When a prospect has become a customer, it is important to keep it reassured about the decision in order to keep it long term. A productive and long term relationship with a customer could involve additional sales to that customer, as well as getting a strong reference that can be used to close deals with more prospects.

What happens at the adoption stage, as Amigo described it, is that a prospect becomes an Amigo customer and steps into “the Amigo community”. As SEFA mentioned, it wants to know and feel what it is like to be an Amigo customer, which is it stated that social media, website and e-mail become more important now. In addition to this, Amigo stated that it is also reassuring for a present customer to see that Amigo is mentioned in the reports from research companies. Seeing the supplier rated among other top suppliers is, as SEFA mentioned, important in order to reassure a customer of its decision and keep it long term.

Amigo expressed that it is sensing that it is not taking enough advantage of the relationships with present customers. After choosing Amigo as its supplier, a new customer is not being informed enough, which limits the possibilities for creating new opportunities together. Therefore, the perception of Amigo was that more continuous and nurturing contact with present customers would increase the chances of getting strong reference cases from them as well referring new prospects to Amigo. Amigo stated that personal selling is a suitable communication option for maintaining a close contact with a newly adopted customer.

4.3.5 Unexploited venues of communication

According to Amigo, prospects are bombarded with invitations to events, dinners, and the like in order to get reached. Most competitors are present at fairs and most trade journals in France. What Amigo meant is that the traditional channels of communication are flooded with information and that it is difficult and expensive to stand out from the crowd as relevant. Amigo mentioned that there probably exist some venues of communication that currently are not exploited by competitors and where it would be more credible in the eyes of the decision makers.
4.3.5.1 **Innovation Groups**

Being innovative is an important sales argument for Amigo towards both prospects and present customers who may want to buy more. It may also increase relevance of Amigo and present new networking opportunities. Amigo has identified relevant networks that exist in France through which there may be opportunities, as Amigo viewed it, to organise events in collaboration with customers. Amigo mentioned that FRFO is launching a “next generation” megastore in the Paris area. This will attract attention from the press and, according to Amigo, will provide material that can be leveraged in promotion activities such as fairs. It can also attract the immediate attention of other players in the industry.

4.3.5.2 **How the end-users of Amigo’s products could become a new communication option**

Amigo’s prospects in T1 and T2 are, as described in 4.1.6, very large and relatively few. This, along with product life, forces suppliers to court prospects for a long time. Amigo emphasised that it is necessary to keep up the process of building a relationship from the beginning, in order to have a chance.

Early on in the sales process, in Amigo’s experience, it is not only a relationship between purchasing and sales at management level. Relationships on strategic, tactical and operational level must also be maintained in good order. It is important to communicate and pick up insights at all levels in order to maximise the probability of winning a deal and maintaining a good reputation. Amigo, FRFO, SEFO and SEFA all stated that decision makers are influenced significantly by individuals from all levels of a prospect’s organisation.

Amigo mentioned that one way of doing this is by using “multi-tiered value proposition”, which Amigo currently does not employ. The idea is to adapt the communication to different organisational level by having different dialogues with the CEO, store managers and end-users. End-users are those who are going to use the product, for instance cashier staff.

The individuals, who make the decision to buy from Amigo, are not typically those who use the products. According to both Amigo and the interviewed customers, the opinions of the end-users of Amigo’s products, the staff in the stores, can have some impact on the decision. Amigo therefore held it as probable that there is much to gain from creating an online community for the end-users, where these individuals can talk to each other and Amigo about what they think about Amigo’s products. It could be expanded to become a forum, where the members themselves provide each other with advice and voice their opinions. This way, the decision makers may hear about Amigo from a new angle. Amigo would also be able to extract interesting information.
from this platform, to be analysed and publicised through other channels such as social media and e-mail.

4.3.5.3 **Increased interactivity on digital communication options**

At Amigo, there is a perception that its prospects and customers are increasingly active online. Amigo suggested that one approach to leverage on this development could be to use the social media LinkedIn to administrate a “community group”. This would be done without making it about Amigo’s business, but topics related to POS systems in general.

“The idea is that individuals who are interested in these issues can join to view, discuss and publicise information in a forum with an exclusive community feeling.”

(Amigo-SE1 - Communication mix interview 2015-04-27)

In the views of Amigo, FRFO, SEFO and SEFA, as voiced in their respective interviews, there is an inherent potential for social media to become a communication option with high involvement from the audience’s side. The interviewed customers believed social media to be a communication option that suits an audience of present Amigo customers, to create reassuring effects. The content could be anything such as presenting new customers, industry news and expansion plans. Amigo proposed that the development towards interactivity should also include the website, to engage the visitors more.

4.4 **Culture in Amigo’s target industries**

This section regards culture. It starts with showing the data of Hofstede (2010) for countries relevant to the study, Sweden and France, and continues with the perception of Amigo on the culture of the countries. The third part of the section presents the perceptions of the interviewed customers in Sweden and France.

4.4.1 **Hofstede’s data for Swedish and French culture**

Table 13 shows the values of the studied countries as shown by Hofstede (2010). The reader is reminded that the scale stretches from 0 to 120. Figure 11 illustrates the values of Table 13 in a diagram to facilitate for the reader.
4.4.2 As perceived by Amigo

This section presents data on how culture is perceived by the studied case company Amigo.

4.4.2.1 France

According to Amigo-SE1, it is important to have a local presence in France with French speaking representatives since, even though he expressed that he feels that Swedes are easily accepted, the French are still patriotic in their preferences and he indicated that some language barriers might exist. It is also his belief that businesses in France require an established
relationship before deals can be discussed. Amigo-FR, the Frenchman who is working for Amigo in France, described the culture in France as a mix between Anglo-Saxon and Latin and jokingly said that the French like to think that they have the best of both worlds, pointing out the relaxed atmosphere that can be present in Latin countries and the structured ways of the Anglo-Saxon countries.

On the subject of cultural differences, Amigo-FR stated that he did not see any major differences between the cultures of the different industries in France. However, on the topic of differences between the countries Sweden and France, Amigo-FR described that he had experienced several cultural shocks. One of these happened when Amigo-FR was present at the FRFO premises for a video conference between the FRFO team and the Amigo team in Sweden. In the middle of the meeting one participator from Sweden got up and told the others at the conference that the Swedes had to leave and pick up their children from day-care. The Frenchmen were surprised by this and found the behaviour strange. Amigo-FR explained that a French person would have invented another, more appropriate, excuse to leave the meeting or just left without saying anything. He viewed this as strange because of the relationship between suppliers and prospects, which is a reserved relation in France; you are not friends, you are doing business. However, he said that they had commented on it afterwards and said that it was right not to invent another reason. However he also stated that even though they thought it was right they would never themselves do it. The difference between men and women is, according to Amigo-FR, more pronounced in France than in Sweden. He mentioned that, in the example where a person left to pick up their children, it would be seen as even more strange if it was a man saying it rather than a woman. Amigo-FR also described French people as generally putting high value to what other people think of them. He gave the example that for a superior, it is more important that his subordinates think well of him or her and consequently they put more effort into this, rather than focusing on actually doing what is best for the employees. However, Amigo-FR emphasised that this may be affected by the personality of the persons in question and some managers seek more consensus than others.
Amigo-FR described that how social a person is with another person in France is a function of the number of meetings the persons have had. The first meeting there is no talk about anything personal, especially if it is a supplier-prospect relationship. After a couple of times it might start to become more personal, but it is always the prospect who owns this decision. Respect and the structure of respect are important in France, according to Amigo-FR. A subordinate must always be respectful of his superior and a supplier must always be respectful to a customer. He illustrates this with timeliness. A supplier always need to be on time for a meeting but the meeting will never start on time because a customer will be late, and should a supplier be later than a customer there will be a problem. The same is true about subordinate and superior, the subordinate always need to be on time. He also mentioned that respect take form of bringing people of the same organisational level to a meeting. If a customer brings the CEO, it is expected that the supplier also does the same. If a supplier brings its CEO to a meeting with people of a lower managerial level, they will think less of the supplier as it has time and resources to send the CEO to a less important meeting.

Regarding what is most important when choosing a POS SW, Amigo-FR considered product features as well as technical coverage to be very important. His view was that, when Amigo was chosen by FRFO in France, it was because of the customers that it was serving today having the right features, the flexibility to upgrade in the future and running on both the Linux and Windows OS. A cultural factor of the supplier including its employees could potentially be a deal breaker for a French prospect, but it would never count in favour for the supplier, according to Amigo-FR. He also stated that it is extremely important to be on time with projects and for the managers to plan projects to avoid hidden problems. Especially for the POS SW, product and service reliability is a key decision criterion, as perceived by Amigo.

“Reliability is critical because if the POS system fails, the entire store has to shut down”

(Amigo-FR – Communication mix interview 2015-04-13)

4.4.2.2 Sweden

Amigo-SE2, who has experience of operating both in Sweden and in other countries, has noted a large difference culturally between Sweden and other countries. Concerning how a subordinate's opinion is regarded, he expressed his view of Sweden as a distinct country.

“Sweden can be described as the prime example of a consensus country, where the subordinate’s opinion is appreciated and even sought after to get the best result and new ideas”.

(Amigo-SE2 – Culture interview 2015-04-24)
Amigo-SE2 explained that ideas can come from the entire organisation and different stakeholders in the organisation may have contrasting perspectives. For example, franchise owners may want to roll-out innovative technology quicker than the IT department of a prospect would like to. For Amigo, this means that it has to convince the various stakeholders; a decision cannot be taken until consensus is reached throughout the organisation of that prospect. Despite the fact that ideas come from everywhere and consensus has to be reached Amigo-SE2 stated that it is the IT department’s responsibility to analyse the market and find the right supplier. The official responsibility of the department and role is also relatively strictly kept in Sweden. A top manager will not take part in the daily operations but will focus on the strategic questions, which is their responsibility.

The social talk before a meeting is according to Amigo-SE2 mainly used to get a sense of the atmosphere and should be kept on a professional level rather getting into personal discussions. The social aspect is, according to Amigo-SE2, a personal factor and is not dependent if the relationship is a supplier-customer relationship, it is like any other social meeting and if the persons like each other, the relationship deepens. Amigo-SE2 stated that it is always necessary to sense what is appropriate and if it would be a good idea to take the relationship further, it is not the case that anyone owns the relationship and takes all the decisions. Amigo-SE2 regarded the supplier-customer relationship as a relationship of mutual respect. The supplier always has to be on time for meetings, delivery, etc. but it is also important that the customer is on time. Amigo-SE2 also believed this to be true internally within the organisations of Swedish customers and prospects.

Amigo-SE2 viewed the people factor as less important than more tangible factors, such as price and product features, when it comes to choice criteria for prospects. For a prospect, it is more important with price, product features and especially the long term functionality of the product according to Amigo-SE2.

4.4.3 How the customers characterise the culture of their organisations

This section presents data on how culture is perceived by the interviewed customers.

4.4.3.1 **Sweden**

The interviewed SEFO representative is a person with a position closely related to POS and a history of over 20 years at a large Swedish food retailer. He stated that most of the recommendations come from “grass root” level of the SEFO organisation and the decision makers put a large amount of trust to the operational and tactical level, since these persons are
perceived to have most knowledge about the systems. He said that the conversation is notably open concerning disagreements in both ways; as long as all parties can argue their views reasonably they are invited to express themselves. The openness of discussions was also noted by SEFA, whose interviewed representative described it as productive and encouraged in its organisation. Social talk and socialising is according to the SEFA representative common in its organisation and meetings often start with some social discussion. He also states that even some organised after work activity occurs at times. Socialising outside the workspace is also relatively common in the SEFO organisation according to the SEFO representative, although he explained that it was even more common when the retailer was smaller. The company also tries to increase social contacts by engaging the employees with off-site events related to for example strategy planning and problem solving. As for the strategy planning meetings it is not only top level management who is engaged but also more “grass root” people as he put. Even though a large amount of trust exists in the organisation of the SEFA, the representative stated that SEFA has strict policies of conduct that it expects all personnel to follow, and that disciplining may be required if depending on the severity of the misconduct.

The most important factors according to the SEFO representative of an IT system is functionality, flexibility for the future and standardisation in order to lower costs. The SEFA representative was also focused on capabilities as the most important factors in the decision. He stated that cost, customer references and legal compliance are important factors, but the core of the decision is to ask how it would help the customer increase its sales. However, some softer values are also important to the SEFA representative, stating that the supplier’s reputation on the market as well as the perceived ability of the supplier to understand the customer’s unique situation are two factors that they consider. The reasons behind the statement were, according to the SEFA representative, that a long term view is necessary when it comes to IT-systems, continuing to emphasise flexibility for the future as important.

4.4.3.2 France

The FRFO representative with a project manager position for POS, stated that the most important factors in France are that the supplier and product are suitable in the long term. The proposition has to be well-designed to follow expansion needs, which is more important than having all features from the start. In FRFO’s recent process for choosing a new POS system supplier, it excluded one supplier as it sold the product on its own, and future upgrades were new projects on their own. The representative mentioned that cost versus added value also is important. The reason behind this is that this food retailer has a long term strategy for this type of projects. He also stated that French companies in other industries, for example the fast moving consumer
goods company (FMCG) Danone, might be more interested in more flexibility and consequently would have a shorter term strategy.

The FRFO representative stated that it has an open and relaxed culture. According to him, its employees comfortably speak with each other about other activities than work. Another aspect that shows the relaxed atmosphere at this organisation is that they use the “tu”-form when addressing each other, even with top management, rather than using the “vous”-form, which is more formal. This is not unique for the organisation but at some organisations they might opt to use “vous” when addressing superiors. There is also openness towards a subordinate’s opinion by managers at the French retailer. The FRFO representative stated that in some organisations it might be seen as bad behaviour, but at his organisation they are open to it and often want to understand the underlying reasons for the disagreement.

4.5 Managing and leveraging networks

This part of the empirical study regards the available networks. It presents the views of the interviewees on what types of networks that are available and what possible opportunities each of them pose.

4.5.1 Personal networks

In their respective interviews, FRFO, SEFO and SEFA expressed that personal networks are important and widely used. These networks are used to gain information about how other people at other companies have solved similar issues, what they think of a supplier and to solve internal issues. FRFO stated that personal network may even gain access to information from competitors.

FRFO employees use their personal networks to gain insights on issues before the discussions, especially at important meetings with managers. Decision makers also use their networks to gain information about the decision at hand, including what other decision makers think about the issue. FRFO explained that this expands the influencing sphere on decisions on a large scale. SEFO stated that the personal network is a trusted influencer. This was explained by comparing the usage of the personal network for gaining insights about a POS SW supplier to asking a personal contact about an individual before employing that person.

Amigo did not put much weight on the role of personal networks per se. Instead, it highlighted the importance of building contact with the right individuals. In other words, those individuals that have strong influence on the decision makers are a top priority for Amigo.
4.5.2 Professional networks

Mercatel is a professional network that gathers a variety of actors that are connected to the retail industry in France. Not only does it connect the retailers themselves, but also HW and SW providers such as Amigo. The membership, which is a paid subscription, grants access to commissions that have regular meetings on specific topics. The advantage of being part of Mercatel, from Amigo’s point of view, is that Amigo can get access to information about what is happening in the industry while also spreading general Awareness about Amigo. According to Amigo, a membership at Mercatel increase the chance of becoming known enough to be part of all relevant prospects’ evaluation processes.

Amigo takes part in a closed event by Business Sweden for retailers and providers in Germany. According to Amigo, this is a good opportunity to make new contacts at a more affordable price. Business Sweden, which is the Swedish Trade and Invest Council owned by the Ministry for Foreign Affairs and Swedish Foreign Trade Association, offer consulting services on internationalisation of Swedish companies and organises events to encourage export of Swedish trade. Amigo also stated that Business Sweden helped with the first meeting with FRFO in France.

FRFO mentioned that it is part of the Mercatel organisation, with the aim to get information about developments of the market and changes in legislation among other things. Another motivation for the membership is to be part of the lobbying activity toward the government, with the aim to facilitate operations in the retail industry.

4.5.3 The role of advisers

There are two different types of advisers that came up in interviews with Amigo. One type is managers and partners in consulting companies. The second type is experienced former executives in the industry. These two types of advisers are trusted by prospects and therefore important at the early stages of establishing contact.

According to Amigo-FR, who is working for Amigo in France, the company ought to build and reinforce contacts with service partners who also offer consulting services. These can be big international players, such as IBM, Accenture, Capgemini and PwC or smaller local companies that focus on the French retail industry. These companies are working with the retailers, often conducting a PoC and taking part of evaluation processes, to help the retailer find the best supplier for them. Strong connections with people in the higher ranks of consulting firms have
historically produced leads and managing the relationships well can give some information about what’s happening in the retail market.

Amigo described the advisers as “door openers” and as one of the most important communication options Amigo has; they allow for direct access by referral to decision makers of prospect organisations. The door openers are usually decision makers at big companies and have large networks and are trusted by their peers. Amigo stated that if it can get a meeting with a door opener and convince that person of the product, it can get a referral from a trusted party which can create opportunities to get meetings with for example the CIO of a retailer that Amigo would not have gotten otherwise. Amigo also stated that the door openers might have been former employees at competitors and still have contacts in the business that they are willing to put Amigo in contact with, given that they have been convinced themselves of the proposal. Personal contacts and extended network are useful for finding this type of advisers. It is also common that the door openers have their own consultancy business and receive a “founder’s fee” for a successful referral, which is likely why they are keen on meeting. Amigo also stated that this is something that the company is not fully leveraging today.

4.5.4 Partners

Another network to consider is partners (see section 4.1.8). Amigo works together with partners to reach prospects, provide services and completing projects with shared responsibilities. For example, part of the service that Amigo provides its customers can be done by an IT service partner. Partners can carry out integration, customer services and maintenance or provide HW. Amigo mentioned that it offers some services in Sweden that it lacks the capability for delivering it on a global scale, which makes certain partnerships especially important. Not having these partners, to make sure that all customer needs are covered, could potentially hinder the business abroad.

According to Amigo, the advantages of partners are not only practical but also useful for creating trust and increasing sales. Amigo explained that credibility can be built by acting as a local provider through partners. The credibility is based on the capability for local delivery, local sell-in, capabilities in the local language and professional network. It also broadens the total value proposal toward prospects as Amigo offering is complemented by the service or HW providers’ offer.

Leads on new prospects may also come from partners of current or former business. One example that was given by Amigo was when it got a referral to a new prospect from one of the Tieto team members who were involved in a recent sell-in to a competitor to this prospect in
Finland. Amigo claimed that it would not have received this lead had it only had a personal contact and not been partners.

For SEFA the partner network was important when choosing new systems, related to the POS system. For example, getting advice from a service partner when choosing a new software as current partners have a profound understanding of its business and challenges.

4.5.4.1 Planning for mutually beneficial relationships with partners

One issue is that the partners often ask for exclusivity, i.e. they want to be the only partner that Amigo works with. Amigo explained that it cannot afford doing such a thing, as it would jeopardise the flexibility. Amigo was of the opinion that it should not be so linked that if one partner is not chosen then the other one also loses the deal. The risk of losing deals is too big in exclusivity deals. Amigo meant that it wants flexibility but still partners who want to go together with joint proposals towards prospects. Amigo explained that it is necessary to have common prospects and common plans to build these kind of relationships. According to Amigo, when connecting with potential partners, it always needs to be considered that it has to be a win-win deal.

Amigo mentioned that it currently experiences difficulty to establish productive connections with potential partners in France. This is simply because Amigo is not at a stage where it has decided what actual kind of business interaction should be done with the service providers and so Amigo does not yet have a clear plan on what it wants to achieve that can be presented to potential partners. Amigo also expressed that it needs to be clearer internally on what it should be doing itself and what should be done by potential partners in France.

4.5.4.2 The role of competitors as partners

Some companies, competing with Amigo to sell POS SW, could become partners if they can complement the Amigo offer with services or HW. It is for instance the plan of Amigo to build this kind of relationship and, potentially, partnership with a competing company in France. Another company lost the POS SW deal of FRFO to Amigo, but have service capabilities that Amigo lacks. This way, that competitor gets a share of the deal as well and Amigo can offer the prospect a holistic solution.

Amigo mentioned that it believes that cooperation with HW providers enables Amigo to see what is ahead, since a lot of innovation is sprung from the HW side. When the HW needs to be up for change, it may trigger the need to change the POS SW as a result. Amigo emphasised the
need to work proactively on clarifying what it wants to achieve with potential partners. The approach should not have to differ significantly between Sweden and France, therefore a structure on how to approach French HW providers could be developed based on the experience from Sweden.

Amigo explained that some partners may be competitors one day and close partners the next. One example that was given was about a competitor that tried to convince a prospect to take its whole package including both HW and SW. When the prospect ultimately chose Amigo for SW and the competitor for HW, Amigo had to partner up with the competitor.

4.5.5 The network of Amigo’s present customers

Amigo’s customers at the home market in Sweden meet regularly to discuss both positive and negative issues related to the Amigo products, in something which Amigo calls “user group”. Amigo mentioned that this is something that prospects ask about when they are interested in Amigo and want to know more. In Amigo’s view, a strong user group would probably have an effect on prospects, who are thinking about choosing Amigo as a POS SW supplier. SEFO mentioned that his company meets other Amigo customers multiple times a year, even more often when problems arise. SEFA had a similar view, although it thought that this kind of meetings were not taking place often enough and could be complemented with a digital version as well.

Amigo also indicated that there might be forums where customers interact that could possibly be used as a communication channel. One example that was given is a community where many persons in the position of CIO in Finland meet each other on a regular basis. SEFA described an area related network as being one of the most important networks for the company, stating that there exist specific regional networks, e.g. for controlling, finance, IT and retail.

4.5.6 Internal networking within Amigo

Amigo described that it is clear about who should be contacted when, but the distance between the head office in Stockholm and the localisation in France still limits the distribution of information in some ways. According to Amigo, a structure for discussing strategy, goals and sharing ideas would probably strengthen the ability to act on the opportunities that emerge at the market in France. Also, being more tuned in to what happens in Sweden in terms of innovation could help the Amigo representatives in France to sell to prospects. Amigo noted that this would likely mean increasing the ability to leverage on the opportunities that are presented.
It was also highlighted by Amigo, that there has not been an opportunity that it has missed entirely. But that the lack of proactivity, means Amigo is not as prepared as desired. It would be better to be prepared before an opportunity is opened. Amigo explained that it is important to identify a prospect need well in advance, as well as its ability to invest. Amigo explained that this enables to present itself at a time in the prospect’s decision making process when it is probably willing to hear what kind of company Amigo is.

4.5.7 Internal networking within a prospect’s group

FRFO is owned privately by a family in France which owns several other large retailers in France and between these organisations informal networks arise. These informal networks are utilised on an ad-hoc basis when necessary. FRFO stated that the connections are mostly on the same level, i.e. CEO to CEO or POS-manager to POS-manager, as this is where information exchange is most valuable and relevant. FRFO mentioned that it was enquired by IT managers of other retailers when they were about to invest in a self-checkout system as the food retailer already had this system in place. They discussed the current solution, challenges and expectations for the future to facilitate the process for the other retailers.
5 Analysis of the case company Amigo AB

This is the fifth chapter, encompassing the analysis of the data collected from case company. It has been conducted with the help of the analytical model established in chapter 3, frame of reference. Hence, the structure of the chapter follows the steps of the analytical model.

The chapter starts with analysing the goals and priorities of the case company in the frame of the six macro criteria of the IMC. Thereafter, an analysis of the available communication options is performed with the micro perspective of Keller’s (2001) IMC model to identify the suitability of each individual communication option. The third section explores the suitability and applicability of Hofstede’s (2010) model for assessing culture in the context of the case company. The fourth section consists of an analysis of the networks of the case company and its use in the internationalisation process. The results of the first four steps of the analysis are then used to assess the IMC at a macro level. These steps follow the analytical model (see 2.4), shown in a simplified way in Figure 12.

![Figure 12. A simple illustration of the analysis model.](image-url)
5.1 Strategy

This is the first section of the analysis. It responds to the first targeted issue of the analysis model: What are the goals and priorities of the marketing communication mix strategy? This is done by using Keller’s six IMC choice criteria to analyse the empirical data of the marketing communication strategy of Amigo, presented in chapter 4. This leads to Amigo’s strategy being defined by the IMC choice criteria, which is then matched to the available communication options and networks in the final step of the analysis, see 5.5.

5.1.1 Coverage

It is a well-established opinion within Amigo that a strategy that can take advantage of existing customer references should be pursued in France (see 4.4.2.1). This suggests that the existing customer base determines what the coverage, the first of Keller’s (2001) six IMC choice criteria, should be. Amigo’s only present customer in France is a large food retailer (see 4.2.1). Hence, there is a precise focus on other similar prospects for the initial entry. This makes Amigo’s coverage (Keller, 2001), seem tightly defined. When deals have been made and strong reference cases have been built, the target group will expand in both size and type of industry.

5.1.2 Contribution

To succeed in France, Amigo stated that awareness needs to be created within the well-defined target group in the new market, and subsequently close deals with key prospects (see 4.2.3). It is also important to reassure present customers that they have made the right choice, in order to keep them long term, since this means a higher probability for getting strong customer references (see 4.2.3 and 4.3.4). The communication programme should therefore also contain components that are suitable for the reassurance objective as well. The communication programme’s contribution, the second IMC choice criterion by Keller (2001), should therefore in Amigo’s case be to take a few unaware prospects on the journey towards becoming loyal customers.

It seems likely that Amigo’s particularly long sell cycle (see 4.1.4) creates a need for a communication mix with a wide contribution. In other words, the communication mix should be a set of options which contribute to different steps of taking prospects from being unaware of Amigo to becoming customers. The new product adoption model of Garber & Dotson (2002) should be applicable for this. Yet, as Amigo is entering a new market, the prime focus is on generating the first bit of awareness (see 4.2.1). Therefore, it seems that Amigo is in need of a
communication programme with communication options that contributes to generating awareness, complemented with others for the subsequent stages of Garber & Dotson (2002) towards the adoption stage.

5.1.3 Commonality and complementarity

The target group of Amigo is more or less exposed to all communication options at some point (see 4.2.1), which makes it relevant to consider Keller’s (2001) third and fourth IMC choice criteria commonality and complementarity. As shown in 4.2.2, FRFO explained that the corporate brand message is much more credible if it is communicated throughout all occasions that a prospect is in contact with the supplier. This view that is shared by Amigo as it stated that its ambition is to communicate the new corporate brand platform through all communication options to the targeted audience (see 4.2.2). SEFO explained that the creation of this brand, as it is perceived by a prospect, begins at the first meeting (see 4.2.2). FRFO further stated that it needs to be told and proven at each contact for it to stick in a prospect’s mind. It is shown in 4.1.4 that in Amigo’s particular case, the driver behind prioritising the corporate brand as a common message seems to be the particularly long product life cycle, which characterises the whole range of Amigo’s product portfolio (see 4.1.4). This is because, as Amigo and the interviewed customers pointed out, references and product features are not enough; it must “feel” right for the prospect (see 4.2.2). Researchers such as Bendixen, Bukasa, & Abratt (2004) and Kotler & Pfoertsch (2007) state that B2B buyers buy more frequently and pay a higher price if the brand is perceived as strong. Based on this and Keller’s (2001) statement that repetition of the same content facilitates learning, designing an IMC where the corporate brand message is consistent should help conveying it to Amigo’s audience.

Considering complementarity, the available communication options Amigo appear to have different advantages that can be leveraged to complement each other instead of communicating the same message across all channels (see 4.2.2). Analysis performed later in this chapter, in section 5.1.6 and 5.5, assesses the ability for the different available communication options for communicating different brand messages.
5.1.4 Robustness

It is an established perception at Amigo that the sales process is a relation building process (see 4.3.2). It would certainly not be suitable to push the same communication throughout a communication programme that aims to build strong relations, but rather follow Keller’s (2001) adaptive strategy. Keller (2001) states that a risk of pursuing the other strategy, the “one-size-fits-all”, is that the communication loses effectiveness for parts of the audience. Based on the case of Amigo, a sales process that depends on individual relations requires an adaptive communication programme.

As shown in 4.3.4, the digital communication options are seen as less efficient to generate initial awareness; Amigo believed that prospects go online to consume information first when they are at least at the stage of interest, as described by the new product adoption model of Garber & Dotson’s model (2002). This is just one example of data that demonstrates that the various available communication options fit differently on the different stages. It is yet another argument for designing a communication programme that is adaptive, in the way Keller (2001) views it, as well as fit for the whole customer journey from being unaware of Amigo to becoming a loyal customer. These are aspects which are further analysed in section 5.1.6.

5.1.5 Cost

Amigo expressed that it finds it hard to follow up marketing investments for cost efficiency, especially when it comes to broad targeting communication options (see 4.2.4). The only action that occasionally takes place today is to compare a potential marketing investment to what could be achieved if the money would be spent for sales activities instead (see 4.2.4). What can be interpreted from this is that the only factor that drives cost, Keller’s (2001) sixth criterion, for marketing investments is the efficiency of the sales organisation. This does not satisfy the cost criterion of Keller (2001); there is a clear potential for improvement to be realised here in order to be able to continually rationalise the IMC. This point is further developed upon in section 5.5.6, where the cost criterion is analysed from a macro perspective.

5.1.6 Summary of the first step of the analysis - Strategy

Table 14 shows a summary of the findings of the analysis performed in the first step (see 5.1). After having analysed the strategy of Amigo, the findings are brought to the IMC macro analysis in section 5.5.6.
Table 14. Summarising the findings of the analysis of the strategy with the IMC choice criteria

<table>
<thead>
<tr>
<th>IMC choice criteria (Keller, 2001)</th>
<th>Amigo strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Coverage</strong></td>
<td>The target is tightly defined, based on current customer base in order to take advantage of strong and relevant customer references.</td>
</tr>
<tr>
<td><strong>Contribution</strong></td>
<td>A long sell cycle makes contribution, to the objectives of the different steps of taking prospects from being unaware of Amigo to becoming customers, desired. Some degree of focus is on generating awareness.</td>
</tr>
<tr>
<td><strong>Commonality</strong></td>
<td>The corporate brand message should be a common message throughout the IMC, since it would likely provide a competitive advantage.</td>
</tr>
<tr>
<td><strong>Complementarity</strong></td>
<td>The available communication options do have different advantages that should be leveraged in order to design an effective IMC.</td>
</tr>
<tr>
<td><strong>Robustness</strong></td>
<td>Keller’s (2001) adaptive strategy is desirable in order to design an IMC that works for a heterogeneous audience and a sales process that is characterised by long term relation building.</td>
</tr>
<tr>
<td><strong>Cost</strong></td>
<td>Developing a cost criterion poses an opportunity to gain an ability to continually improve the IMC.</td>
</tr>
</tbody>
</table>

5.2 Communication mix

*This is the second part of chapter 5, which analyses the available communication options separately.*

This section goes through and analyses the characteristics of each available communication option, their ability to create high-involvement situations, influence the decision making process and convey brand messages. The section finalises with a synthesising table connecting the available communication options to the stages of the customer journey, as illustrated by the new product adoption model of Garber & Dotson (2002).
5.2.1 Personal Selling

*Personal selling* as a communication option has the advantage of being able to convey messages that are relevant for each prospect’s particular situation (see 4.3.2). This is the basic reason for why high-involvement situations arise (Greenwald & Leavitt, 1984). A high level of involvement enhances the possibility for enduring effects of the communication (Greenwald & Leavitt, 1984; Laczniaik & Muehling, 1990). It therefore seems fair to regard *personal selling* as the communication channel that has by far the highest ability to create high-involvement situations with prospects.

At first, *personal selling* seems to be less suitable for communicating the corporate brand, as the message can be heavily influenced by the seller, see 4.3.3. The brand, as perceived by a prospect, starts to build up from the very first meeting, both confirming the official corporate brand and adding the “unofficial” dimension. Since it is a communication option that puts Amigo in direct contact with a prospect, *personal selling* seems to be a communication option fit for creating trust and developing the relationship, see 4.3.4. Still, to assure that the whole brand message is conveyed, it seems necessary to take some measures. To convey the brand message of being a supplier of a reliable system and support organisation, present customers could be brought in to meetings with prospects; since they are seen effective influencers on decision makers. Amigo has produced an official sales presentation, as well as a brand video. By taking these measures, the effectiveness of *personal selling* to convey brand messages, throughout the stages of Garber & Dotson’s (2002) model, would likely be enhanced. This would strengthen the preconditions for Amigo’s marketing communication, since a strong brand is a competitive driver in the B2B context, as suggested by Bendixen, Bukasa, & Abratt (2004) and Kotler & Pfoertsch (2007).

Amigo’s strategy is to, from the first contact, build long term relationships with the relatively few prospects within the target group (see 4.2.1). It should therefore not be a problem that Amigo estimates that it can only address about 20 prospects per year with *personal selling* (see 4.3.4). It seems to be a communication option that is fit for generating high-involvement and therefore strong and enduring awareness, as defined by Garber & Dotson (2002).

Prospects do not usually take the initiative to approach Amigo themselves (see 4.3.4). It therefore seems that certain communication options, that require the audience to initiate the connection, are not efficient at the *interest* stage of Garber & Dotson (2002). However, *personal selling* is an option that Amigo can use to approach prospects on their own terms.
Prospects also have many specific questions and want to meet with Amigo in the early evaluation stage, but they prefer to be left without personal selling when they go to trial (see 4.3.4). Personal selling therefore has a critical role to play throughout the stages of Garber & Dotson’s (2002) model, with exception for the trial stage. In line with the strategy of maintaining reassurance with present customers (see 4.2.3), personal selling is important to keep that contact (see 4.3.4.5). It increases the possibilities for getting strong customer references as well as being able to leverage a present customer as a referral. Therefore, personal selling is also relevant for Garber & Dotson’s (2002) adoption stage.

To help the reader see the analysis from a holistic viewpoint, it is visualised in Table 15. By using the new product adoption model of Garber & Dotson (2002) as a template, the personal selling can be connected to the stages based on suitability, see Table 15. Lines are drawn at the stages where the analysis has shown significant suitability. Personal selling plays a significant role throughout the journey from being unaware of Amigo to being a loyal customer and is apt at taking the particular customer’s need in to account, albeit with an increased difficulty of communicating the official brand messages.

Table 15. Relevance of personal selling in the different stages of Garber & Dotson’s (2002) model.

<table>
<thead>
<tr>
<th>Personal selling</th>
<th>Stage of the new product adoption model (Garber &amp; Dotson, 2002)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Awareness</td>
</tr>
</tbody>
</table>

5.2.2 Fairs

Amigo explained that engaging situations do not usually arise at fairs, unless it is dealing with a topic that is perceived as particularly relevant by a prospect (see 4.3.2). It was further argued that fairs also seem to be a communication option that lacks the ability to leverage customer references, see 4.3.2. As Greenwald & Leavitt (1984) explain, perceived relevance stimulates a higher level of involvement. Since it seems to be difficult to produce relevant encounters at fairs, it seems that it is an option that is performing poorly in creating high-engagement situations.
At first sight, *fairs* seems to be a communication option that works well for conveying the corporate brand, since it contains official material such as case studies (see 4.3.5). However, Amigo was of the meaning that its own corporate brand message often gets overshadowed by the topics of the *fairs*, see 4.3.3. The academic researchers Bendixen, Bukasa, & Abratt (2004) and Kotler & Pfoertsch (2007) argue that a strong brand is relevant, even in a B2B context, for creating positive attitudes in decision making. Consequently, *fairs* are likely to only have limited influence on the decision making process of a prospect.

*Fairs* seems to be a channel that is difficult to use for getting a prospect into the *awareness* stage of Garber & Dotson’s (2002) model. Amigo stated that it is witnessing that an audience who knows at least something about it is more likely to approach (see 4.3.4), which should make it more useful to move prospects from *awareness* to *interest* of Garber & Dotson’s (2002) model. When discussing the later stages of *evaluation* to *adoption*, *fairs* received little to no attention (see 4.3.4). This indicates that *fairs* is a significantly less effective communication option for accomplishing the communication objectives of those stages.

Table 16 shows the relevance of *fairs* in a prospects journey to become a customer. *Fairs* seem to be having low engagement with prospects as well as having trouble communicating the corporate brand in an effective way. They do however provide an opportunity for prospects that are in the *awareness* stage to increase their knowledge and consequently induce *interest*.

*Table 16. Relevance of fairs in the different stages of Garber & Dotson's (2002) model.*

<table>
<thead>
<tr>
<th>ACO/Network</th>
<th>Stage of the new product adoption model (Garber &amp; Dotson, 2002)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Awareness</td>
</tr>
<tr>
<td>Fairs</td>
<td></td>
</tr>
</tbody>
</table>
5.2.3 Research companies

The research companies release independent market reviews that focus on the technical aspects (see 4.1.9). These are read by the prospects within Amigo’s target group that are about to commence their purchase process (see 4.3.4.1 and 4.3.4.2), which suggests that being in these reports means both awareness as well as interest may be stimulated. Being found in a report from a research company implies to the readers, including prospects, that Amigo is a trustworthy supplier that should be considered (see 4.1.9 and 4.3.4). It is not uncommon of getting noticed for the first time by unaware prospects through these reports, see 4.3.4.1, and it appears that an absence of Amigo would decrease the opportunity to be discovered by unaware prospects.

After the initial stages of awareness and interest of Garber & Dotson’s (2002) model, the relevance of the research companies seems to diminish, as the softer qualities of a brand cannot be seen in this type of reports, see 4.3.4.2. Relevance is according to Greenwald & Leavitt (1984) strongly related to the long-term effectiveness of communication. Consequently, research companies as a communication option, is not suitable for evaluation or trial of Garber & Dotson’s (2002) model. However, these reports may have a reassuring effect for present customers (see 4.3.4), means that it could also be a relevant communication channel for the adoption stage of Garber & Dotson’s (2002) model.

Table 17 shows the result of above analysis. Research companies provide an opportunity of being found by unaware customers as well as increasing the interest in a customer who is already familiar by creating an initial level of trustworthiness. The research companies can also be beneficial to the supplier by reassuring current customers that their supplier is still relevant in the market. The lack of showcasing the corporate brand and softer qualities, however, make it an unsuitable communication option for evaluation and trial.

Table 17. Relevance of research companies in the different stages of Garber & Dotson’s (2002) model.

<table>
<thead>
<tr>
<th>ACO/ Network</th>
<th>Stage of the new product adoption model (Garber &amp; Dotson, 2002)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research companies</td>
<td></td>
</tr>
</tbody>
</table>

96
5.2.4 Proof of Concept - a communication option for the Trial stage

The trial stage of Garber & Dotson’s (2002) model occurs when a prospect is willing to try the offering in order to see how it would works in reality. This is precisely the reason Amigo gives for doing a Proof of concept (PoC) with lead prospects (see 4.3.4). Although a PoC usually consumes 10-21% of the total sales budget, it can be estimated that only about 20% of leads are lost after having done one (see 4.3.4). One reason for this is that after having invested time and money during a PoC, while also strengthening the supplier-customer relationship, it becomes more difficult to let go of the supplier (see 4.3.4). This should indicate that it is an efficient tool and communication option at the trial stage.

B2B customers in general do not spend their own money and are therefore averse to risk (Rieck, 2000). The interviewed customers all viewed a PoC as something that can be offered for lowering the risk (see 4.3.4), which is perceived as exceptionally high when it comes to a POS system. The trial stage is when the perception of Amigo’s brand, in the eyes of a prospect, is strongly established (see 4.3.4 and 4.3.5). Showing reliability and dedication is therefore probably the main driver of a successful PoC.

Because a PoC mainly consists of the technical staff from both companies working together to create a solution, communication flows more freely (see 4.3.4). As Garber & Dotson (2002) point out, a whole group of people is involved in the decision making process, including the actual users. During the trial stage, their opinions have an impact on the decision, according to both Amigo (see 4.3.4 and 4.3.5) and SEFO (see 4.3.4). The “unofficial” brand and the people behind the company start to have a large impact on how the supplier is seen, see 4.2.2. Therefore, considering the end users when designing a PoC is a factor for successfully passing the trial stage and it is likely that the company culture will have an impact on the attitude of the prospect.

Table 18 shows the result of the analysis of PoC as a communication option itself, and indicates that a PoC is only relevant in the trial stage of Garber & Dotson’s (2002) model and it is strongly influenced by company culture and the “unofficial” brand. However, using a PoC is seemingly a particularly strong tool for convincing a prospect to become a customer.

Table 18. Relevance of Proof of Concept in the different stages of Garber & Dotson’s (2002) model.

<table>
<thead>
<tr>
<th>Stage of the new product adoption model (Garber &amp; Dotson, 2002)</th>
<th>ACO/ Network</th>
<th>Awareness</th>
<th>Interest</th>
<th>Evaluation</th>
<th>Trial</th>
<th>Adoption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proof of Concept</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

97
5.2.5 Website

Amigo, as well as interviewed customers, expressed the view that an unaware prospect simply does not look online for information at this stage (see 4.3.4). Even if a web search is made, relevant results are hard to find (see 4.3.4), which makes it seem rather unlikely that a prospect would find the Amigo website without knowing about it. A website should therefore be considered as a rather inefficient communication option for bringing a prospect into Garber & Dotson’s (2002) awareness stage.

All customer interviewees held the view that a prospect that is already interested is likely to visit the website to check up things that are of particular concern to that prospect (see 4.3.4). A website is perhaps not a communication option that on its own can move prospects from the interest stage to evaluation, but it is seen as a hygiene factor that prospects expect to have access to (see 4.3.4). Increasing the website’s relevance, should raise the level of involvement from the audience (Greenwald & Leavitt, 1984). A website could therefore be viewed as a communication option that has at least some effect on moving prospects from interest to evaluation.

FRFO as well as Amigo are sure that, by making a French version of the website, Amigo would not only be viewed as a relevant and credible international POS SW supplier, but also increase the accessibility to a broader French audience (see 4.3.3). More direct interaction between Amigo and the visitors on the website (see 4.3.5) could mean that visitors find relevant information more easily. Accessibility and relevance therefore seem to be the major factors of what makes a website efficient to influence the audience.

Table 19 shows that the website is primarily suitable in the interest stage of Garber & Dotson’s (2002) model. It seems to be the case that the website is a necessary communication option to have in place and that, with a relevant and accessible website, high-involvement situations can take place.

Table 19. Relevance of a website in the different stages of Garber & Dotson’s (2002) model.

<table>
<thead>
<tr>
<th>ACO/ Network</th>
<th>Stage of the new product adoption model (Garber &amp; Dotson, 2002)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Website</td>
<td>![Graph showing relevance]</td>
</tr>
</tbody>
</table>
5.2.6 Social media

Amigo uses social media scarcely at the home market and not at all in France yet (see 4.3.1). Many recent studies show that B2B companies in general lack understanding and are not taking advantage of the potential benefits that social media may offer them (Järvinen et al. 2012; Michaelidou et al., 2011). As shown in see 2.1.2, doubters mainly refer to the nature of B2B business being incompatible with social media. It therefore seems that it does not yet come fully natural to B2B customers to check social media channels for information.

Both Amigo and the interviewed customers mentioned that there is future potential for social media communication options. According to Amigo, social media channels such as LinkedIn could be used to create a dialogue with a high level of involvement from the audience (see 4.3.2). High-involvement situations are a precursor for enduring, which in turn means that this kind of communication effect (Greenwald & Leavitt, 1984). This means in turn that social media, as a communication option, has an inherent ability to create more enduring effects of the communication.

Interestingly enough, the proponents of social media communication viewed these channels to be important at the Adoption stage of Garber & Dotson’s (2002) model (see 4.3.4). Social media channels do not generate much traffic at the Interest - Trial stages, (see 4.3.4), which seems to be driven by a perception that prospects are only motivated to look at the social media channels themselves at the earlier stages. Keeping adopted customers updated on what Amigo is doing and reassuring them of their choice of Amigo is important for Amigo’s long term businesses (see 4.3.4.5), which are two objectives that social media could surely be a suitable communication option for.

In Table 20, the relevance of social media in relation to the stages of Garber & Dotson’s (2002) model is visualised in order to facilitate for the reader the result of the analysis. In summary, social media seems to have the opportunity of being a strong communication option in the adoption stage in the future, but lack of knowledge seems to have stopped this from being leveraged yet.

Table 20. Relevance of social media in the different stages of Garber & Dotson’s (2002) model.

| Stage of the new product adoption model (Garber & Dotson, 2002) |
|------------------------|------------------|------------------|------------------|------------------|------------------|
| ACO/ Network           | Awareness        | Interest         | Evaluation       | Trial            | Adoption         |
| Social media           |                  |                  |                  |                  |                  |
5.2.7 Summary of the second step of the analysis - Communication mix

Amigo and all the interviewed customers perceived the available communication options to have different suitability for different promotional objectives. The proposal of Smith & Taylor (2004), to have the communication options complement each other to move prospects through the stages from awareness to adoption, therefore seems rational. By combining Table 15 through 17, the available communication options can be connected to the stages of Garber & Dotson’s model (2002). This is shown in Table 21, as a visualisation of all Amigo’s available communication options’ suitability for the different stages. For each communication option, lines are drawn at the stages where the analysis has shown significant suitability. It is a basis for the step 5 of the analysis, the macro level assessment of the IMC (see 5.5).

Table 21. Overview of relevance of available communication options at the stages of Garber & Dotson’s model (2002).

<table>
<thead>
<tr>
<th>ACO</th>
<th>Awareness</th>
<th>Interest</th>
<th>Evaluation</th>
<th>Trial</th>
<th>Adoption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal selling</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fairs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research companies</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proof of Concept</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Website</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social media</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5.3 Culture

This part of the analysis goes through six dimensions of culture separately and finalises with a synthesising illustration of the applicability of Hofstede’s model on the particular context of this study.

Is nationality the main source of culture in the studied context or is another source more strongly defining? Goodenough (1971), as well as several other authors, argue that nationality may not be the sole source of cultural behaviour. Consequently, it is of interest to identify if other sources are at play when trying to adapt the communication mix to accommodate another culture than the domestic.

5.3.1 Power distance is a national quality

In section 4.4.2.1 Amigo-FR, who works for Amigo in France, stated that respect and its structure between employees of different rank and between supplier-customer is considered as important in France. This, as well as the fact that it is important to bring people of the same rank to meetings, indicates that the French culture has a high power distance index based on the factors described by Hofstede (2010). FRFO stated in section 4.4.3 that the importance of hierarchical level is decreased by using a less formal way of addressing one another, regardless of rank. This fits well with what Goodenough (1971) points out, as other sources influencing the culture of the organisation.

In France, the relationship structure described by Amigo-FR not only defines how respect should be paid but also who owns the decision to move a relationship further, see 4.4.2. The manager will take the first step to discuss personal matter rather than the subordinate and similarly the customer will decide when to take this step rather than the supplier. Sweden seems to stand in contrast to this, as Amigo explained (see 4.4.2) that how social or professional a relationship is kept is dependent on the persons in questions, just like in any other social setting. This seems to suggest strong hierarchical structures of relationship in France, which is related to high power distance according to Hofstede (2010).

In Sweden, both Amigo and its customers saw the opinion of subordinates as appreciated and that consensus was always sought, see 4.4.2 and 4.4.3. The consultative style of taking a decision is, according to Hofstede (2010), a sign of low power distance. This seems to suggest that, as Hofstede’s (2010) data indicates, Sweden is a country of low power distance.
The findings indicate that there is a difference in the power distance in the two studied countries and that the variables that are the same, for example case company and industry, is not deciding in this dimension. This suggests that power distance is mostly decided by the national culture with some influence from other factors. The power distance consequently seems to be a factor affecting the effectiveness of the communication mix and the PDI should be considered when designing an IMC for a new market, as visualised in Table 22.

Table 22. The impact of power distance on the IMC

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Impact on IMC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power distance</td>
<td>Should be considered</td>
</tr>
</tbody>
</table>

5.3.2 Individualism-collectivism

One of the main differences that Hofstede (2010) states between a collectivistic and individualistic society is how work and personal life is separated. Both Amigo (see 4.4.2) and the interviewed customers (see 4.4.3) seem to converse some about their private life with colleagues and suppliers, and mix personal life with work to a certain extent. However, it does not seem to be as interrelated as described by Hofstede (2010) and the relationships seem to be more on a person-to-person basis, rather than in-group or out-group. The interpretation of these observations is that both countries are likely to be individualistic.

Trust building is a trait which is important in Amigo’s context, and a trait that is connected to collectivistic societies according to De Mooij & Hofstede (2010). This may lead to the conclusion that the industry in which Amigo operate is inclined to be collectivistic. The reason behind the importance of trust building is, however, likely to be related with the fact that the decision makers want to lower the risk in these kind of deals, see 4.2.2. This should make it more relevant to consider in the uncertainty avoidance dimension in section 5.3.4.

The data from the research in this study is not showing any differences between the two studied countries. They also have the same score in Hofstede’s data (71), which indicates a high individualism in both countries. The results should therefore be interpreted as inconclusive, as shown in Table 23, and further research is necessary.
Table 23. The impact of individualism-collectivism on the IMC

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Impact on IMC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individualism-Collectivism</td>
<td>Inconclusive evidence</td>
</tr>
</tbody>
</table>

5.3.3 Masculinity-femininity

De Mooij & Hofstede (2010) argue that one of the characteristics that differentiate a masculine culture from a feminine one is how the individuals of the society take interest in products. A more feminine culture will be interested in the story behind whilst a masculine culture will be more interested in the facts and data of the product. All the respondents of the interviews, both customers and supplier, listed hard qualities such as product features, standardisation, flexibility for the future and cost as the most important factors, see 4.4.2 and 4.4.3. As Hofstede (2010) list Sweden as a feminine culture, with a score of 5, and France as a moderately masculine one, with a score of 43, this seems to indicate that the source of the cultural behaviour is not the national character.

Amigo-FR, Amigo’s French employee, believed however, see 4.4.2.1, that France may have a culture that is more machismo than Sweden (see 4.4.2.1). This seems to be supported by the reaction of the French team and Swedish team in the meeting that was described, in which one of the Swedes left to pick up one of their children, see 4.4.2.1. The French thought this was strange, while the Swedes seemed to accept it as normal behaviour. There may consequently be a need to consider Hofstede’s dimension of masculinity-femininity when designing the IMC.

The results indicate that the masculinity-femininity may derive from several cultural sources, with a seemingly high index throughout the industry of Amigo, but yet some differences between the two countries. As Goodenough (1971) points out, it is not uncommon with this situation. This result is shown in Table 24. However, the implications in relation to the purpose of this thesis seem to indicate that a focus on hard facts should be prioritised in the communications. This would mean that a standardised approach could be used in the IMC for the features that are affected by this dimension.
Table 24. The impact of masculinity-femininity on the IMC

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Impact on IMC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Masculinity-Femininity</td>
<td>Some noted difference between societies</td>
</tr>
</tbody>
</table>

### 5.3.4 Uncertainty avoidance

The impact of the product on the customers’ business makes the decision makers of the customer risk averse in taking the decision, and consequently they seek to lower the uncertainty to a high degree, see 4.2.2. This can be seen in the impact current customers can have on convincing a prospect, see 4.2.3, as well as the importance and dependence of the PoC, see 4.2.2. The nature of the decision therefore seems to drive high uncertainty avoidance for Amigo’s customers.

FRFO described, see 4.5.1, that personal networks are used to gain insights before important meetings as well as to find out what the other members of the meeting stand on the topic before the meeting. He stated that this is to identify and solve any issues and differences before the meeting as to avoid the discussions in the meeting. Amigo held a similar view (see 4.4.2.1), and described uncovering hidden problems before they happen and planning as two of the most important tasks of the managers handling the POS-project. This behaviour seems to strive to ensure a sense of security, and as Hofstede (2010) argues, a need for predictability indicates high uncertainty avoidance. This seem to put France very much in line with what Hofstede (2010) suggest to expect, with a UAI value of 86.

For Sweden on the other hand, Hofstede (2010) states that a low uncertainty avoidance can be identified with a value of 29. The findings in this study however indicate that the value is high for Sweden as well. According to SEFO, see 4.4.3, a large amount of trust is put in the tactical and operational level by the decision makers when choosing POS system as they should have the best knowledge of the system. This view was confirmed by Amigo, see 4.4.2.2, who believes that the IT-department should be responsible for producing the basis and the recommendation for the system to the decision makers. De Mooij & Hofstede (2010) argue that a high belief in experts is associated with high uncertainty avoidance.
Because of the importance of the product on the customer’s business in this specific context, the uncertainty avoidance seems to be higher than what Hofstede’s data show for the case countries, 86 for France and 29 for Sweden. This indicates that high uncertainty avoidance can be assumed, even though Hofstede’s (2010) data might show differently, as the main cultural source is not nationality in this context. This result is shown in Table 25.

Table 25. The impact of uncertainty avoidance on the IMC

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Impact on IMC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uncertainty avoidance</td>
<td>No noted difference between societies</td>
</tr>
</tbody>
</table>

5.3.5 Long-term orientation

According to FRFO, see 4.4.3, it is more important with the long-term perspective than the immediate benefits. A similar statement came from SEFO. This view is also shared by SEFO, see 4.4.3, who listed long-term flexibility as one of the most important factors when evaluating POS systems. The long-term orientation describes, as previously stated, if members of the society expect efforts to produce results quickly or if they will persevere to achieve results in the long run (Hofstede, 2010). There seems to be a strong indication that the long-term view is shared by both cultures.

As the POS system is an investment which is supposed to be used for at least seven to eight years, it is inherently more prone to be considered in a long-term perspective. Both customers and Amigo seem to agree that the longevity and flexibility for the future needs is more important than the immediate needs of functionality which further indicate a long-term orientation. Hofstede (2010) argue that Sweden generally does not have a clear preference on long-term orientation and France is indicated to have a high score. The implications are thus that the cultural source is more dependent on other factors than national culture, a result that is shown in Table 26.

Table 26. The impact of long-term orientation on the IMC

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Impact on IMC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-term orientation</td>
<td>No noted difference between societies</td>
</tr>
</tbody>
</table>
5.3.6 Indulgence versus restraint

The example where Amigo-FR described a cultural shock between the Swedish office, him and FRFO, see 4.4.2, can be seen as illustrating a difference between the Swedish and French culture concerning to what degree they restrain certain behaviour and accept deviant behaviour. The French reacted strongly when one of the Swedes was open with the need to pick up their child and left, the behaviour was seen as strange. Hofstede (2010) argues that a restrained culture will have social rules which restrain certain types of behaviour. This seems like exactly what happened in that situation, as the French had commented on the fact afterward and stated that it was right to do, although that they would have never done it themselves.

Regarding the IVR, Hofstede (2010) is of the meaning that Sweden is a very indulgent society with a high score (78) whereas France is a fairly restrained society with a medium score (48). The results seem to imply the same, which is why the IVR dimension should be considered when designing the IMC. This is shown in Table 27.

To consider the IVR in the IMC means, according to Hofstede (2010) that the style of the communication needs to be adapted. Accordingly, a communicator from an indulgent society that is communicating with an audience from a restrained society should be careful not to be too informal when communicating, and also consider what the expected behaviour is in the restrained society, not stepping too far from these conventions.

Table 27. The impact of indulgence vs restraint on the IMC

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Impact on IMC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indulgence vs restraint</td>
<td>Should be considered</td>
</tr>
</tbody>
</table>

5.3.7 Summary of the third step of the analysis - Culture

The findings of the analysis of the culture dimensions, as shown in Table 22 to Table 27 are summarised in Table 28, with the respective dimensions in the left column and their impact on the design of the IMC.
Table 28. Overview of indications for applicability of Hofstede’s (2010) model.

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Impact on IMC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power distance</td>
<td>Should be considered</td>
</tr>
<tr>
<td>Individualism-Collectivism</td>
<td>Inconclusive evidence</td>
</tr>
<tr>
<td>Masculinity-Femininity</td>
<td>Some noted difference between societies</td>
</tr>
<tr>
<td>Uncertainty avoidance</td>
<td>No noted difference between societies</td>
</tr>
<tr>
<td>Long-term orientation</td>
<td>No noted difference between societies</td>
</tr>
<tr>
<td>Indulgence vs restraint</td>
<td>Should be considered</td>
</tr>
</tbody>
</table>

The results of the case study support the view of Wong & Merrilees (2007), who argue that cultural differences should be taken into account when designing an IMC for a new market. Still, it should also be expected that similarities to the domestic market can be found.

The findings indicate that the power distance dimension and the indulgence vs restraint dimension should be considered to have nationality as the main cultural source. This means that the data that Hofstede (2010) have produced should be consulted when designing the IMC for a new market and the implications for the consideration to take for the market in question should be used.

The masculinity-femininity dimension, uncertainty avoidance dimension and long term dimension seem to emanate not from the national culture, but from the nature of the product and investment, i.e. the specific context in which the case company exist. This does not imply that the suggested adaptations to make in section 2.2.2, are invalid, but rather that the IMCs for the different markets can share some features.

For the individualism-collectivism dimension, the findings in the case study are in line with what Hofstede (2010) suggests. As Sweden and France score the same (71) on this dimension, it is not possible to discern what the source of this characteristic is. It may be the national culture, the nature of the product, or something else.
5.4 Networks

The networks available to Amigo are analysed separately in this section. It finalises with a synthesising illustration of their suitability for different stages of the process of taking a prospect from being unaware towards adoption.

The analysis in this section uses the Uppsala model of Johanson & Vahlne (2009) for identifying processes of change in the network position and the SNMM model of Jones, Suoranta & Rowley (2013) in order to identify opportunities. Since, according to Jones, Suoranta & Rowley (2013), networks can create opportunities that are relevant to communication objectives, they are considered as communication options in themselves in parts of this analysis, for which the micro perspective of the *Marketing Communication Tetrahedron* by Keller (2001) has been used.

5.4.1 Personal networks

Amigo seems to be operating in an industry where decision makers are strongly risk averse (see 4.2.2), a behaviour which Rieck (2000) argues originates from the accountability factor. This seems to be the reason for why decision makers leverage their personal networks before making any decision (see 4.5.1); to gain information and make the decision less uncertain. The customers of Amigo seem to put a large amount of trust in their personal network and may use personal contacts as referrals, see 4.5.1. Jones, Suoranta & Rowley (2013) describes that social networks, which are seemingly similar to personal networks, can be used for *firm profile raising* and *word-of-mouth sales promotion*. Keller (2001) also argues that, to produce the correct response from the customer and communicate, the correct message it is critical to have a clear brand strategy. Therefore, it should be vital for Amigo to be clear throughout all its communication about what its values are, in order to leverage the word-of-mouth and firm profile raising opportunities that can be produced through the personal networks. Since the communication of personal networks mostly concerns word-of-mouth and is used by a prospect before it has any established contact with the supplier, see 4.3.4.1, it seems like a communication option with good opportunities of raising trustworthiness and *awareness*. This makes it useful in the first stage of the customer journey, as described in Garber & Dotson’s (2002) model.

The personal networks of Amigo’s employees can also be a useful resource. It seems that these personal networks can create similar kinds of opportunities that the *social network*, described by Jones, Suoranta & Rowley (2013), does. This means that leveraging personal networks of Amigo employees should mean increased *word-of-mouth* as well as possibilities to *gather market and competitor information*. According to Keller (2001), it is critical to collect information and understand the customer and market in order to reach and influence the customer effectively.
This is why it seems relevant for Amigo to leverage the personal networks of its employees and encourage the employees to identify opportunities with personal contacts. Opportunities may, as Johanson & Vahlne (2009) states, be acts of learning, creating and trust-building.

Table 29 shows how the analysis placed personal networks in Garber & Dotson’s (2002) model. As illustrated, it is most likely only relevant to be seen as a communication option in the awareness stage, as it is probable that a prospect transitions into direct communication with Amigo afterwards. Personal networks also provide opportunities of gathering market information which is critical to develop an understanding of customers and prospects.

Table 29. Relevance of personal networks in the different stages of Garber & Dotson's (2002) model.

<table>
<thead>
<tr>
<th>ACO/ Network</th>
<th>Stage of the new product adoption model (Garber &amp; Dotson, 2002)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Awareness</td>
</tr>
<tr>
<td>Personal network</td>
<td></td>
</tr>
</tbody>
</table>

5.4.2 Professional networks

The analysis in this section is based on the empirical data in section 4.5.2.

The professional networks are networks that collect a fee in exchange for participation in industry related events. There does however seem to be a difference between what the customers use some of the professional networks for and what Amigo aims to accomplish with them. Based on how a French network is described by FRFO, prospects aim to gain market intelligence as well as to be part of the lobbying movement in the retail industry, while Amigo aims to raise awareness about its brand. The consequence of the disconnect between the two parts is likely to result in a decrease of what Greenwald & Leavitt (1984) describes as perceived relevance, which decreases the prospects’ interest as well as the chances of a high-involvement situation (Laczniak & Muehling, 1990).

The professional network supplied by Business Sweden does seem to provide opportunities in getting the first meetings in new markets, and even so at a lower cost. Similarly to what Jones, Suoranta & Rowley (2013) propose for the Business network, leveraging the professional networks seems to be most advantageous for understanding each unique prospect and gaining a deeper understanding of their need. Keller (2001) states that collecting information and understanding the customer is critical in developing effective communications, which seems to suggest that professional networks can be valuable. These networks probably have some ability
to influence a prospect in the stage of *awareness*, as described by Garber & Dotson (2002). However, as there are differences in what different professional networks provide, as well as differences in costs, they should be evaluated separately when entering new markets.

Similarly to what Jones, Suoranta & Rowley (2013) propose for the *Business network*, leveraging the professional networks seems to be most advantageous for understanding each unique prospect and gaining a deeper understanding of their need. Table 30 shows the result of the analysis in this section, indicating that the professional networks are most suited to provide an impact as a communication option in the first stage of Garber & Dotson’s (2002) model. However, it is important to recognise its limited capability; it would probably be useful to think of the professional networks not as a communication option per se but rather a source of information.

*Table 30. Relevance of professional networks in the different stages of Garber & Dotson's (2002) model.*

<table>
<thead>
<tr>
<th>ACO/Network</th>
<th>Stage of the new product adoption model (Garber &amp; Dotson, 2002)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional network</td>
<td><img src="image" alt="Diagram" /></td>
</tr>
</tbody>
</table>

**5.4.3 Advisers**

Once a new opportunity is identified by Amigo, either by receiving leads or by targeting new prospects, it wants to progress and make an initial contact, see 4.5.3. However, since getting the first meeting is so critical, while reaching decision makers and influencers is difficult, Amigo explained that it tries to reach them through a trusted channel that facilitates the process (see 4.5.3). The *advisers* are, as stated in 4.5.3, trusted parties with connections to the identified opportunities and can function as “door openers”. This suggests that they have strong *market influence*, similarly to the *Business network* of Jones, Suoranta & Rowley (2013) and therefore seem capable of moving prospects further into the *awareness* and *interest* stages of the new product adoption model of Garber & Dotson (2002),

Involving advisers can be seen as a process that performs two cycles of the phases in the Uppsala model by Johanson & Vahlne (2009). This means to first bond with the adviser itself, then going together toward a prospect. The changes in the network and phases can be seen in Figure 13, where the numbers 1-4 represent the phases of the cycle with a prospect, and 1.1-1.4 the phases of the cycle with the adviser. The second cycle is, in other words, within the first cycle.
Getting to a relational commitment with an adviser may of course involve more than just one step. As described in 4.5.3 a supplier of POS SW often has to leverage the network of its network. This is only the first step of a long process of building a relationship with a potential customer, going through the first stages of the model by Garber & Dotson (2002). However, leveraging advisers whenever possible to enable the first meetings with customers is likely to provide advantages, as it seems that the relevance is perceived to be higher by both parties, see 4.5.3. Relevance is according to Greenwald & Leavitt (1984) an antecedent to high-involvement situations, which creates longer lasting effects. Consequently, the need to develop a process for finding and developing the network position toward advisers is likely to be important for the success of an internationalisation process of a SWD SME.

Table 31 shows that advisers are useful in the first stages of Garber & Dotson’s (2002) model. They seem to provide a high impact and engaging situation with the customer when they act as a trusted intermediary which offers an advantageous starting point for a relationship with a prospect as they seek trustworthiness in the early stages.
5.4.4 Partners

The influence that partners have on prospects is palpable throughout the whole journey of the customer, from not knowing about the brand to being a customer (see 4.5.4). This, together with the fact that partners are often competitors in one part of the deal and partners at another stage, makes the process of approaching and leveraging partners as a communication option challenging (see 4.5.4). However, a manageable structure could be designed in two steps. First, see them as advisers, HW partners and service partners. Then, separate them by their influence on a prospect and at what stage of the new product adoption model of Garber & Dotson (2002) they take part in (as per 4.5.4). The analysis of leveraging the partners that offer advice, termed “advisers”, at the early stages leading up to the deal is done in 5.4.3 above. Below follows the analysis of using the partners at the later stages of evaluation to adoption.

5.4.4.1 Leveraging HW and Service partners at the Evaluation and Trial stage

HW and service partners have historically provided Amigo with some leads. However, their influence on prospects seems to be stronger on the latter part of the stages of Garber & Dotson’s (2002) new product adoption model. At the evaluation stage, Amigo may have to come with a joint proposal with partners. Because prospects know that they will have to live with the partners for several years, the influence of partner networks is strong at the adoption stage as well (see 4.5.4).

Service partners tend to have a broad value proposal and Amigo is dependent on them in the proposals when doing business abroad in order to create credibility and capability, since they do not provide service such as implementation projects, maintenance and customer service outside of Sweden (see 4.5.4) which makes it important to have a good network position to the service partners. The service partner network can also be seen as a communication option in itself, as Amigo produces a joint proposal with its partner that both entities communicate toward a prospect. The service partners will therefore be an advocate of the Amigo brand from the stage of evaluation throughout adoption of Garber & Dotson’s model (2002). To produce the correct response from the customer and communicate the correct message through the partner, the brand
strategy should be clear (Keller, 2001). This makes it important for Amigo to be successful in its development of the brand platform (see 4.2.2) and the communication of it toward the partners.

The HW partners on the other hand often have their own SW solution. Since, Amigo provides a platform-independent solution there is competition at the stages before, and sometimes even during, trial stage, see 4.5.4, of Garber & Dotson’s model (2002). This may lead one to think of the HW partners as a channel to ignore before the deal has been made. However, as seen in 4.5.4 the HW provider may have a deciding influence over the SW solution to be used. Ergo, it is appropriate to not consider primarily how a SWD SME can utilise HW partners as a communication option but rather how to gain a favourable network position to the HW partner and leverage the brand to ensure that they are the first hand choice of the HW provider, should its own SW not be chosen.

Table 32 shows the result of the analysis above. The indirect involvement in the initial stages of Garber & Dotson’s (2002) model is represented by the circle of word-of-mouth. As the partners provide indirect contact to a customer or prospect it is vital that a favourable network position and a clear brand strategy is in place to enable that desirable messages are spread throughout the partner networks.

Table 32. Relevance of partners in the different stages of Garber & Dotson's (2002) model.

<table>
<thead>
<tr>
<th>ACO/ Network</th>
<th>Stage of the new product adoption model (Garber &amp; Dotson, 2002)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Awareness</td>
</tr>
<tr>
<td>Partners (Service) network</td>
<td></td>
</tr>
<tr>
<td>Partners (HW) network</td>
<td></td>
</tr>
</tbody>
</table>

5.4.5 A network of customers

There seems to be a word-of-mouth effect (see 4.2.3 and 4.3.4) that could make customer referrals relevant at the awareness stage of Garber & Dotson’s model (2002). Both Amigo as well as its customers put forward that it is key for a supplier to establish trust from the start, which is effectively done through present customers that are influencing prospects who do not know about Amigo yet (see 4.3.4). At the evaluation and trial stage of Garber & Dotson’s model (2002), the current customer base is an important asset, see 4.2.3. SEFO described that current customers benefit from Amigo gaining new customers, since this helps distribute the R&D costs over more customers, which in the long run leads to lower cost for the POS system for each
customer as well as a higher degree of innovation, see 4.2.3, that can be leveraged through different communication options. This has been dealt with in the analysis in section 5.1.6.

A user group is another important customer network to consider. Michaelidou et al. (2011) highlight the potential benefits, especially for B2B SMEs, through building and fostering customer relationships. Having a user group could be leveraged as a unique selling point for Amigo when communicating with prospects at the interest and evaluation stage of Garber & Dotson’s model (2002), see 4.5.5. A continually active user group itself could work as a communication option at the adoption stage to drive these relationships with present Amigo customers (see 4.5.5). It would also provide Amigo with information about current and future needs and problems of the customers (see 4.5.5), which Keller (2001) describes as critical for understanding the customer in order to communicate effectively. A user group that meets on a digital platform on a continuous basis and physically once or twice per year would both create the continuous reassuring effects for the customers as well as providing the in-depth insights that Amigo would benefit from.

“Innovation groups”, as described in 4.3.5.1, are valuable both for customers and Amigo. Being seen as innovative appears to be particularly important when it comes to developing present customer relationships (see 4.3.5.1). Perhaps more importantly, Amigo can take advantage of this network to create events with topics about innovation. Innovation groups therefore seems to be a type of customer network that works well in the adoption stage of Garber & Dotson’s (2002) model, to establish a perception of a company such as Amigo as an innovative POS SW supplier.

SEFO described that current customers benefit from Amigo gaining new customers, since this helps distribute the R&D costs over more customers, which in the long run leads to lower cost for the POS system for each customer as well as a higher degree of innovation, see 4.2.3. The current customer base should therefore not be overlooked, as it poses great opportunities for Amigo.

Table 33 shows that the customer network is involved in the whole process of the customer journey, implicitly (awareness to interest) or directly (evaluation, trial and adoption). The analysis showed that it is vital to care for the current customers and foster the relationships, as they have a strong impact on prospects as well as the satisfaction of current customers.
5.4.6 Internal network at Amigo

Amigo seems to be lacking processes for sharing best practices and market knowledge, since Amigo-FR feels disconnected from the innovation being done in Sweden, as well as explicitly requesting a structure for discussing strategy, goals and idea sharing which would enable a more proactive approach, see 4.5.6. As suggested by Jones, Suoranta & Rowley (2013), it may provide opportunities of sharing these things, which according to Keller (2001) is critical in order to reach and influence the customer effectively. Amigo should take advantage of these opportunities and be aware of the situation, especially when establishing presence in new markets. However, the internal network at Amigo cannot be seen as a communication channel toward the customer per se, since it is not connected with external parties per definition.

5.4.7 Internal networking within a prospect’s group

As some customers use the same POS system solution for the whole group and others use different solutions for each business area, the structure and power of influence in the group varies depending on the customer in question, see 4.5.7. Some may take its own business area’s view into consideration only and others may be forced to accommodate the needs of all business areas. Regardless, each business area will influence the decision on POS-solution in some way or another and working towards the whole group is a necessity. Mapping these networks may however be a difficult and complex process as they are sometimes informal. Based on the view of FRFO, see 4.5.7, they will seek advice from other group members when, for example, reviewing the market and in the decision process by informally contacting a person with a similar position as themselves at the other business area. As the other members of the group may provide input at any stage of Garber & Dotson’s model (2002), there seems to be a need to map and constantly improve network position with the decision makers at all members of the company group.
Table 34 illustrates that a prospect’s intra-network may influence the decision makers at all times. The analysis has showed that this type of network may be difficult to map in terms of who may be influencing who. Still, for a customer who has different systems for each business area it may have an impact in the long run.

Table 34. Relevance of prospect intra-network in the different stages of Garber & Dotson’s (2002) model.

<table>
<thead>
<tr>
<th>ACO/ Network</th>
<th>Stage of the new product adoption model (Garber &amp; Dotson, 2002)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Awareness</td>
</tr>
<tr>
<td>Prospect intra-network</td>
<td></td>
</tr>
</tbody>
</table>

5.4.8 Summary of the fourth step of the analysis - Networks

The research in this study has shown that networks are, in the context of SWD SMEs and especially in the B2B industry, of outmost importance. This confirms the view of notable authors Johanson & Vahlne in their article from 2009. The need to develop and leverage different networks depends on what the aim and strategy with the communication mix is, as some networks are more suitable for specific stages of prospects’ journey. Table 35 shows a summary of the networks, together with the various stages of Garber & Dotson’s model (2002). For each available network, lines are drawn at the stages where the analysis has shown notable suitability. It is a basis for the next step of the analysis, the macro level assessment of the IMC.
5.5 Macro level assessment of IMC

This section is the final step of the analysis. Based on the insights from the previous steps of the analysis, this part builds an understanding of what Amigo should consider, in its particular context, when design its communication mix strategy.

5.5.1 Coverage

Given that Amigo’s target is narrow in France, a precise approach that leverages the existing referrals for reaching out to prospects should be pursued, see 5.1.1. It follows that networks and communication options that provide a direct channel to the narrowly defined audience are more suitable than those that provide an impact to a broader audience.

Communication options that target a broad audience are fairs, website, social media and research companies, see 5.1.6. Fairs in particular also seems to be a communication option that lacks the ability to leverage referrals, see 5.2.2, which further inhibits it from being a relevant channel to target a narrow audience. In order to reach the narrow target with a high impact, personal selling and PoC should be the prioritised as they are both able to deliver relevant messages to the right audience, see 5.2.1 and 5.2.4.
A similar separation can also be made for networks. One particular network that has the capability of providing a focused approach is advisers, see 5.4.3. The other networks listed in 5.4 provide opportunities to interact with influencers to the decision makers which, although they may be useful, should not be prioritised when trying to reach a narrow target.

To fit the tightly defined coverage, the first of Keller’s (2001) IMC choice criteria, the prioritised communication options should therefore be those that provide a direct channel to the decision makers of a prospect. The same also seems true for how to prioritise networks, which should be those that provide direct access to the decision makers and not those that provide contact with influencers in the peripheral.

5.5.2 Contribution

To ensure Keller’s (2001) IMC choice criterion contribution, it was established in 5.1.2 that Amigo’s communication programme should consist of communication options that in combination contribute to the objective of taking the targeted prospects through all stages of the new product adoption model by Garber & Dotson (2002). Table 36, which is a combination of Table 21 and Table 35, illustrates how well the different available communication options and networks contribute to take a prospect from one stage to the next.

<table>
<thead>
<tr>
<th>ACO/ Network</th>
<th>Awareness</th>
<th>Interest</th>
<th>Evaluation</th>
<th>Trial</th>
<th>Adoption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal selling</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fairs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research companies</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proof of Concept</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Website</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social media</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal network</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional network</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adviser network</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Partners (Service) network</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Partners (HW) network</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer network</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prospect intra- network</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 36. Suitability of all available communication options and networks for the stages of the new product adoption model by Garber & Dotson (2002).
As can be interpreted from Table 36, personal selling is suitable for all the stages from awareness to adoption, with the exception of trial. Personal selling has even been deemed to work efficiently for reassuring present customers of their choice of Amigo, an outspoken objective of the marketing communication strategy. Because it contributes to almost all its communication objectives, Amigo should therefore view personal selling as its main communication option. Also, it can be interpreted that a PoC is an absolute necessity to include in the programme, because there are no other means that alone can influence a prospect at the adoption stage. In essence, personal selling and PoC should have a central role to play, supported by other communication options to strengthen the programme for the different stages.

The analysis has also shown that Amigo should be present in the reports by research companies and use the website. Absence at these communication options would most likely make prospects at the awareness and interest stages lose their interest and consequently break potential deals. Another argument for being present in the reports by the research companies is that it reassures present customers. However what is critical in order to fulfil the reassurance objective is to let new customers into the “Amigo community” (see 5.2.1). This can be done by maintaining contact with the customers, directly or indirectly via partners (see 5.4.4.1), as well as maintaining an active customer group online and offline.

By studying Table 36, it appears evident that personal networks such as advisers, professional and professional networks, where decision makers are in direct connection, seem to be more effective at influencing at the earlier stages. Partner networks seem on the other hand to be important at a later stage, which is because they then have a strong influence on decision makers at prospects (see 5.4.4.1). This insight should definitively be considered in order to make best use of the networks that are available to the company.

### 5.5.3 Commonality

As argued in 5.1.3, reinforcing the core values and corporate brand throughout all communication options of the IMC is considered to be critical by Amigo, its customers as well as academics such as Keller (2001) who states that this facilitates learning. Even though this core message could be communicated through all channels there seems to be some that are more suitable for this purpose than others. In other words, some communication options are probably better suited than others to ensure Keller’s (2001) IMC choice criterion commonality for Amigo’s communication programme.

The website was highlighted by Amigo, as well as its customers, as a suitable platform for conveying the corporate brand, see 5.2.5. Keller (2001) states that a website is a useful
communication option for expressing the purpose, the history, the products and the vision of a company. Keller (2009) further argues that it has the advantage of being able of sharing detailed information that can strengthen the brand such as reasons-to-believe and success stories. The ability of showcasing both abstract qualities as well as tangible features in the same perspective seems to make the website especially apt for ensuring that the core messages are communicated.

There are two communication options that communicate the culture of the company to a larger extent, rather than the core values of the corporate brand. *Personal selling* seems to be less suited for communicating the corporate brand as the message can be heavily influenced by the seller, see 5.2.1. However, as Amigo has produced official material to complement the personal communication (see 5.2.1) the level of commonality of the communication option *personal selling* seems to have been enhanced. The second communication option which is influenced by the company culture to a higher degree than the official brand is *PoC*, as it mainly consists of the technical staff from both companies working together (see 5.2.4). In order to achieve commonality it therefore seems that it should be considered important that the company culture and official brand values are aligned.

Networks can be seen in the same way as *personal selling* when there is a direct contact, i.e. Amigo communicates directly to a member of a network, but the industry also has a strong word-of-mouth effect which can have a large impact, see 5.4.1 and 5.4.5. As shown in 5.1.2, it is important that present customers are reassured that they have made right choice after a deal is made, i.e. that the same message that was promised before the deal is conveyed and proved afterwards. Amigo considered this to be important since it will enhance the possibilities of positive word-of-mouth effect in the networks, see 5.1.2. This indicates the importance of commonality across the other communication options, in order for networks to operate effectively to Amigo’s advantage.

The perceived relevance of *social media* as a communication option is split in Amigo, as some do not see it useful in the B2B context and others see potential in it, see 5.2.6. Several authors (Järvinen et al., 2012; Katona & Sarvary, 2014; Michaelidou et al., 2011) argue that the majority of B2B businesses have not understood the value of *social media* and how to include it in the communication mix. Keller (2009) discusses the advantage of communicating with perfect timing, which could indicate the ability of *social media* to deliver core messages at the right time. However, it seems that the ability of *social media* to convey core messages is difficult to assess for the time being.

Some communication options have been found not to provide effective means of communicating the core corporate brand. *Fairs* might, as stated previously in section 5.2.2, be weak at
communicating the official corporate brand as it seems that the message gets overshadowed by the topics of the fairs, which is likely to decrease the impact of the commonality offered by this communication option. Research companies is not considered a relevant communication option in communicating core values of the corporate brand as the reports are independent market reviews that focus on the technical aspects and customers seem to experience that softer qualities cannot be seen, see 5.2.3. These communication options are therefore not likely to be able to stand on their own, if the IMC is supposed to convey a common corporate brand message.

5.5.4 Complementarity

Throughout the study, different types of messages were identified that Amigo should be communicating to a prospect, depending on where it stands on the scale of the model of Garber & Dotson (2002). In this subsection, various brand messages have been connected to different stages, then also connected to suitable communication options, to ensure Keller’s (2001) IMC choice criterion complementarity. This is in line with Keller’s (2001) statement about the varying suitability between different communication options for different types of brand messages. The insights generated here have eventually been synthesised in Table 37, which finalises this subsection.

The key brand association to establish at the awareness and interest stages of Garber & Dotson’s model (2002) is probably trustworthiness (see 5.4.5). This has been strongly emphasised by both Amigo and interviewed customers (see 5.4.5). At the awareness stage, trust is established through hearing positive word-of-mouth from present customers (see 5.4.5), advisers who work as door openers (see 5.4.3) and by being present in the reports from research companies (see 5.2.3). When awareness has been established and the prospect is moving along to the interest stage, personal selling should be a relevant communication option for this task as well (see 5.2.1). This means that these communication options have relatively strong complementarity (Keller, 2001) to convey trustworthiness. The role of these communication options should therefore not be underestimated by a company such as Amigo, which deems generating awareness as a key success factor when entering a new market (see 5.1.2).

When a prospect reaches the evaluation stage of the model of Garber & Dotson (2002), it requests information that is specifically relevant for that particular prospect. In other words, the communication should be personal, which is why personal selling is still relevant at this stage. In essence, what a prospect wants to hear is that the products and the support organisation offered by Amigo are reliable (see 5.2.1). Both Amigo and the interviewed customers highlighted the role of showing customer references to establish that association to the Amigo brand (see 5.2.1), which leads us to believe that they have a key role to play.
During the trial stage, as described by Garber & Dotson (2002), a prospect tries out what is offered to it to see how it works in reality. Amigo always offers a PoC at this stage, which can be seen as a simulation of reality. Issues will inevitably arise, which means Amigo has an opportunity here to show dedication toward the potential customer and strengthen the commitment in the relationship. Based on the responses from both interviewed customers and Amigo, the PoC should be offered for free when entering a new market such as France. The reason is that it would further strengthen the associations to Amigo as a dedicated and serious supplier.

After adopting Amigo as its supplier, a customer should be welcomed into the Amigo community in order to be reassured of its choice. Conveying the message of Amigo as a leader of innovation is an important part of managing the customer relationships in order to keep them long term (see 5.4.5). This could probably be accomplished through organising and participating in the innovation groups, a customer network that Amigo described (see 5.4.5).

Table 37 shows what brand associations are prioritised for the different stages of the new product adoption model of Garber & Dotson (2002). This shows how Amigo should secure Keller’s (2001) IMC choice criteria complementarity, according to this study.

Table 37. An illustration of the complementary brand associations for the stages of Garber & Dotson’s (2002) model, along with effective communication options and networks.

<table>
<thead>
<tr>
<th>Awareness</th>
<th>Interest</th>
<th>Evaluation</th>
<th>Trial</th>
<th>Adoption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trustworthy</td>
<td>Reliable</td>
<td>Dedicated</td>
<td>Innovative</td>
<td></td>
</tr>
<tr>
<td>Word-of-mouth (customer referrals)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advisers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research companies</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal selling</td>
<td></td>
<td>PoC</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer network (innovation groups)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5.5.5 Robustness

The analysis of Amigo’s strategy in 5.1.4 showed that Amigo should follow Keller’s (2001) adaptive strategy to secure robustness. One thing Amigo should consider is to design an IMC that works for a heterogeneous audience in regard to the stages of the new product adoption model of Garber & Dotson (2002), which has already been done in 5.5.2. To further strengthen the robustness, the IMC should be built upon communication options that are adaptive themselves.

Personal selling and PoC are examples of communication options through which Amigo can adapt the communication to suit a specific prospect (see 5.2.1 and 5.2.4). This is because Amigo is in direct contact with the prospect, in a high-involvement situation. According to Greenwald & Leavitt (1984), this means that the communication can be adapted to be relevant for different audiences. No other communication options are nearly as adaptive, in other words personal selling and PoC are critical for Keller’s (2001) IMC choice criterion robustness of the communication programme. This is another strong argument, besides their unique role for securing the contribution as described in 5.5.2, for putting them at the core of the programme.

To further support the robustness of the communication programme, the website has to be worked on. It is already a communication option that is used by customers to look for information that is of particular concern to them (see 5.2.5). Increasing its relevance for the French audience would raise the level of involvement (Greenwald & Leavitt, 1984). As mentioned in the analysis (see 5.2.5), this can be done by making a French version and designing the website in a way that enables visitors to find relevant information more easily.

The two network types that appear to be most adaptive to a particular prospect are advisers and prospect intra-network. This is based on the fact that the individuals within these networks have direct ties to the decision makers (see 5.4.3 and 5.4.6). In line with the advice of Eternad (2004) and Johanson & Vahlne (2009), Amigo should leverage these unique relations in order to succeed with the internationalisation in France.

5.5.6 Cost

Keller (2001) stated that in order to be able to design an IMC that is not only effective but also efficient a well-defined IMC cost criterion needs to be established. This has not been fully developed in the case of Amigo (see 5.1.5). It is difficult to measure the efficiency of traditional and broad targeting communication options (see 5.1.5). Amigo should therefore pursue communication options and networks that are perceived as relevant and precise in their targeting,
such as personal selling, PoC and advisers. Deciding to focus on them should facilitate for Amigo to construct a measurement method criteria for measuring efficiency of marketing investment that follows Seggie’s et al. (2007) criteria. For instance, they are strong at building forward-looking and long-term relations with prospects (see 5.2.1, 5.2.4 and 5.4.3). Since these communication options put Amigo in an intimate relationship with the prospect, more granular micro data can be retrieved. This data can then be used for more accurate projections (Seggie et al., 2007). It should also be easy to estimate the causal chain effect and the relative market position that could be the result of closing a deal with the prospect.

5.5.7 Considering culture for the IMC

Culture is, as seen in 5.3.7, a factor that affects the effectiveness in communication and consequently needs to be considered from a macro perspective when developing an IMC.

Communication options that consist mainly of personal contact, such as personal selling and use of networks are, as stated in 5.2.1 and 5.2.4, affected by the individuals involved, which makes them adaptable but may give rise to difficulties in communicating the official brand. These communication options are likely to be affected by cultural differences as they involve direct interaction between two cultures, especially when entering new markets. As suggested by the analysis in 5.3, the main differences to consider when internationalising in the context of the case company seems to be how the power distance and indulgence versus restraint dimension are in the target country. As seen in France, see 4.4.2.1, bringing people of the same rank is highly important in some cultures. For instance, a sales representative from a supplier should not meet a customer’s CEO alone, but bring the supplier’s CEO as well. Therefore, focus in a low power distance country should be put on innovation and how the supplier is different. In a country with high power distance, emphasis should be on prestigiousness and track record, communicated with respect to hierarchical levels, as suggested by the findings De Mooij & Hofstede (2010). The level of formality will also be affected, as suggested by Hofstede (2010), with a less formal approach being advisable in indulgent countries and more formality required in restrained cultures.

Considering the results of the analysis of culture in 5.3, fairs could be relatively similar in their content and communication throughout different markets, as one of the two dimensions of Hofstede’s model that seem to be mainly nationality dependant - indulgence versus restraint - is deemed not be relevant on the basis of characteristics of the dimension and the nature of fairs. Consequently the fairs should be constructed to fit a culture of high uncertainty avoidance, long-term orientation, individualistic and masculine behaviour. This type of cultural inclinations are argued by De Mooij & Hofstede (2010) to be characterised by a preference of focus on facts,
belief in experts and investment in the future which is delivered in an informative and persuasive manner. The dimension to consider and account for in the execution of fairs is then power distance. As De Mooij & Hofstede (2010) state, the content should be produced in a way that highlights the credentials of the company and product in a high power distance culture, and emphasise more the innovation capability and difference to other suppliers in a low power distance culture.

Research Companies as a communication option might at first be seen as difficult to use as they are not controlled by the supplier of the POS-system and therefore are not adaptable enough to consider different cultures. However, they seem to be apt for the context, in which the case company operates, as they seem to be in-line with the dimensions of Hofstede’s (2010) model that the findings suggest are universal for the industry, see 5.3. De Mooij & Hofstede (2010) describe masculine cultures as more interested in facts than the story behind the product which is precisely what the research companies provide through an independent and, by the prospects and customers, trusted and used channel, see 5.2.3. This is also closely related to dealing with the uncertainty avoidance that is present in the industry, see 5.3.4. As De Mooij & Hofstede (2010) argue, cultures with high uncertainty avoidance have a high belief in experts and are also looking for trustworthy channels in order to lower risk.

Proof of Concept is, as stated in 4.3.4, always conducted in some form before a decision is made. Power distance might affect what the emphasis of the PoC is. As argued earlier in this section, focus in a low power distance country should be put on innovation and how the supplier is different, whilst in one with high power distance, emphasis should be on prestigiousness. The necessity of the PoC seems to come from the need of, see 5.2.4, proving values communicated at earlier stages of Garber & Dotson’s model (2002), building trust and decreasing the risk. As seen in the cultural analysis, see 5.3, there seems to be a long-term orientation and high uncertainty avoidance throughout the industry, which is likely the source of the needs. De Mooij & Hofstede (2010) argue that high uncertainty avoidance is related to a belief in experts, which indicates that the result of the PoC, which is evaluated by technical personnel, is of high importance. The PoC therefore seems to be a tool which is suitable for handling the cultural concerns in the context.
Keller (2009) argues that digital tools such as the website and social media are apt to customise the communication to accommodate for regional needs. Singh et al. (2006) found that not only does an adaptation strategy for the website result in higher accessibility but it also affects the attitudes toward the company. The findings support this (see 5.2.5) as both Amigo and interviewed customers are of the opinion that it might be a deciding factor in non-domestic markets. Faiola & Matei (2005) also found that the advantages were even bigger when the website had been designed by someone from the same culture as the user. It therefore seems advisable to enlist local web development consultants when adapting the website for a new market.

Table 38 summarises the findings from this section.

Table 38. Summary of cultural considerations for the IMC.

<table>
<thead>
<tr>
<th>Communication option</th>
<th>Cultural considerations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal selling and networks</td>
<td>Emphasis of the messages, hierarchical levels, formality</td>
</tr>
<tr>
<td>Fairs</td>
<td>Emphasis of the messages</td>
</tr>
<tr>
<td>Research Companies</td>
<td>Not controllable</td>
</tr>
<tr>
<td>PoC</td>
<td>Emphasis of the project</td>
</tr>
<tr>
<td>Digital tools</td>
<td>Produce material locally</td>
</tr>
</tbody>
</table>

5.6 Results of the analysis

The goal of the communication strategy in France is to create awareness and get deals with prospects within the tightly defined target group in the new market. How the target group is defined depends on current customers, both at home and abroad, since their references are critical for the success of the international expansion. The analysis also found that it would be strategic to have a corporate brand message that is reinforced throughout the whole communication programme, although it is important to keep in mind that some communication options and networks are more suitable than others for conveying certain brand associations.
Some communication options and networks are well suited for creating high involvement situations, influence the decision making process and convey brand messages throughout the whole process from creating awareness to closing a deal with a prospect. The effectiveness of others varies throughout the stages, with for instance the proof of concept being most effective right before a final decision is made by a prospect. Digital communication options seem to becoming more and more relevant when going towards the future, particularly for customers and prospects who are already interested.

When considering the impact of culture on the marketing communication strategy there is a need to be aware of both differences and similarities between cultures which Hofstede’s model seems to be a relevant tool for assessing. The findings of the analysis of this thesis indicate that at least two of Hofstede’s dimensions are mainly affected by the nationality of the audience. For the individualism-collectivism dimension, the evidence was inconclusive. The remaining three dimensions are likely to be affected to a large degree by other factors. To determine what changes are necessary for ensuring that a marketing communication strategy is effective for an internationalising B2B SWD SME, it is necessary to adapt both what is communicated and how.

Networks seem to play a major role in both the domestic market and in the process of internationalisation for a SWD SME. They are widely used by prospects to gain information to make the decision less risky and by suppliers in order to reach customers and prospects. The analysis showed that different networks are effective at different stages of a prospect’s journey to become a customer. For instance, networks that have direct access to decision makers, such as advisers, seem to be fit for the communication objectives of the initial stages. Relationships with present customers should be nurtured in order to increase the opportunities for getting strong customer references from them that can be leveraged in communication with prospects in order to be seen as a trustworthy supplier. The role of the customer network of an SME should not be underestimated.

Since the sales process is a long-term relation building process, communication options and networks that are personal and adaptable to a particular prospect’s need should be prioritised when designing the marketing communication strategy. Relevant communication options and networks should be leveraged for maximum efficiency at each stage of the customer journey, since relevance is a precursor of high involvement situations. To ensure that the communication plan is efficient for the investment, communication options and networks that are measurable should be prioritised.
6 Concluding remarks

This is the final and concluding chapter of this Master’s thesis. The chapter opens with general conclusions based on the analysis of chapter 5. The second section details how the findings in the study are relevant for managers of an internationalising B2B SWD SME. Following that, a discussion pointing out the specific contributions of this study as well as some of the limitations is presented. The chapter then concludes with suggestions for further studies within the area of this Master’s thesis.

6.1 General conclusions

To facilitate for the reader, the purpose of this Master’s thesis is again stated below.

To explore what and how different factors influence the effectiveness and efficiency of a B2B marketing communication mix strategy that leverages the brand, in the context of internationalisation of SWD SMEs.

Stated below are the three general conclusions, marked in italic, followed by an explanation.

The risk avert nature of B2B decision makers makes it essential to build credibility throughout the whole customer journey and reassure customers that the right decision is made.

As shown in 5.4.4, being seen as a local player is important to be seen as credible and assure prospects of the capability of local delivery, see 5.4.4. Partners and the website are critical tools in building this type of credibility, see 5.2.5 and 5.4.4. Relationships with partners should therefore be managed strategically to ensure that a prospect is confident that the project can be implemented and that service is always close. A local adaptation of the website would also reinforce a positive attitude of the brand, as seen in 5.5.7.

It has been shown throughout the analysis that a POS-SW supplier will not be seen as a credible alternative without strong and relevant customer references (see 5.5.4.). A customer reference also needs to be relevant for a prospect in terms of size and industry (see 5.1.1) in order for it to have an impact on the decision. Therefore, as seen in 5.5.4, the kind of prospects that can, and should, be targeted by an unknown supplier depends on what kind of customer references it has (see 5.5.4). Prospects want to meet present customers since strong customer references is the most effective way to mitigate the risk factor, which is perceived as high (see 5.5.4). Therefore,
using tools such as a *user group* is critical to reinforce the relationships with current customers, see 5.4.5.

**A long sell cycle requires an IMC programme to be effective for the whole customer journey.**

The analysis showed that, in order to make a prospect go through the journey from being unaware of the company to become a loyal customer, there are different objectives to be fulfilled at the different stages of the process (see 5.5.4). When moving through the stages, different brand associations are important to convey (see 5.5.4) and the available communication options and networks are all varyingly relevant throughout the stages of the process (see 5.5.4). As indicated by the analysis (see for instance 5.5.2 and 5.5.4), networks that have direct access to decision makers seem to be critical at the early stages, while networks involved in the delivery and implementation of the offer at the later stages.

Since the process can be described as a relationship that takes time to build, it is important to keep personal communication options and networks at the core of the communication mix that are adaptive to a particular prospect’s needs, see 5.5.5. Cultural differences increase the importance of adaptive communication options as they are fit for adapting to different cultural needs, see 5.5.7.

**The digitalisation influences the effectiveness of the market communication strategy.**

The analysis indicated that both B2B customers and SME suppliers of software systems are experiencing a development towards the use of digital communication options, particularly for reassurance purposes through active online communities, see 5.4.5, but also for increasing the interest from prospects that are already interested about the company and want to find relevant content, see 5.2.5 and 5.2.6. Having a *website* is already a hygiene factor, see 5.2.5.

The digitalisation trend increases the benefits of utilising the inherent potential of the *website* and other digital communication options, see 5.2.6. This means that digital communication options are suitable for making the communication relevant, including communicating customer references, demonstrating product features and conveying corporate brand messages, see 5.2.5. Ensuring cultural adaptability also allows for more relevant information that is easier accessible, facilitating an internationalisation, see 5.5.7. This would likely have a positive impact on the brand and present high-involvement situations, see 5.5.5.
6.2 Practitioner’s implications

This section provides the reader with a translation of the three academic conclusions into actionable recommendations on how a practitioner should make use of the insights of the report.

The risk avert nature of B2B decision makers makes it essential to build credibility throughout the whole customer journey and reassure customers that the right decision is made.

Make nurturing present customer relationships a core activity.

Activities for reassuring present customers of their choice and strengthening the relationships with them should be prioritised for an internationalising B2B SW developing SME, since these relationships are critical in order to have strong reference cases to present to prospects, see 6.1. This study indicates that customers seek an active community, be it online or offline, but that this can sometimes be neglected which have a negative impact on the customers’ attitude (see 5.5.2).

Offer generous PoC at the new market.

By offering the PoC with a rebate, or even for free, a supplier shows dedication. Performing well proves the product and support reliability (see 5.5.4). These things are critical in order to walk through prospects’ evaluation processes, which this study suggests the PoC is most suitable to convey (see 5.5.4).

A long sell cycle requires an IMC programme to be effective for the whole customer journey.

Design an IMC with adaptive communication options and networks at the centre.

Personal selling should be viewed as the main communication options through which the communication can be adapted to suit a specific prospect. When it comes to networks, advisers and prospect intra-network should be leveraged as much as possible, since they have direct access to decision makers and are able to adapt the communication to fit their needs. Following this recommendation would reinforce the robustness of the IMC for a heterogeneous audience (see 5.5.5).
Consider cultural differences and similarities when designing an IMC.

Adapting for culture becomes essential when internationalising, see 5.3. As shown in 5.3, Hofstede’s (2010) model together with De Mooij & Hofstede’s (2010) framework has been shown to be useful for identifying differences and understanding how to adapt the communication to maximise the effect of it. Table 5 in section 2.2.2 is also helpful for understanding what concrete adaptations to make. Table 39 shows the recommended strategies for each of Hofstede’s (2010) dimensions based on the analysis in 5.3.7. As for the IDV dimension it is uncertain what might be most successful strategy. However, it is safe to say that the developer of the marketing communication strategy should be aware of that there might exist differences and consequently it can be helpful to consult Hofstede’s (2010) data for the country in question before making a decision.

Table 39. Recommendation of strategies for considering culture in the marketing communication strategy.

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power distance</td>
<td>Adaptation strategy</td>
</tr>
<tr>
<td>Individualism-Collectivism</td>
<td>Inconclusive evidence</td>
</tr>
<tr>
<td>Masculinity-Femininity</td>
<td>Standardisation strategy</td>
</tr>
<tr>
<td>Uncertainty avoidance</td>
<td>Standardisation strategy</td>
</tr>
<tr>
<td>Long-term orientation</td>
<td>Standardisation strategy</td>
</tr>
<tr>
<td>Indulgence vs restrain</td>
<td>Adaptation strategy</td>
</tr>
</tbody>
</table>

The digitalisation influences the effectiveness of the market communication strategy.

Develop a B2B digital marketing communication strategy to claim leadership of the industry.

This study suggests that the digitalisation is a factor to watch, as it will have a stronger influence on the effectiveness of a market communication strategy in the future (see 6.1). Both sellers and buyers of POS systems see the trend, see 6.1, but less is known about how to take advantage of it (see 5.2.6). A company that will be impacted by this should therefore perform a study on how a B2B SME can and should market itself digitally, including social media.

The website could become a central digital communication option, where dialogue takes place with both customers and prospects (see 5.5.7). Making it adaptive and relevant is important to lay the ground for a successful internationalisation (see 6.1). For instance, when logging in from France it should automatically load in French. Present customers could have access to their own “Customer community pages” where discussions can take place, news are publicised and so on. Prospects that have become aware about the company could find pages that are relevant to them.
These should demonstrate the how the products work, show reference cases and events with the company that prospects may be interested in participating.

## 6.3 Contribution and discussion

*This section of the final chapter contains reflections on the contribution of the study considering the identified gap in existing theory. It also discusses issues with the study that the reader should be made aware of.*

### 6.3.1 Contribution

As stated in the beginning of the problem background, based on the data of Tillväxtverket (2015), many SMEs see international expansion as an opportunity of growth and view the domestic market as saturated. Many, especially in the IT-sector, are therefore pursuing what Ansoff (1957) calls a *market development* strategy which entails finding new customers to serve with existing products. The studied case company fits the situation very well, as argued in 3.4.1, and the insights and findings gained throughout the study are therefore likely to be relevant on a general level for internationalising SWD SMEs. Significant effort was put into planning the study and developing a rigorous analytical model (see 2.4) before beginning. This mitigated the risk for a lack of rigour, which Yin (2014) identifies as one of the most prominent concerns researchers have against case studies as a research strategy.

Toulova *et al.* (2015) found that the marketing communication mix had significant impact on the success of the internationalisation of SMEs. However, their study had a broad approach and did not provide insights on the specific challenges of an internationalising SWD SME in a B2B context. The study of Toulova *et al.* (2015) was also focused on quantitative data, which left a gap about the understanding of the underlying reasons. This Master’s thesis has been conducted with a qualitative approach. Pratt (2009) argues that a qualitative approach is very well suited for building an understanding from the perspective of the respondents and how it affects their business. This Master’s thesis has identified factors affecting the effectiveness and efficiency of a B2B marketing communication mix strategy in the specific context of a SWD SME in the process of internationalisation as well as how they affect the effectiveness and efficiency, which fills the identified gap in the academic theory. The knowledge of how the identified factors affect the effectiveness and efficiency also provide a basis for understanding the issue from a practitioner’s point-of-view, which can help managers of internationalising SWD SMEs in the communication strategy development process.
The results of this Master’s thesis also indicate that the findings of other authors are relevant in the context of SWD SMEs. Branding in B2B is argued by several authors to have a large impact on business (e.g. Hutton, 1997; Ohnemus, 2009), see 1.1. The findings of this study indicate that not only is branding important, but the message the brand has to convey varies throughout a prospect’s journey to become a customer, see 5.5.4. The result of the Master’s thesis also indicate that the communication is affected by the culture of the customer, which makes it a relevant factor for managers of internationalising SWD SMEs to consider. It also seems to confirm the view of Bannon & Mattock (2003) in the context of SWD SMEs, who argue that culture is a key foundation in building international business and a factor that can be the final decision point in sales.

6.3.2 Discussion of the analytical model

Considering the analytical model there are four concerns that should be lifted. Firstly, it is of outmost importance that the goals and strategies of the case company are correctly identified as well as the brand already having been defined. The model assumes that the target customer is well known by the case company and the brand is well defined as it forms the basis for the criteria of the analysis in the macro perspective, step 5 of the analysis. For example, a broad target would score communication options that engage a broad audience higher and score communication options which only reaches a selected few low. Consequently it might be necessary to compliment the analytical model with frameworks for assessing brand and target customer before going in to step 1.

Secondly, it is important to consider if the model analyses what it sets out to do. The analytical model was constructed to provide insights to answer the purpose of the thesis by deconstructing into three theoretical areas, which were then divided into five steps of analysis. The three theoretical areas included the perspectives of several authors in each area which allows for a certain degree of triangulation which should increase the internal validity of the model. The targeted issues at each level were created in order to ensure that each subarea was clearly related to the purpose and that the result of the analysis would be of value in answering the purpose. By answering each of the targeted issues, see 5.6, the analytical model has proven that it is well designed to answer the purpose, see 6.1.

Thirdly, it is necessary to consider if the model is comprehensive, i.e. do the four areas that go into the macro analysis explain everything that affects the macro analysis? The three theoretical areas on which the analytical model is based were derived from the problem background which started with the very broad insight that SMEs see a need to go further than the domestic market to grow, see 1.1. The broad starting point should have allowed the authors of this Master’s thesis
to discover all relevant areas. However, the possibility remains that some additional area could have an impact on the interaction between the communication options.

Lastly, the interference between the components of the analytical model needs to be considered. As shown in the analytical model, see section 2.4, the first four components: strategy, communication mix, culture and networks, are all considered independently until the very last step, where they are brought together in the macro level assessment of the IMC. This way of representing the different components of the IMC assumes that there is no interference between them, which results in the analytical model working as a process. However, as all components are considered integrally in the last step of the analysis, the resulting conclusions of what should be an affective IMC is likely the same, only the explanation behind why it is effective differ. The procedural approach suggested by the analytical model in this report should arguably be an easier approach to adopt for practitioners, as it outlines each step methodically.

6.3.3 Discussion of general issues in the report

Some issues with the results concerning the sources of culture behind the dimensions should also be noted. As the pool of respondents was not broad enough to include the sources of culture stated in 5.3.7 and sufficient demographic data was not collected, the results cannot indicate which of the cultural sources may influence the behaviour. Another problem was the limitation brought on by studying only two countries, which partly decreases the credibility of cultural generalisations and also resulted in no insights for underlying reasons for the IDV dimension, where both the data of this study and Hofstede’s (2010) indicated high uncertainty avoidance for both countries. Another issues arises for culture with the “level of analysis”, which is discussed in 2.2.2. The issue needs to be taken into account which means that the cultural analysis is performed on a society level and that it there may be individual variations. Consequently the findings here are more suitable to consider when the target is broad or the individual customer’s culture unknown by the supplier, as the probability that they conform to the culture seen in the society or industry is larger than the probability that they do not. Hofstede’s (2010) model is, as discussed in 2.2.2, both criticised and praised. One of the main issues lifted was that the Hofstede’s (2010) model may be too simplified and does not take other cultural sources into account (Sweeney, 2002). The issue has in this Master’s thesis been accounted for to certain extent by complementing the theoretical framework with Goodenough’s (1971) view on cultural sources which has made it possible to attribute results contradictory to Hofstede’s to this factor. However, as Steenkamp (2001) suggest, a better understanding of the cultural aspects may have been achieved by using a cross-analysis with Hofstede’s and Schwarz’s models.
Some communication options and networks may have not been studied to an adequate level. By comparing Table 1, which lists all of the available communication options available to a marketer (Smith & Taylor, 2004), to those that are regarded in the analysis, it becomes evident that sponsorship and packaging have not been fully considered as alternatives. Doing the same thing with the list of network types by Jones, Suoranta & Rowley (2013), it is seems that Social networks and Innovation networks have not been fully considered. The reason for why these communication options and networks have not been fully covered in this study is probably that the interviews were not conducted structurally enough, which Merriam (1988) proposes to assure that all areas are covered as planned.

6.4 Proposals for further studies

Quantitative analysis of Hofstede’s dimensions in the context of B2B SWD SME

In the preceding section (6.3) the issue of the cultural sources were discussed. As the result of this study can only indicate if the source of the cultural behaviour is of other origin than nationality and the study did not have broad enough base as to differentiate over all suggest cultural sources further and more ample studies should be conducted. A quantitative approach should therefore be used to certify statistically the source of culture for each dimension in the context of a B2B SWD SME. Especially important is that more countries than the two studied in this case are researched as the findings could not differentiate between the countries on the IDV dimension.

Quantitative analysis of the effectiveness of communication options in the context of B2B SWD SME

A quantitative approach could also be utilised to assess the effectiveness of communication options in the context of B2B SWD SMEs. The results of this study show that some are more effective than other depending on where a prospect is on its journey to become a customer. A quantitative analysis could help practitioners prioritise their market spending and would create knowledge in a context where resources and marketing knowledge is limited.

Utilise the analytical model of this Master’s thesis to confirm the generalizability of the findings

Since POS-systems are products that are infrequently replaced and highly impacting the customer’s business, which has undeniably had an impact on the results of this study, case studies on companies that sell other kinds of SW would probably contribute with another perspective. This could provide further indications if the conclusions and recommendations made in this study are in fact applicable to a wider set of companies.

Perform case studies on software suppliers with other characteristics
As shown in 4.1, the studied case company in this report is a player on the market with certain characteristics that makes it special. For instance, it only provides the software module of the POS system, making it reasonable that it focuses on customers who are able to buy the software from one supplier and the other modules from others. The results of this study may have been influenced by this, making it interesting to study other POS-suppliers with other characteristics on continuation of research on this topic. A suggestion could be to study a POS-supplier who provides all the modules, including hardware and service.
7 Reference list

The literature references are cited according to the APA standard as it is an internationally recognised standard for referencing social sciences.

Annual reports


Conference papers


Literature references


143


145


**Reports**


**Websites**

Appendix 1 - Search terms

Search terms

The following keywords were used to search for relevant academic literature at the library of Linköping University (Linköping University, 2015).

- B2B Social media
- B2B Branding
- B2B Brand management
- B2B Decision making
- B2B Communication
- B2B Marketing
- Cross-culture communication
- Cross-culture marketing
- Culture communication
- Culture marketing
- Culture analysis
- Culture measure
- Digital marketing communication
- Integrated marketing communication
- International communication
- Internationalisation SME
- Marketing communication mix
- Networks internationalisation
- SME Internationalisation
- SME new market entry
Reference list

Websites

Appendix 2 - Interview guide: Strategy

Background information

- Describe the communication mix strategy in Sweden today?
  - Why does it look like this?
- Describe the communication mix strategy in France today?
  - Why does it look like this?
- Describe the communication mix strategy in other countries today?
  - Why does it look like this?

Coverage

- Who are the potential customers in France?
  - Out of these, who are the prime prospects, i.e. the prioritised target group?
  - Where do the customers within the prioritised target group stand in the buying decision making process? (Awareness, Interest, Evaluation, Trial, Adoption)
- What proportion of the market in France should Amigo’s communication reach?
  - In the short term (1 year) and long term (5 years)?
- Which type(s) and of communication and at what cost does Amigo already have deployed in France?
- How does all of the above differ from the communication mix strategy in Sweden?
  - Why?
- How does all of the above differ from the communication mix strategy in other countries?
  - Why?

Contribution

- What brand messages does Amigo try to convey to its customer(s) in France?
  - Does it vary between segments and customers?
    - How?
    - Why?
  - Does it vary for already won customers and potential customers?
• What are the main objectives of the communication in France? Why?
  o Increase:
    • Image?
    • Sales?
    • Product Awareness?
    • Brand Awareness?
    • Interest?
    • Evaluation? (Shortlisted by customer)
    • Trial?
    • Adoption?
    • Other?

• Are there differences between short (1 year) and long term (5 years) objectives for Amigo in France?
  o How?
  o Why?

• How does all of the above differ from the communication mix strategy in Sweden?
  o Why?

• How does all of the above differ from the communication mix strategy in other countries?
  o Why?

Commonality

• What common associations should be reinforced across the whole program in France?

• How would you characterise the information that Amigo wants to convey to the audience(s) in France with regard to abstract level?

• How does all of the above differ from the communication mix strategy in Sweden?
  o Why?

• How does all of the above differ from the communication mix strategy in other countries?
  o Why?
Complementarity

- What different associations should be reinforced across the whole program in France?
  - To the Amigo brand?
  - To the Amigo products?
- Which objective(s) do you believe are suited for which kind of communication option(s) in France?
- Do you regard commonality or complementarity to be of highest priority? Why?
- How does all of the above differ from the communication mix strategy in Sweden?
  - Why?

Robustness

- How heterogeneous do you regard the French market to be in terms of:
  - What type and how much Amigo communication the audience has already been exposed to?
  - What type and how much competitor communication audience has have already been exposed to?
  - What stage(s) in the decision making process the audience has are in? (Awareness to Adoption)
- To what degree should the communication program be robust, i.e. able to work for a heterogeneous audience in terms of:
  - What type and how much Amigo communication the audience has already been exposed to?
  - What type and how much competitor communication audience has have already been exposed to?
  - What stage in the decision process audience has are in? (Awareness to Adoption)
- If robustness is desired, which strategy should be pursued and why?
  - Provide different information within each communication option?
  - Provide only one kind of information across the communication options that is rich or ambiguous enough to work for different parts of the audience
- Do you regard complementarity or robustness to be of highest priority? Why?
(That is, should each individual communication option be able to “stand on their own feet”, or should they work as complements to each other?)

- How does all of the above differ from the communication mix strategy in Sweden?
  - Why?

**Cost**

- In detail, how does Amigo determine the budget of a communication program during planning?
  - Why?
- In detail, how does Amigo project the cost of a communication program during planning?
  - Why?
    - How does Amigo measure the cost of a communication program in retrospect?
- In detail, how does Amigo project the cost efficiency of a communication program during planning?
  - Why?
    - How does Amigo measure the cost efficiency of a communication program in retrospect?
- How much does Amigo spend on communication today?
  - In absolute numbers?
  - As percentage of total spending?
  - How much can the expenditure increase due to investments in France?

**Other**

What else would you like to share about Amigo’s communication mix strategy in France for the short (1 year) and long term (5 years) perspective?
Appendix 3 - Interview guide: Communication mix

Communication

- What traditional communication channels are available to Amigo in France?
  - How would you characterize them?

- Have we missed any of these traditional communication channels?
  - If yes, how would you characterize them?

<table>
<thead>
<tr>
<th>Selling</th>
<th>Advertising</th>
<th>Sales promotion</th>
<th>Direct marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsorship</td>
<td>Exhibitions</td>
<td>Packaging</td>
<td>Point-of-sale</td>
</tr>
<tr>
<td>Publicity &amp; PR</td>
<td>Word-of-mouth</td>
<td>E-marketing</td>
<td>Corporate identity</td>
</tr>
</tbody>
</table>

- What digital communication channels are available to Amigo in France?
  - How would you characterize them?

- Have we missed any of these digital communication channels?
  - If yes, how would you characterize them?
<table>
<thead>
<tr>
<th>Digital channel</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Websites</td>
<td>Expressing purpose, history, products and vision of the company.</td>
</tr>
<tr>
<td>Microsites</td>
<td>Managed by third party. Mangold &amp; Faulds (2009) states blogs as an example.</td>
</tr>
<tr>
<td>Search ads</td>
<td>Ads shown alongside relevant search results from Google and similar.</td>
</tr>
<tr>
<td>Display ads</td>
<td>Shown on relevant websites.</td>
</tr>
<tr>
<td>Interstitials</td>
<td>Pop up between changes on a relevant website</td>
</tr>
<tr>
<td>Internet videos</td>
<td>Videos on YouTube and similar websites, to be shared virally.</td>
</tr>
<tr>
<td>Sponsorships</td>
<td>Sponsoring special content on websites such as news.</td>
</tr>
<tr>
<td>Alliances</td>
<td>Internet-present companies advertising for each other.</td>
</tr>
<tr>
<td>Online communities</td>
<td>Advertisement on social media websites. Michaelidou et al. (2011) gives Facebook, Twitter and LinkedIn as examples.</td>
</tr>
<tr>
<td>E-mail</td>
<td>Sending communication straight to the e-mail inboxes of customers.</td>
</tr>
<tr>
<td>Mobile marketing</td>
<td>Sending communication straight to the texting inboxes of customers.</td>
</tr>
</tbody>
</table>

- What role do you think existing customers have to influence the group at the potential customer organization taking the decision on it-questions, such as ERP, CRM, and POS? *(Hereafter referred to as “the group”)*

- Do you think there are other kinds of word-of-mouth effects that we have not talked about, which influence the group?

**Customer**

*The stages of the New Product Adoption Model are: Awareness, Interest, Evaluation, Trial and Adoption.*

- Which communication channels do you believe are the most efficient for generating Awareness: Adoption within the group?
  - Why?
• Which communication channels do you believe are the least efficient for generating Awareness: Adoption within the group?
  ○ Why?

<table>
<thead>
<tr>
<th></th>
<th>Channel 1</th>
<th>Channel 2</th>
<th>...</th>
</tr>
</thead>
<tbody>
<tr>
<td>Awareness</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Evaluation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trial</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adoption</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

• What are your reasons behind choosing these numbers?

**Situation**

*Exposure to communication in high-involvement situations will result in a longer lasting effect. It has been widely claimed that durable cognitive and attitudinal effects depend on the level of involvement of the audience*

• Which communication channels would you say are most efficient at creating high-involvement situations for the group?
  ○ What are your reasons behind this?

• Which communication channels would you say are least efficient at creating high-involvement situations for the group?
  ○ What are your reasons behind this?

**Response**

• What would you say about the ability of each communication channel we have spoken about to *convey brand message* to the group?

• What would you say about the ability of each communication channel we have spoken about to *influence the decision making process* of the group?
Appendix 4 - Interview guide: Culture

PDI-questions

- What do you think would happen if a subordinate in one of your fashion customers’ organisations openly would disagrees with a manager?
  - Why do you think that is?

- What do you think would happen if a subordinate in one of your food customers’ organisations openly would disagrees with a manager?
  - Why do you think that is?

- Could you please tell us what you know about the decision-making process for IT-systems (such as ERP, CRM & POS) at your customers’ organisations?
  - Who influences it?
  - Is there any differences between food and fashion?

IDV-questions

- Could you please describe the events of a meeting with one of the members of the group at one of your fashion customers, from when you walk in through the door until you leave?

- Could you please describe the events of a meeting with one of the members of the group at one of your food customers, from when you walk in through the door until you leave?
MAS-questions

- How do you think men are supposed to be in one of your food customer’s organisation?
  - How does that affect the group?

- How do you think women are supposed to be in one of your food customer’s organisation?
  - How does that affect the group?

- When the group at one of your food customer’s organisation is looking to upgrade one of their IT-systems (ERP, CRM, POS, etc.), what do you believe are the most important factors?

- How do you think men are supposed to be in one of your fashion customer’s organisation?
  - How does that affect the group?

- How do you think women are supposed to be in one of your fashion customer’s organisation?
  - How does that affect the group?

- When the group at one of your fashion customer’s organisation is looking to upgrade one of their IT-systems (ERP, CRM, POS, etc.), what do you believe are the most important factors?
**UAI-questions**

- How important is it that things happen on time in for the group at one of your food customer’s organisation?
  - Could you please give us some examples of when you think it is more important that it happens on time, and when you think it is more flexible?
  - Why?

- What do you think are the biggest concerns in the daily work of management in one of your food customer’s organisation?
  - Why?

- How important is it that things happen on time in for the group at one of your fashion customer’s organisation?
  - Could you please give us some examples of when you think it is more important that it happens on time, and when you think it is more flexible?
  - Why?

- What do you think are the biggest concerns in the daily work of management in one of your fashion customer’s organisation?
  - Why?

**LTO-questions**

- What would you say is the time horizon on investments in your customers’ organisations?
  - What do you think are the reasons behind this view?
  - Do you believe that the time horizon on investments differ between food and fashion retailers?
IVR-questions

- How social would you say that people in one of your fashion customers’ organisations are?

- How social would you say that people in one of your food customers’ organisations are?

- Are some of your customers more reserved (keep to themselves) than others?
  - Why do you think that is?
Appendix 5 - Interview guide: Networks

- Is Amigo involved in any networks in France?
  - If yes, how would you characterise each one of them?

- If necessary, please complement the above open question, regarding:
  - Who are involved?
  - At what organisational level?
  - What is exchanged in the network?

- What opportunities does each one of Amigo’s networks pose in France?
  - How do you capitalise on each one of these opportunities?
  - Why are you not capitalising on some of these opportunities?

- What opportunities may be presented by the networks that we have discussed in the future in France?
  - What would then be required to capitalise on each one of these opportunities?

- Is there any of these kinds of networks we have not talked about?

  - *Intra-firm networks* – includes the employees within the company.
  - *Social networks* – individuals external to the company who are friends, relatives, and other social acquaintances of the employees of the company.
  - *Customer networks* – networks of customers of the company.
  - *Business networks* – networks of firms and individuals that support the businesses processes of the company, such as banks, venture capitalists, lawyers, business advisers, and other technology companies.
  - *Innovation networks* – networks of innovators, both other firms, public institutions and creative individuals
  - *Marketing and sales networks* – networks of organisations and individuals in the company’s marketplace, which support the firm in marketing and selling its products.

  - To what extent is each one of them available to Amigo?
○ What are the characteristics of each one of them?

○ What opportunities does each one of the available network pose?

○ How do you capitalise on each one of these opportunities?

○ Why are you not capitalising on some of these opportunities?

○ What opportunities may be presented by each one of these networks in the future, in France?

What would then be required to capitalise on each one of these opportunities?
Appendix 6 - Interview guide: Customers

Background information

- What is your nationality?
- What is your nationality at birth (if different)?
- Which organisation do you work at?
- What is your position in this company?
- How long have you worked at this company?
- Have you worked anywhere else before?
  - If yes, where?
- Could you tell us who the members of the group at your organization taking the decision on it-questions, such as ERP, CRM, and POS are? (Hereafter referred to as “the group”)
Communication mix

Communication

- What main traditional communication channels is the group exposed to?
  - How much effect would you say each one of them have on the group?
  - Which ones are you and the group actively using to search for information?

- What main digital communication channels is the group exposed to?
  - How much effect would you say each one of them have on the group?
  - Which ones are you and the group actively using to search for information?

- In addition to those we discussed, is the group exposed to the following traditional communication channels?
  - If yes, what effect would you say they have on the group?

<table>
<thead>
<tr>
<th>Selling</th>
<th>Advertising</th>
<th>Sales promotion</th>
<th>Direct marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsorship</td>
<td>Exhibitions</td>
<td>Packaging</td>
<td>Point-of-sale</td>
</tr>
<tr>
<td>Publicity &amp; PR</td>
<td>Word-of-mouth</td>
<td>E-marketing</td>
<td>Corporate identity</td>
</tr>
</tbody>
</table>
In addition to those we discussed, is the group exposed to the following digital communication channels? Please answer briefly.

- If yes, what effect would you say each one of them have on the group?

<table>
<thead>
<tr>
<th>Digital channel</th>
<th>Explanation</th>
<th>Exposure</th>
<th>Effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Websites</td>
<td>Expressing purpose, history, products and vision of the company.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Microsites</td>
<td>Managed by third party. Mangold &amp; Faulds (2009) states blogs as an example.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Search ads</td>
<td>Ads shown alongside relevant search results from Google and similar.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Display ads</td>
<td>Shown on relevant websites.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interstitials</td>
<td>Pop up between changes on a relevant website</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internet videos</td>
<td>Videos on YouTube and similar websites, to be shared virally.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sponsorships</td>
<td>Sponsoring special content on websites such as news.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alliances</td>
<td>Internet-present companies advertising for each other.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Online communities</td>
<td>Advertisement on social media websites. Michaelidou et al. (2011) gives Facebook, Twitter and LinkedIn as examples.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(social media)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E-mail</td>
<td>Sending communication straight to the e-mail inboxes of customers.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mobile marketing</td>
<td>Sending communication straight to the texting inboxes of customers.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Customer

The stages of the New Product Adoption Model are: Awareness, Interest, Evaluation, Trial and Adoption.

1. **Awareness**: the customer is aware of the innovation’s existence, but lacks information about it.
2. **Interest**: the customer is interested to seek information about the innovation.
3. **Evaluation**: the customer considers whether it would make sense to try the innovation.
4. **Trial**: the customer tries the innovation on a small scale in order to improve their estimate of its use.
5. **Adoption**: the customer decides to make full and regular use of the innovation.

- Which communication channels do you believe are the most efficient for generating Awareness: Adoption within the group?
  - What are your reasons behind this assessment?

<table>
<thead>
<tr>
<th></th>
<th>Top channels</th>
<th>Bottom channel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Awareness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Evaluation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trial</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adoption</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Situation

Exposure to communication in high-involvement situations will result in a longer lasting effect. It has been widely claimed that durable cognitive and attitudinal effects depend on the level of involvement of the audience.

- Which communication channels would you say are most efficient at creating high-involvement situations for the group?
  - What are your reasons behind this?

Response

- Which communication channels would you say are most efficient at conveying brand messages for the group?
  - What are your reasons behind this?

Culture

Next we will ask you some questions about your perceptions of culture in your organisation and country.

- Could you please tell us what you know about the decision-making process for IT-systems (such as ERP, CRM & POS) at your organisation?
  - Who influences it?
  - What would happen if a subordinate in your organisation openly disagrees with a manager?

- Could you please describe the events of a meeting in your organisation, from when you walk in through the door until you leave?
● When your organisation is looking to upgrade one of your IT-systems (ERP, CRM, POS, etc.), what do you believe are the most important factors?

● Does your organisation have strict policies concerning what is allowed to do and how one should act?
  ○ Do you perceive that they are followed?
  ○ What are the consequences if they are not followed?

● What would you say is the time horizon on investments in your organisation?
  ○ What do you think are the reasons behind this view?

● How social would you say that people in your organisation are?

Networks

● Is your organization involved in any networks that in turn are connected to suppliers of IT-systems such as ERP, CRM, and POS?
  ○ If yes:
    ■ How would you characterise each one of them?
    ■ How would you say each one of them influence the group?

● If necessary, please complement the above open question, regarding:
  ○ Who are involved?
  ○ At what organizational level?
  ○ What is exchanged in the network?
  ○ What opportunities may they pose in the future, short-term (1 year) and long-term (5-10 years)

● Is there any of these kinds of networks we have not talked about?
A. *Intra-firm networks* – includes the employees within the company.
B. *Social networks* – individuals external to the company who are friends, relatives, and other social acquaintances of the employees of the company.
C. *Business networks* – networks of firms and individuals that support the businesses processes of the company, such as banks, venture capitalists, lawyers, business advisers, and other technology companies.
D. *Innovation networks* – networks of innovators, both other firms, public institutions and creative individuals
E. *Purchasing networks* – networks of organisations and individuals in the company’s marketplace, which support the firm in purchases.

- What are the characteristics of each one of them?

- To what extent is your organization involved in each one of them?

- What opportunities does each one of them pose in the
  - short-term (1 year)
  - long-term (5 years)

**Concluding**

- Is there anything you would like to add?