



UNIVERSITY OF GOTHENBURG
SCHOOL OF BUSINESS, ECONOMICS AND LAW

What is needed to boost international business growth in potential Born Globals?

The role of governmental initiatives and venture capitalists

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Authors

Olsson, Paulina 930722

Sundquist, Jacob 911102

Tutor

Yakob, Ramsin

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Paulina Olsson

Jacob Sundquist

ABSTRACT

Title: What is needed to boost international business growth in potential Born-Globals?
 - The role of governmental initiatives and venture capitalists

Authors: Paulina Olsson and Jacob Sundquist **Tutor** Ramsin Yakob

Background and Problem: In the past two decades, technology has changed the landscape of the international market, forcing firms to chose different ways of internationalization in comparison to the traditional model. Small firms with limited resources that experience rapid internationalization have been known as Born Globals. Even though there are a vast amount of initiatives helping these firms, it is not clear whether these are in line with what they need.

Purpose: The purpose is to extend the understanding of Born Globals’ perception on the current domestic initiatives and support they receive as well as the additional help they request in an early stage of development. Furthermore, the aim is to compare what type of governmental and financial initiatives the literature find essential with what potential Born Globals argue.

Method: The empirical material has been collected through qualitative interviews with eight potential Born Globals. In turn, the material has been analyzed and compared with the theoretical background in order to find linkages and disparities.

Results and conclusion: The study found three major resources that institutions could provide, being networks, capital and knowledge. Both venture capitalists and governmental initiatives are seen to help according to the participants, but the latter is dominant. Moreover, there is a clear relationship between networks and governments, as they affect each other and in turn potential Born Globals, whereas the linkage between networks and venture capitalists is weaker. Yet, venture capitalists are seen to support potential Born Globals separately.

Abbreviations

SME - Small and Medium Sized Enterprise

CEO - Chief Executive Officer

Key words

Born Global, Internationalization, Institutions, Initiatives, Networks

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1. Introduction

The introduction provides the reader with a background description of the topic discussed, including an explanation of the importance of the subject. It then continues with an overview of the problematization of the issue, suggesting that further research is necessary. This section is followed by the purpose of the study as well as the research question that is being examined. The chapter ends with a comment on the limitations of the study, shortly followed by an outline of the structure of the thesis.

1.1 Background

In today's society new and improved technologies have simplified communication and transportation for companies, thus enhancing market access and business opportunities. Hence, rapid globalization and internationalization of companies are important factors in order for them to be competitive in a constantly changing market (Madsen & Servais, 1997; Nummela et al. 2004; Gabrielsson & Kirpalani, 2012). According to the Uppsala model, the internationalization process is traditionally described as a gradual process where the firm increases its international presence and commitment (Johanson & Vahlne, 1997; Johanson & Vahlne, 2009). Although, the model has been revised in order to keep up with the changes in both economic and regulatory environments by for instance developing the importance of networks as well as knowledge in firm's internationalization process further (Johanson & Vahlne, 2009). However, in the past two decades, studies have shown that firms choose different ways of internationalization and can decide to expand internationally within less time than traditional models (Rennie, 1993; Knight & Cavusgil, 1996; Madsen & Servais, 1997; Andersson & Wictor, 2003; Oviatt & McDougall, 2005; Wictor, 2012). This phenomenon, where firms experience rapid internationalization, has later been known as Born Globals, describing small and medium firms who adapt a global approach immediately from its establishment (Wictor, 2012). Born Globals are firms that have "achieved a foreign sales volume of at least 25% within three years of its inception and that seeks to derive significant competitive advantage from the use of resources and the sales of outputs in multiple countries" (Andersson & Wictor, 2003, p.254). In this thesis, these firms will also be called international new ventures and startups. On the one hand, Born Globals are

experiential, knowledge-intensive firms with employees who possess high-scientific knowledge. On the other hand, being relatively new firms, Born Globals lack foreign business and institutional knowledge as well as international network ties, which could lead to an overestimation of risks (Sharma & Blomstermo, 2003). The importance of entrepreneurship and governmental incentives assisting potential Born Globals when expanding internationally have therefore become increasingly important (Wictor, 2012). Effective public support has shown to impact these firms in many ways, such as contributing with local market knowledge and describing the legal environment in certain markets, thus decreasing the potential business risk and increasing competitive advantages for international new ventures. In contrast, the absence of public support has proven to hinder creativity and innovation for Born Globals, which increases the risk and lowers the attractiveness of such markets (Zahra, 2014). Yet, the understanding and development of ideal governmental policies seems to be at an early stage, indicating that there is still much to be done (Lerner, 2009).

1.2 Problem discussion

Even though there are a vast amount of initiatives and projects from governments and other organizations that promote early startup firms to expand internationally, it is not always clear if these actions will be successful or if they are in line with what firms need. Lerner (2009) points out two main reasons why such government programs fail. First, the allocation of funds and support are misdirected, or sometimes even counterproductive. Second, direct and indirect subsidies distributed by the public sector lead to enterprises organizing themselves in order to capture the subsidies rather than after a perfect product-market fit, thus resulting in failure. However, governmental initiatives are declared as an important contributor to economic growth and the expansion of startup firms that want to internationalize, but it is vaguely clarified how much support that is needed (Zahra, 2014). As the number of firms that expands rapidly at an early stage of development increases, it is clear that they follow another type of process, thus operating differently (Aspelund et.al, 2007). This might indicate that alternative sorts of support and helpful tools are needed to simplify and intensify the internationalization process of these firms in comparison to ordinary firms that follow the staged process. Besides, incentives might

have a significant impact on international new ventures, but to our knowledge little research has been done on this topic so far.

Moreover, the recent economic crisis that led to a global economic downturn has, among other things, resulted in an increased desire for governments to attain knowledge about incentives set to promote entrepreneurial ventures, such as Born Globals, in order for them to contribute to economic growth (Lerner, 2009). Additionally, it has led to an increased number of venture capitalists, creating institutional incentives with the interest to help startup firms that obtain great potential of becoming Born Globals (Gabrielsson et al., 2004). Furthermore, it has been acknowledged that Born Globals, especially from small and open economies, lack the knowledge needed to expand internationally, thus indicating that they require external support (Oviatt & McDougall, 2005). In an internationalization process, newly established enterprises are in great need of external help in order to succeed. There is literature saying what institutions should do, such as create initiatives and supportive projects, in order to promote new ventures to become Born Globals and expand internationally (Haar & Meyer-Stamer, 2008; Lerner, 2009; Zahra, 2014). For instance, Haar and Meyer-Stamer (2008) divide the determinants of what is needed for a Born Global to succeed internationally into four pillars; people, networks, technology and markets. Moreover, research has been made regarding what internal organizational resources potential Born Globals need in order to achieve substantial international growth. Kuivalainen et al. (2010) found that experiential knowledge, financial capabilities and investment expertise are essential for international new ventures. Besides, they argue that in order to adapt to different regulatory environments in different foreign markets, a need for the policymakers to provide international marketing training will help potential Born Globals to overcome barriers (ibid). Furthermore, some research has been made on the different ways in which institutions can facilitate potential Born Globals in their internationalization process (Busenitz et al. 2000; McAdam & McAdam, 2003; Zhou et al., 2007; Zou & Ghauri, 2012; Cooper et al. 2012). However, what companies think they need may not always match what researchers have concluded. It is argued that literature concerning this issue has been disregarded and little research has been done in describing the relationship between governmental as well as financial initiatives and the internationalization process of Born Globals (Gabrielsson et al., 2004; Zahra,

2014). Moreover, it is needed in order to ensure external validity of the little research that already exist on this topic (Zou & Ghauri, 2012). Hence, there is a shortcoming in studies made on the interaction between institutional initiatives and potential Born Globals, a topic that needs to be explored.

1.3 Purpose of the study

The purpose of this thesis is to extend the understanding of potential Born Globals' perception on the current domestic initiatives and support they receive as well as the additional help they request in an early stage of development. Furthermore, the aim is to compare what type of governmental initiatives and support from venture capitalists the literature find essential with what potential Born Globals argue.

1.4 Research question

What type of support does Swedish potential Born Globals need from governmental institutions and venture capitalists in an early stage of development to boost international business growth?

1.5 Limitation of the study

The study will entirely focus on outlining the support potential Born Globals need for rapid internationalization and will not go further into describing the impact domestic institutional initiatives and programs have on these firms. Furthermore, the firms participating in our empirical study are geographically limited to Sweden, thus the answers could be based on the institutional situation in Sweden, which might differ from other countries. Moreover, the study does not distinguish between industries involved. Regarding the theoretical framework of network theory and capital, the study will only look at venture capitalists and not other types of financial institutions such as banks or angel capitalists.

1.6 Thesis structure

The thesis consists of six chapters: introduction, theoretical background, method, empirical material, analysis and conclusion. The outline of the following chapters is as follows.

1. Introduction – The chapter will provide the reader with a background description as well as problematization of the topic discussed. Moreover, the purpose of study and research question is outlined. Finally, limitations to the study are presented.

2. Theoretical background - In the theoretical background section, theories and earlier research on relevant subjects in accordance with the study will be presented and includes the Born Global theory as well as network theory and the relation to the government's role as well as to venture capitalists.

3. Methodology - This chapter explains and motivates the choices of methods used in the study. Moreover, it describes the procedure of collecting empirical material as well as how it is processed and discussed in an analysis.

4. Empirical material - The empirical material section presents the findings from the qualitative interviews held in order to answer the research question.

5. Analysis - This chapter aims to discuss and analyze similarities and disparities between the processed empirical material and the theoretical background.

6. Conclusion - In the final chapter, the analysis is intertwined with the initial research question and the purpose of study. This will summarize the thesis in a descriptive conclusion and suggestions for future research within the area of study will be provided.

2. Theoretical background

This chapter describes relevant theories collected from previous studies. Firstly, a definition to the phenomenon Born Globals is given followed by an explanation of the desire to go global as well as the characteristics of these firms. Thereafter, a section regarding network theory will be outlined, including a description of institutions' contributions in this area. The chapter ends with a short summary of the theories discussed.

2.1 Born Globals

2.1.1 Definition

Small and medium enterprises (SMEs) are described as firms that tend to have limited resources and primarily use exporting to expand internationally (Cavusgil et.al, 2013). These firms have throughout the years experienced rapid internationalization due to for instance less customer controls as well as the development of preferable communication tools (Wictor, 2012). Verdier et al. (2010) describes this increase as a result of a less perceived risk with internationalization due to greater globalization. In turn, as a result of new market conditions, technological developments, importance of global networks and individuals ability to better exploit more advanced technology as well as potential in markets, the world has seen an evolvement of a new internationalization process and a rise of a greater variety of firms as well as markets (Knight & Cavusgil, 1996; Madsen & Servais, 1997; Aspelund et.al, 2007; Gabrielsson & Kirpalani, 2012). Born Globals can be described as a type of SME that is influenced by an entrepreneurial mindset and moves into foreign markets at an early stage (Cavusgil et.al 2013). The term Born Globals was first identified by Rennie (1993) in a McKinsey study of Australian high-value-added manufacturing exporters and has since then been described and examined by many (Madsen & Servais, 1997; Andersson & Wictor, 2003; Oviatt & McDougall, 2005; Wictor, 2012). Early on, the firms were described as small and medium sized firms who obtain foreign sales accounting for 25 per cent of total sales within three years of inception (Madsen & Servais, 1997). However, disagreements have followed regarding the definition as a result of the varying research done by scholars, including differences in agreeing on the percentage of foreign sales volume as well as within what time a startup firm needs to internationalize in order be called Born Global (Kumar,

2012; Gabrielsson & Kirpalani, 2012). Yet, the differences have been rather small and consequently these firms are generally known as firms that have “achieved a foreign sales volume of at least 25% within three years of its inception and that seeks to derive significant competitive advantage from the use of resources and the sales of outputs in multiple countries” (Andersson & Wictor, 2003, p.254). This definition is consistent with other scholars such as Kuivalainen et. al, (2007) and Knight and Cavusgil (2004), although the degree of internationalization, for instance the number of countries the firm operates in, was pointed out by Kuivalainen et. al, (2007) to be overlooked. Through the implementation of a study they confirmed Knight and Cavusgil’s (1996) statement that there could be two types of Born Globals: the so called “true Born Globals” that conduct business in several, distant foreign markets and the “born-internationals”, which operates in culturally closer markets. However, the time elapsed from inception to internationalization tend to be similar for both firms. As seen, the name of the phenomenon has differed depending on the scholar and has for instance been called international new ventures (McDougall et.al 1994; Aspelund et. al, 2006) and Global startups (Jolly et al. 1992; Rialp et.al 2005; Kuivalainen et. al, 2007) but is generally known as Born Globals (Madsen & Servais, 1997; Andersson & Wictor, 2003; Wictor, 2012).

2.1.2 Forces behind internationalization of Born Globals

There are different ways that determines if new ventures should internationalize and turn into Born Globals or not. Some argue that newly established, niched ventures from a small country are more likely to expand globally due to the fact that in comparison to larger countries, these countries have smaller domestic markets that might be saturated, which indicates that external factors, such as domestic market size and opportunities, affect new ventures’ choice (Moen, 2002; Fan & Phan, 2007; Gabrielsson & Kirpalani, 2012). Moreover, scholars claim that entrepreneurs’ experiences, network-connections as well as capabilities will display Born Globals’ international success, indicating that it is not the market but the person behind the company that determines new ventures’ international expansion path (McDougall et.al, 1994; Madsen & Servais, 1997; Nordman & Melén, 2008; Wictor, 2012). This was confirmed by Shane (2003), who found that the manager’s network connections simultaneously affected the international new venture’s choice of market and thus its internationalization process.

Additionally, Wictor (2012) argues that entrepreneurs' role in the creation of Born Globals is crucial since they contribute with the international intention, vision and involvement of the firm through personal experience and mindset. Besides, Kuivalainen et. al, (2010) confirmed in a study that previous foreign market experience is important, but also found that financial capabilities is a significant factor defining a potential Born Global firm's degree of internationalization. As indicated in this paragraph, forces behind internationalization can be many but the main factors tend to be the entrepreneur and the network connections, indicating that financial capability is not enough in most cases. Moreover, Gabriëlsson and Kirpalani (2012) states that the earlier a startup firm internationalizes, the faster it will expand in foreign markets.

2.1.3 Characteristics

Born Globals are characterized by its important intangible resources, commitment to global expansion, the knowledge- and innovation intensive field they operate within as well as having the vision that the whole world is their marketplace (Loane & Bell, 2006; Kumar, 2012). On the one hand, they tend to lack important financial and human resources as well as organizational routines, which usually assist older firms in their internationalizing. On the other hand, this could be seen as an advantage since Born Globals operate in fast moving, innovative markets where flexibility is vital (Rennie, 1993; Autio et.al, 2000; Knight & Cavusgil, 2004). In order to utilize the expansion opportunity with the few resources new ventures possesses, McDougall et.al (1994) proved that Born Globals tend to create hybrid governance structures by establishing international networks that works as a support function by providing the resources they lack. Moreover, a knowledge-based view of Born Globals has been developed by several scholars who argue that information about foreign markets can be crucial for startup firms with the ambition to expand rapidly on an international market since they usually lack other resources (Autio et. al, 2000; Sharma & Blomstermo, 2003; Knight & Cavusgil 2004; Freeman et.al, 2010). Wictor (2012) claims that if the top management of a Born Global firm lack the knowledge needed for rapid internationalization, a network that can supply the required information is necessary. As researchers suggest above, Born Globals might suffer from insufficient knowledge and resources due to its newness, which indicates that support from domestic institutions could be helpful in

their internationalization process. Hence, potential Born Globals are in special need of an established network (Knight & Cavusgil, 2004; Vasilchenko & Morrish, 2011; Wictor, 2012) since they also lack experience regarding earlier internationalization in comparison to other firms (Hadley & Wilson, 2003). The institutional contacts may help to introduce foreign connections or invite to fairs where startups have the opportunity to meet potential foreign business contacts (Leonidou, 2004).

2.2 Network theory

2.2.1 Definition

The network model of internationalization, by Johanson and Mattsson (1988), describes the relationships between companies within a network and sees companies as actors that are put in relation to each other where influences from external actors have great impact on each company's choices in the internationalization process. Further, Juttner and Schlange (1996) describes the network model as a model based on circumstances in a particular environment that connect several different dimensions. Also Johanson and Mattsson (1988) describes the network model as consisting of various dimensions that include technological, financial and personal factors. Moreover, investments in relationships are considered as assets that determine future strategic development (Axinn & Matthysens, 2002).

According to Johanson and Vahlne (2009), all companies are included in networks. Besides, Juttner and Schlange (1996) mean that all companies are connected in relationships and networks in the near environment, which results in firms facing new opportunities. The information about business contacts and their operations is the core in the network model (Johanson et al., 2002), thus establishing a significant position in a network may result in competitive advantages (Haar & Meyer-Stamer, 2008). Further, Haar and Meyer-Stamer (2008) suggest that today's markets consist of value networks and value constellations, in which customers and sellers are connected through numerous simultaneous ties, rather than value chains. Furthermore, networks can be divided into formal and informal networks (Knight & Cavusgil, 1996). Formal networks are for instance relations with financiers, and informal networks could be relationships with customers,

suppliers and local stakeholders. Zhou et.al (2007) argue that informal networks compose an efficient way for Born Globals to create global connections necessary for its business, suggesting that there is “an underlying network-based mechanism through which a firm’s international orientations contribute to its superior performance” (p. 674).

2.2.2 The Importance of networks in the internationalization process

A network is fundamental to companies looking to cooperate with customers, suppliers and other stakeholders in an international market (Hadley & Wilson, 2003). It is said that potential Born Globals operating in an early stage of development rely mostly on government-organized activities but also on the entrepreneur's personal relationships in order to find foreign market opportunities to exploit (Freeman, 2012). Moreover, the integration between the actors within a network affects the company's international expansion (Welch & Welch, 1996) resulting in that internationalization often occurs after the network is well-established (Welch & Welch, 1996; Johanson & Vahlne, 2003). The company obtain access to important information and knowledge, for instance about the foreign market, as well as resources through other companies in the network (Johanson & Mattsson, 1988; Welch & Welch, 1996; Hadley & Wilson, 2003). Moreover, Greve and Salaff (2003) argue that networks provide knowledge that complement the entrepreneurs previous experience and thus work as a support function. Internationalization through the network model is, according to Johanson and Vahlne (2009), a natural development where relationships with foreign and domestic actors contribute to business opportunities across borders. A network provides information that would be difficult and time consuming to acquire (Johanson & Vahlne, 2009) and therefore facilitates faster internationalization (Mtigwe, 2006). Furthermore, Born Globals who utilize available networks often benefit since they undergo a rapid and experiential learning advantage, thus enjoying a desirable internationalization process and outperforming other startup firms (Zhou et. al, 2007). It was shown in a study by Styles and Genua (2008) that those firms who successfully managed to internationalize rapidly had dedicated a great amount of time on building and managing networks in an early stage of development in comparison to those who failed to internationalize. Through collaboration with other foreign and domestic actors within the network, entrepreneurial firms are increasingly capable of obtaining managerial, marketing and financial resources as well as foreign market

knowledge, hence create competitive advantages (Mtigwe, 2006) and share the financial burden (Freeman et.al, 2006). Moreover, Greve and Salaff (2003) argue that the entrepreneurs, who often are the founders of Born Globals, need to build social networks in order for the business to succeed, which indicates that networks do impact a startup firm's future establishments. Besides, it is also suggested that not only international but also local social networks can impact Born Globals' internationalization process since entrepreneurs acquire domestic information and capabilities needed in order to capture international growth opportunities (Zhou et.al, 2007).

According to Johanson and Mattsson (1988), companies in the same product market and geographical market share stronger linkages than companies acting in different markets. However, they also suggest that it is important to network over the geographical borders to successfully internationalize. Further, a company and a customer benefit from making a long lasting relationship where they continuously can exchange information and knowledge (Johanson & Mattsson, 1988), which applies for Born Globals as well as large companies. A company is greatly affected by its contacts' choices of markets and strategies, meaning that the contacts' strategies could impact the company's internationalization decisions (Juttner & Schlange, 1996). This may be a risk due to the fact that business contacts within the network could control the company's internationalization process in terms of where to establish, how and to what extent (Loane & Bell, 2006; Johanson & Vahlne, 2009). On the other hand, if a company is not included in a beneficial network it cannot acquire any of the above mentioned advantages. Moreover, the firm can also be seen as an outsider and for this reason not succeed in the chosen market (Johanson & Vahlne, 2009). However, in order to be included in a network, interaction with a company within the network is often enough, which can be developed into a beneficial relationship (ibid.). Arguably, being a part of a network could be of great importance in order to avoid the disadvantages of being an outsider, since Born Globals often lack resources and experience.

2.2.3 Institution network theory and the role of the government

Institutions control the political, economic and social interaction of a country that create order and reduce uncertainty, which can be done both in a formal and informal way (North, 1991; Peng

et. al, 2008). It provides the rules that apply to firms engaged in the market, thus affecting new ventures' strategic choices (Zou & Ghauri, 2012). Moreover, it is said that a weak formal institutional framework in a country forces firms to heavily depend on informal frameworks, which results in a more network-based strategy (Peng, 2002). Yeung (2002) argues that the institutional framework affects the entrepreneur's vision, but the degree can vary from country to country. Hence, in potential Born Globals' internationalization process, the entrepreneur's previous knowledge and experience is not only important, but also the institutional activities. Furthermore, the strategic choices new ventures make may depend on the industry and firm-specific capabilities as well as the institutional framework (Peng et. al, 2008).

The institutional framework in a country can be divided into aspects that relates to each other (Zou & Ghauri, 2012). Firstly, the regulatory framework including laws, regulations and government policies, can provide support for potential Born Globals by creating a beneficial environment that assists entrepreneurs' activities as well as reduces the perceived risk of starting an international new venture. For example, government programs could encourage investments by protecting investors from the full risk (Busenitz et. al, 2000). Besides, it is beneficial from the government's perspective as these programs can enhance the growth of startups and thus work as a lever for overall economic performance (Lerner, 2009; Homez-Haro et. al, 2011). However, Lerner (2009) stresses the importance of the government finding the appropriate size for these initiatives in order for them to have the preferred effect on potential Born Globals. Further, it is important to not spend more funds than initially needed by realizing when to end programs that are not performing or programs that are too successful by letting firms go (ibid). Secondly, the access to research and educational institutions provided by the government could be factors determining a potential Born Global's internationalization success. For instance, an international new venture could benefit from the collaboration with incubators, which can provide business resources, knowledge exchanges and network activities (Zou & Ghauri, 2012; Cooper et. al, 2012). Consequently, universities and incubators can offer great advantages to firms in an early stage of development (McAdam & McAdam, 2006). Besides, they can provide support for these companies in terms of network contacts by introducing them to other government support programs or funders who can facilitate potential Born Globals in their expansion (ibid.).

Moreover, governmental programs assisting potential Born Globals could benefit further from working with experiential learning opportunities and employees' networking capabilities by utilizing social networks and share contacts as well as knowledge with these firms, but also other institutions (Zhou et. al, 2007). Furthermore, by participating in governmental programs and incubators, potential Born Globals can earn a higher degree of credibility, which could encourage investors and increase their interest (McAdam & McAdam, 2006). In fact, Cooper et. al, (2012) found in their study of startup firms that access to resources and network contacts provided by the incubator was vital in an early stage of development in order for the international new venture to survive. Moreover, it was concluded by McAdam and McAdam (2008) that institutional initiatives like these decreased the time spent on establishing important networks and finding the right resources, thus enabling a faster internationalization process. Besides, they found that institutions can be of great help when it comes to financial matters, which is an important factor for startup firms, by facilitating access to venture capitalists as well as provide knowledge and guidance in how to proceed with this financing option, thus supporting firms in their investment readiness (ibid). However, not only a developed education system and knowledge-intensive country is beneficial for early startups, but also the degree of wealth as governmental initiatives are more likely to be implemented in a wealthy country (Lerner, 2009).

2.2.4 Network theory and capital

As outlined above, networks can contribute with great support to potential Born Globals. In a financial perspective, initiatives that provide better access to capital depends on the degree of capitalism in a country and can be favorable for the Born Global firm's internationalization process if practiced properly. For instance, capital market discipline performed by the government may discourage long-term investments, which could hinder innovation and growth of startup firms (Yeung, 2002). Moreover, it is argued that it can be vital for international new ventures that are in an early stage of development to operate in a stable financial environment, controlled by institutions (Zou and Ghauri, 2012). Besides, financial systems that are equity-based has proven to be preferable to entrepreneurs and since institutions set the rules of the market, they play an important part in the development of potential Born Globals and a thriving

entrepreneurial business environment (Lim, et.al, 2010; Zou & Ghauri, 2012). Kuivalainen et al. (2010) suggest that firms can benefit further from connections with venture capitalists. It should be noted that consideration has been given to the fact that there are other types of financial institutions, such as angel capitalists and banks (Fenn et.al, 1995; Hellmann & Puri, 2000). However, future discussion will focus on venture capital when it comes to private financial institutions due to its increased importance for potential Born Globals (Lerner, 2009).

It is argued that, in comparison to other Western countries, Swedish startup firms rely on a domestic financial system that consists of banks and other financial intermediaries for the financing part whereas, for instance, the US is characterized by stock markets and financiers (Sjögren & Zackrisson, 2005). Since Born Globals lack foreign market-knowledge and operates at a high level of risk and intangibility they are usually not as attractive to banks as ordinary firms are. Hence, it is difficult for them to find financing options (Gompers & Lerner, 2001; Sharma & Blomstermo, 2003; Sjögren & Zackrisson, 2005). In fact, Gompers and Lerner (2001) state that ninety per cent of new ventures that don't receive capital through venture capital funds will fail within three years. This reluctance from other financial institutions can be a great issue and hinder Born Globals' internationalization process since they often lack substantial capital. Due to the financial environment, they tend to seek external financing through venture capitalists (Lerner, 2009). Venture capital was defined as "a professionally managed pool of capital that is invested in equity-linked securities of private ventures at various stages in their development" (Sahlman, 1990, s.473). More recently, researchers suggest that venture capital is investments in high risk and high potential firms that are in an early stage of development, such as potential Born Globals (Sjögren & Zackrisson, 2005; Gleason et.al, 2006; Aizenman & Kendall, 2011). In contrast to other financial institutions, venture capitalists are characterized by being extremely involved in the firms they invest in, providing not only capital but also support through knowledge-sharing (Hellmann & Puri, 2000; Busenitz et.al, 2004). In addition to the substantial capital they provide, it is argued that venture capitalists also contributes with value-adding information such as networks and relationships with important contacts (Busenitz et.al, 2004). Since venture capitalists possess great market-knowledge, they can introduce international new

ventures to both local and international networks and contribute with contacts that can be of great help to these firms (Sjögren & Zackrisson, 2005).

Moreover, entrepreneurs tend to create a pool of sources for finance and capital that they have collected from social and family ties, indicating that networking is vital in order for potential Born Globals to receive funding (Yeung, 2002). This network does not necessarily have to consist of only domestic financiers since the potential Born Global can decide to cooperate with international financiers, which might be an explanation of the fact that other countries, such as the US, offer better capital markets and access to venture capitalists but also better financial sources and financial management capabilities needed for a successful rapid internationalization (Yeung, 2002; Gabrielsson et. al, 2004). Yet, even though venture capitalist tend to invest in high-risk, high potential firms in an early stage of development, the international new venture has to be recognized and constitute credibility in order to receive these international funds from global venture capitalists (Yeung, 2002; Sharma & Blomstermo, 2003; Gleason et.al, 2006). In addition to venture capital, startup firms can gain capital by utilizing public institutions such as governmental seed money and incubator support, which can be more important for startup firms in an early stage of development (Gabrielsson et. al, 2004). Moreover, since venture capitalists tend to demand a certain stake in the company or return on the investment (Smith et.al, 2011), they do not always work towards the same goals, thus governmental support in terms of capital as well as market knowledge and network contacts is needed to ensure the future development of innovation and young entrepreneurs (Gabrielsson et. al, 2004; McAdam & McAdam, 2006; Cooper et. al, 2012).

2.3 Summary

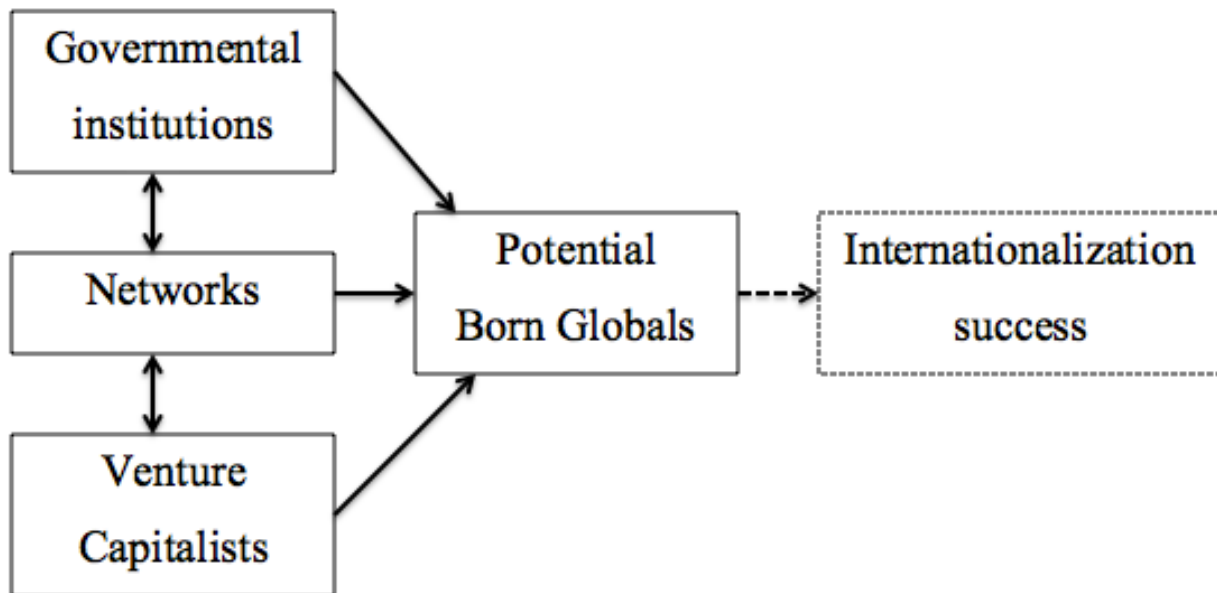
Born Globals are dependent on external players, such as venture capitalists and governmental institutions, to support them in their process. The overall support that is suggested from several researchers in the theoretical framework is summarized in a table below (Table 1).

	Government	Venture Capitalists
Network	Governmental initiatives can decrease the time spent on establishing networks. For instance offering startups access to incubators and provide network activities as well as important contacts.	By investing in a startup, venture capitalists can share their networks and important contacts, both national and international.
Capital	The government can provide seed money and other investments. Besides, the government can guide startups in how to proceed with their financing options, thus support them in their investment readiness.	Can help create a pool of sources for financing. However, venture capitalists often require a certain stake in the company as well as return on investment.
Knowledge	Can provide access to research and educational institutions that in turn facilitates the business resources and knowledge these firms lack. Incubators can further assist with market knowledge.	Connections with venture capitalists can provide knowledge-sharing and market insight.

Own Table: Table 1- An overview of the theoretical framework

The theoretical framework provides a basic overview of the discussed topic and concludes that there are various ideas and views on the support potential Born Globals need in their internationalization process, thus indicating a complex subject. For that reason, it is necessary to carefully consider the choice of method and select one that will give the best support in answering the research question. Consequently, the conceptual model (Figure. 1) presented below was formed, which describes the relationship the study aims to examine. The three boxes represents the different external factors examined whereas the arrows describes that the boxes affect both each other as well as potential Born Globals in their internationalization process. The internationalization success of potential Born Globals as a result of these influences is not

something this study will discuss since the research question is directed towards what these firms think they need in comparison to the theoretical framework, leaving us at the first step.



Own Figure: Figure 1 - The relationship studied

3. Methodology

In this chapter the choice of methods used in the study are described and justified. Moreover, it includes a description and motivation of the research approach as well as the method for the theoretical framework and empirical material collection. Furthermore, it explains the proceedings and execution of each method. The last part covers the choice of method for the analysis as well as the ethical position.

3.1 Scientific approach

This study has a hermeneutic approach in which the material is interpreted by creating an understanding of the empirical material and phenomena discussed, thus the empirical findings are put in relation to the theoretical framework. The purpose of the method is to provide the reader with an interpretation that decreases the uncertainty of the topic by placing it in an understandable context. Moreover, comprehending the empirical material could give further insight in the theories used and thus create an interaction where the understanding constantly increases in a “hermeneutic circle” (Alvesson & Sköldberg, 2008). Since the purpose of study is to compare theory with empirical findings, it is essential to develop an insight for both parts and grasp how these relates to each other, thus the hermeneutic approach was considered to be appropriate. Consequently, the theoretical framework was interpreted and put in a table in order to provide the reader with a better understanding of the topic explored. In turn, by creating a table it provided insight of the phenomena discussed, which resulted in a figure describing the relationship studied and decreased the uncertainty of the subject. Besides, in the analysis the approach was used in a way that alternated both theory and empirical material in order to put the issue in a more understandable context.

3.2 Research method

3.2.1 Qualitative method

A method can be described as “a technique for collecting and/or analyzing data” whereas methodology is described as “an approach to the process of the research, encompassing a body of methods” (Collis & Hussey, 2009, p.73). A qualitative method is commonly used when

discussing a complex field to better understand and explain the issue, unlike the quantitative method, and supports the aim of this thesis (Ritchie & Lewis, 2003). Yet, the method has been criticized in terms of being too subjective, relying on the writers' unsystematic views about the relevancy of gathered information (Bryman & Bell, 2011). Moreover, there are different ways to conduct a qualitative method, being for instance with the help of a case study or through observations. A case study is used when the researcher seeks deeper understanding of a complex subject or phenomena (Yin, 2009), which aligns with the purpose of this study. This type of method is commonly used when one or a handful of cases are examined, but can be carried out when examining around a dozen of cases without causing any problem (Gerring, 2007).

3.2.2 Justification of the choice of research method

The purpose of this thesis is to extend the understanding of potential Born Globals' perception on the current domestic initiatives and support that they receive as well as the additional help they request in an early stage of internationalization. Studies on early internationalization of these firms have to a large extent been done. It reflects the complexity and diversity of the topic, including issues that can specifically be related to early internationalization of potential Born Globals, and has been researched through a variety of methods (Rialp et. al, 2005). For instance, quantitative methods were carried out by: Rennie (1993), Moen (2002), Knight and Cavusgil (2004) and Kuivalainen et. al, (2007). In turn, qualitative methods were used by McDougall et. al, (1994), Sharma and Blomstermo (2003), and Nordman and Melén (2008) whereas mixed methods were applied by for instance Andersson and Wictor (2003) and Loane and Bell (2006). However, in order to gain insight in this field and describe the relationship between Born Globals and institutions, a qualitative approach is appropriate to best utilize the empirical material gathered (Rialp et.al, 2005). With this in mind, a qualitative method with the help of case studies was chosen in order to answer our research question properly.

3.3 Research approach

3.3.1 Abductive approach

A research approach could either be deductive, inductive or abductive depending on how the writer would like to proceed (Alvesson & Sköldbberg, 2008). The deductive approach is used

when the researcher would like to test a theory with empirical findings in which specific cases are developed from general conclusions. In contrast, the inductive approach describes the reverse relationship where empirical findings generate a theory, in which general conclusions are developed from specific cases (Collis & Hussey, 2009). The abductive approach is a mix of these two approaches and assumes that both empirical findings and a theoretical structure are important. In contrast to the other two approaches, an abductive approach provides the reader with an understanding. Moreover, the abductive approach is common when conducting one or several case studies, since it enables the writers' own interpretations. By using this approach, the research does not solely depend on theory or vice versa and the researchers can alternate the two as preferred. When analyzing the empirical material the writer could combine this with theory as an inspiration and find differences and similarities (Alvesson & Sköldbberg, 2008).

Since the purpose of this study was to compare what type of governmental initiatives and support from venture capitalists the literature find essential with what potential Born Globals argue, it was appropriate to use the abductive approach as it allows the usage of both theory and empirical material, thus enabling the potential of finding connections and disparities. Moreover, the approach aligns with the scientific approach, hermeneutic, as the researchers obtain more knowledge and information in a "hermeneutic circle" that increases the understanding as theory and empirical findings are alternated.

3.4 Developing the theoretical framework

3.4.1 Literature sources

In developing a theoretical framework secondary, tertiary and primary sources of literature can be used. Secondary literature is generated from already existing sources and is described as primary literature that has been published again, including books as well as journals, and often saves time since it is already available for the researcher. These sources are published on a regular basis and the number available is expanding rapidly as a result of the usage of Internet. The most common source is academic journals, which are journals that are assessed by academic peers before its publication to ensure quality and suitability (Saunders et.al, 2003). Moreover, the

collection of relevant information often includes the usage of tertiary literature sources, or in other words Internet, search engines or databases, where the researcher browse through subject directories using keywords (Saunders et.al, 2003; Adams et.al, 2007). Lastly, primary sources can be used and are, for instance, reports and theses that were presented for the first time. Especially theses could be a good source when conducting a research as it can work as further reference. However, these sources are harder to locate and the usage of tertiary sources such as search engines could therefore be helpful (Saunders et.al, 2003).

In this thesis, search engines, databases, journals and books were used when researching the topic of discussion in order to create an understanding of what has been done in terms of previous studies, thus assisting in finding the loopholes and shortcomings that created the research question. Moreover, it helped to outline the theoretical framework, as the examination of these sources provided information about appropriate theories and literature that could be applied. Furthermore, academic journals provided great knowledge of previous research within the research field and thus became the base to what later was compared with the empirical material. In turn, primary sources were used when describing a specific theory or theses to strengthen the quality and reliability of the theoretical framework.

3.5 Method for empirical material collection

3.5.1 Primary sources

Primary empirical material is material collected by the researchers from an original source, for instance through observations, surveys or interviews. It is an important method of collecting material in a study since it can help the researchers to answer the question of purpose. However, the collection of primary empirical material is known to be time consuming and it is therefore essential to carefully plan how to go about it (Adams et.al, 2007). Alvesson and Kärreman (2007) emphasize empirical material as “a resource for developing theoretical ideas through the active mobilization and problematization of existing frameworks” (s. 1265), indicating that empirical material can assist the researcher in discovering new findings by utilizing and questioning existing theoretical frameworks.

In this case, to collect the empirical material needed, several case studies were conducted through interviews, which will be explained in more detail later on. By collecting empirical material, the aim was to question and compare the theoretical framework with the results of the study. Additionally, comparing similarities and differences, both between theory and empirical material as well as between participants of the study, enhance the possibility of finding trends and linkages.

3.5.2 Sampling method

In order to conduct the study, accessing information from both institutions as well as potential Born Globals was essential. One could choose either a probability sampling method or non-probability method where the first is representative of the population and the latter is not. Since a small number of cases were studied, a non-probability method for sampling was used in this thesis in order to explain and understand the research question (Quinlan, 2011). Moreover, a judgmental or purposive sampling approach is commonly used when the writers want the participants to match predetermined criteria, thus sampling in a strategic way (Blumberg et.al, 2011; Bryman & Bell, 2011). However, using a non-probability approach where the sampling size is rather small and the companies are not randomly selected through an extensive database, but instead selected by the writers, restricts the qualitative research. Therefore, the result will only help to understand the phenomena described and lead to speculations, thus any generalizations should not be made (Bryman & Bell, 2011).

3.5.3 Choice of sample

Researching the topic “Born Global” online led to the finding of a program, called Born Global, conducted by Chalmers Innovation and Almi, both located in Gothenburg. The program, which started in 2012, aims to assist potential Born Globals in finding a verified and scalable business model at an early stage of development and was therefore of great interest to explore (Born Global, n.d.). Consequently, the head of operations at Chalmers Innovation as well as Almi was contacted and face-to-face interviews were held in order to access information as well as hear their own opinions to proceed with the study.

The set up criterions for finding the most appropriate companies were that they should have the potential of becoming Born Globals and be clearly linked to domestic institutions. Therefore, Chalmers Innovation and Almi Företagspartner were asked to assist us in finding firms who had participated in their program, thus most of the selected candidates had at some point been involved in “Born Global”. Almi also suggested that it could be of interest to contact a few firms that had participated in another form of governmental program, called TINC, initiated by Almi. Hence, the firms would have been in contact with the domestic institutional environment, and hopefully have an opinion about it. Therefore, ten potential Swedish Born Globals were selected from the program “Born Global” and three were provided from Almi, giving us a total of 13 potential participants, which resulted in eight respondents. These eight respondents were named as company A-H and two of the interviewees preferred to stay anonymous. A more detailed explanation of the firms can be found in the appendix.

3.5.4 Justification of the choice of sample

Previous research on Born Globals has been done in other countries such as the United States, Australia and Finland (Knight & Cavusgil, 2004; Loane & Bell, 2006; Kuivalainen et al., 2007) where the initial settings differ from Sweden. Besides, there have been studies on Swedish companies (Andersson & Wictor, 2003; Nordman & Melén, 2008), but the selection of sampling frame for this study is qualified on the ground that there is a need for intensified studies on the domestic institutional impact on potential Born Globals. Moreover, since Swedish contacts were available within the field of Born Globals it was best suited to proceed with domestic firms. Furthermore, to ensure credibility and validity, the managing directors at each firm were targeted since they are considered to possess best knowledge about the support they receive as well as request from institutions and are most familiar with the internationalization process of their firms. This applies to the institutions that were chosen into the sampling frame as well, where the head of operations of both Chalmers Innovation and Almi were contacted.

3.5.5 Empirical material collection - Qualitative Interviews

The empirical material was collected through qualitative interviews, which can be done in several ways. Below are presentations about advantages and disadvantages of the course of action.

- *Face-to-face vs. telephone interviews*

Qualitative interviews can be done in a face-to-face meeting with the interviewee or by telephone. The advantages with a face-to-face interview are that cooperation from the respondent is good, the interviewer has the possibility to answer questions about the survey, ask follow-up questions and visual aids can be used (Blumberg, et. al, 2011). The disadvantages are that face-to-face interviews often are costly and demand highly trained interviewers. Moreover, the interviews could be labor intensive and time consuming in terms of visiting the participants and analyzing the material (ibid.). In turn, the advantages with telephone interviews are that they are fast and the location of the respondents is unimportant. Furthermore, hard-to-reach respondents could be contacted several times, hence telephone interviewing provides better access to busy people. Bias can also be reduced owing to that the interviewer's personal characteristics cannot be seen (Blumberg et. al, 2011; Bryman & Bell, 2011). Disadvantages consist of that the response rate is lower than for personal interviews and that the length of the interview is limited. Also, visual aids cannot be used and the answers may be less complete (Blumberg, et. al, 2011).

- *Semi-structured and unstructured interview form*

A semi-structured is guided through an outline of issues, topics, or themes, but where the questions could be in different orders and wordings, including both “how” and “what” questions can be conducted (Eriksson & Kovalainen, 2008; Blumberg et. al, 2011; Bryman & Bell, 2011). However, Eriksson and Kovalainen (2008) suggest that, even though this form of interview is to some extent systematic, it could be difficult to compare the empirical material due to the fact that the interviewees answer the questions with their own interpretation. In turn, an unstructured interview, which is informal, open and narrative could be done (Eriksson & Kovalainen, 2008; Blumberg et. al, 2011; Bryman & Bell, 2011). There is a core concept and some guiding questions, however, the conversation could move in other directions. Eriksson and Kovalainen (2008) suggest that an unstructured interview form will expose insights that the researcher could not have foreseen. They also suggest that this type of interview may bring forth information that could form the basis of new research questions (Eriksson & Kovalainen, 2008).

- *Forming interview questions*

As Eriksson and Kovalainen (2008) points out, it is important to develop interview questions in order to acquire material that will help to answer the research question. Open questions provide more detailed responses and allow the participants to talk about what they feel is essential. Moreover, neutral questions avoid pre-assumptions and pre-given typologies. In qualitative interviews it may also be necessary to ask reflective questions in order to control what the participants mean. Yet, adhering to the present interview questions can prevent the respondent from raising important topics (ibid).

- *Recording and transcription*

According to Eriksson and Kovalainen (2008) there are different ways of recording an interview. For instance, to write notes on the spot, afterwards or tape record the interview with a tape recorder. Bryman and Bell (2007) argue that the most common form when conducting qualitative interviews is tape recording. However, this may disconcert the interviewees making them alarmed and less cooperative. Furthermore, writing notes on the spot could prevent the interviewer from being completely focused on the respondents' answers and the way they answer (ibid.), hence, this type of recording may interfere with the process of interviewing (Eriksson & Kovalainen, 2008). Moreover, transcribing qualitative interviews are advantageous because it facilitates a more thorough analysis of the answers as well as helps to correct the interviewer's interpretations and limited memory in a latter stage. Further, transcribed interviews increase the reliability, as they are easier to open up to public scrutiny. Hence, it helps to meet accusations that an analysis has been affected by, for instance, biases. On the other hand, transcribing interviews is very time consuming and requires good equipment (Bryman & Bell, 2007).

3.5.6 Execution of empirical material collection

Face-to-face interviews were conducted in order to obtain better understanding of the field of Born Globals and how institutions work as well as gain insights that could be helpful to define the research question. The purpose of the interviews resulted in an unstructured interview form where the participants were allowed to talk rather freely about their thoughts and experiences as long as they kept to the main topic in order to avoid gathering insufficient information, thus

resulting in more of a discussion than interview. Moreover, the questions were asked neutral and open, yet again to gain as much information and insight as possible. Furthermore, being tape-recorded in a face-to-face interview could create an uncomfortable feeling and therefore provide less in-depth answers. Hence, notes on the spot were taken, however not at the same time as there were two interviewers and therefore one always had the ability to proceed with the process of interviewing. Being two interviewers is time consuming, yet the advantage of having four ears instead of two, as well as having twice the brain to come up with follow-up questions was desired. The interview with Sören Sjölander was held April 1st whereas the interview with Mikael von Dorrien was held April 8th and they both lasted about an hour.

The eight potential Born Globals were contacted via e-mail and asked if they wanted to participate in the study through telephone interviews or face-to-face meetings in Gothenburg. In order to be time-efficient, the interview method for the selected potential Born Globals became telephone interviews. Since the main purpose was to investigate what potential Born Globals need from venture capitalists and governmental institutions in order to internationalize, it was clear what was being examined and we sensed no obstacles to compare our results, thus a semi-structured type of interview was used. To overcome the problem of not responding when calling, the interviewees were initially contacted via email to schedule an appointment for the interview. Also here, the questions were formed as open and neutral to facilitate as much information as possible during the interviews. Besides, the participants was provided with the main questions in advance so that they had time to think through the answers in order for us to receive more thoughtful and detailed answers. Only having two questions resulted in very specific findings, which could hamper the empirical compilation. However, both follow-up questions and reflective questions were developed during the interviews, which provided the study with enough material in order to answer the research question thoroughly. The two main questions were the following:

- 1. What resources, initiatives and projects from both financial (non-banks) and government organizations do you think is necessary for an early internationalization?*
- 2. What is your view on the current institutional efforts? How is it relevant to internationalization?*

Moreover, unlike the face-to-face interviews, the telephone interviews were tape-recorded. This decision was based on the fact that it is possible to re-listen to a tape-recorded interview, facilitating the execution of the analysis. Besides, the respondents would not see the tape-recorder and therefore not be distracted of it. In all interviews, except from three, we both participated and listen to the respondent. However, only one talked and the other one took notes since it was easier and less confusing for both us and the interviewee due to lack of eye contact and personal visibility. Further, none of the interviews were transcribed since the material could easily be re-listened to, which saved time. All of the tape recordings will remain confidential. The interviews were held between April 9th and April 24th and lasted about 15-20 minutes.

3.7 Method for empirical material analysis

Analyzing qualitative empirical material can be time consuming and demanding. There are several different ways in analyzing the findings, for instance it can be structured or unstructured, formalized or based on the researchers' own interpretations as well as deductive or inductive (Saunders et.al, 2003).

3.7.1 Template analysis

When analyzing empirical material it is preferable to begin by rearranging the collected material into categories that will create a structured analytical framework for further analysis. These categories should be formed along the research question as well as purpose of study and can be put into a table or matrix. By doing so, it is most likely that the researcher will find patterns and relationships within the collected material (Saunders et.al, 2003). In this sense, a template analysis method is appropriate to use in accordance to an abductive research approach as well as a hermeneutic scientific approach and includes the development of a list of the categories generated from the empirical material. The categories are influenced from the theoretical framework and thus developed before conducting the collection, but can be changed depending on the results and analysis of the findings. Moreover, these categories or codes can be put in a hierarchical order to enable the researchers to analyze on different levels depending on the importance. The researchers could either implement a new category, delete an old one, prove the

importance of an existing category or why it might be less relevant. A template analysis is thereof flexible and can be modified in a way that it suits the purpose of study. It is also an eligible method when trying to identify relationships and linkages by comparing the initial theoretical framework with empirical material. Moreover, in accordance with the hermeneutic approach, it helps the researchers to interpret the collected material by organizing it in categories (King, 1998). For the above reasons, a template analysis method was considered to be most suitable and align with the purpose of study as well as the research question of this thesis.

3.7.2 Credibility of the findings

When conducting a research it is important to answer the question and present the findings with credibility, including the reliability and validity aspects of the report. The first concerns the support from other researches that received the same result in a similar study. If so, it will give the writers reliability. Moreover, it is important that the empirical findings are gathered and summarized. Besides, when conducting interviews the researchers have to bare in mind participant bias, where the respondent might answer something that they felt was appropriate to say and not what they actually thought. Offering the respondents anonymity could prevent this from happening. Furthermore, one might encounter observer bias as well where the researchers interpret the material differently. The latter, validity, concerns how well the collected empirical findings reflect the research question. For instance, it is important to ensure that the respondents' statements are explained in detail, but also for the researchers to gain insight in the phenomenon explored and avoid misinterpretation in order to receive a high degree of validity (Saunders et.al, 2003; Collis & Hussey, 2009).

3.7.3 Execution of the analysis

In this study, the template method was used to analyze the empirical material. First of all, the notes from the face-to-face interviews were put in a content that made more sense but without changing any assertions or statements from the participants. However, in comparison to the telephone-interviews with the potential Born Globals emphasis was not put on these interviews in the analysis, since they were not considered to be relevant in order to answer the research question. In turn, the recorded empirical material from the telephone interviews was listened to once more and written down in documents, which enabled the process of finding patterns that

could create categories, which were used in the analysis. These categories were compared with the categories in the table (Table 1) developed from the theoretical framework in order to find linkages between the two parts, thus applying the template analysis method. Moreover, by analyzing the collected material it provided better insight in and knowledge about the relationship the thesis aims to study (Figure 1), which assisted in answering the research question.

As for reliability and validity, the participants of the telephone interviews were offered anonymity to prevent misleading answers. Moreover, these interviews were tape-recorded, which strengthens the credibility of the report. Besides, performing semi-structured and unstructured interviews gave room for the respondents to explain and elaborate their answers. As a result, a better understanding of the phenomenon examined was provided, thus helping the researchers to maintain focused on the purpose of study in the analysis and avoid misinterpretations, which increased the validity.

3.8 Ethical position

While conducting interviews and academic research it is important to have an ethical standpoint and treat the participants correctly. One of the most important principles is to avoid forcing people to take part in the research. Also, it is preferred not to offer financial or other material rewards due to the risk of biased results. Moreover, anonymity of the respondents should be offered making the participants confident that their identity and opinions cannot be identified without their permission (Collis & Hussey, 2009). Besides, Collis and Hussey (2009) suggest that anonymity contributes to honesty and greater expression as well as higher response rates. Another important principle is to clearly inform the participant of the purpose and benefits with the research in order to improve cooperation. Furthermore, it is of good research ethics to not prolong the interview or expand the scope of the research. When the study is done, it is also of good practice to share the results with the respondents in order to retain goodwill of the participants (Blumberg, et al. 2011).

The interviewees in this study have not been forced to participate but have voluntarily answered the questions. Neither were they offered any reward in doing so. All participants were asked if they wanted to stay anonymous or whether they agreed to exposed identity and opinions. Moreover, the purpose of the study was clearly presented both in an initial e-mail as well as an introduction at the time of the interview. No length of the interviews was agreed on thus no interview was prolonged. However, the participants had the opportunity to finish up the interview if they felt time-pressure. The study was sent to all participants when finished.

4. Empirical material

This chapter covers the compilation of the interviews held with potential Born Globals, named Company A-H, which participated in this study. The empirical material is divided into two main parts that are guided by the two questions that were asked. As a conclusion, the compiled empirical findings are drawn up in a table (Table 2) similar to Table 1, which will facilitate finding linkages and relationship as well as comparing the findings with the theoretical framework in the analysis.

4.1 Resources, initiatives and projects from both financial (non-banks) and governmental institutions necessary for an early internationalization

4.1.1 Network

A factor that was seen as helpful in potential Born Globals internationalization process was the access to contacts via networks provided by institutions, which six out of eight expressed a need for. Networks can provide both knowledge and capital that these firms lack but also help them to launch their product or service. Moreover, it can invite startups to events and meetings with international investors. Company E and H suggested that the process of finding the right networks is very hard as well as time consuming and indicated that external support is needed. Further, Company D said that the support is needed in order for these small international new ventures to actually get on the radar. Governmental institutions can, as said by the six interviewees, provide networks that can be generated from for instance programs such as the Born Global program or events and market days where the Swedish Trade Council invites companies that could exchange information and valuable contacts. Besides, in a governmental program it is of importance to not only focus on the external contacts, such as venture capitalists and mentors, but also to focus on building relationships with the participants as they too can be of great help. For instance, Company F felt that the program in itself did not provide many international contacts, however they did benefit from networking with the participants of the program. Besides, the respondent suggested that the right networks are extremely powerful but the problem lies in that people often exchange numbers and business cards but rarely take advantage of the created network. Moreover, Company C, D and E said that forming networks

with a large firm in a complementary industry is essential, both in the internationalization process and the development phase, since potential Born Globals often lack for instance the capital, customers and networks to succeed. Yet, Company E stated that finding the right partner is essential in order to benefit from it, since a bad partner might be time consuming and hard to reach when necessary, thus useless. Furthermore, Company D expressed that an incubator could be very helpful in providing networks and believed that it is the absolute best tool they have encountered. By being a part of an incubator the firm were in the Swedish ecosystem for startups and thus received invitations to meet international investors as well as big businesses that could facilitate their internationalization process. However, the respondent also said that building networks is not always the most important thing in an early stage of development, but can be good in order to access the resources and knowledge startup firms often lack. Additionally, interviewees emphasized the importance of being onsite or at least having a valuable contact present in the desired market as an important factor in their internationalization process, which can be provided by institutions even if the current supports offered are in need of improvements. For example, Company A said that "having a Swedish person onsite that could help these firms by providing them with useful tips as well as guidance and direct them further would be priceless".

4.1.2 Capital

Further, capital was the aspect that most of the interviewees, seven out of eight, mentioned as a requirement for internationalization. Company D, on the other hand, answered that capital is not specifically essential for internationalization of startup firms but is of course important for firms when for instance hiring more people etc., which indirectly affects the internationalization process. Among the seven companies, capital is crucial in order to, for instance, test the product and be able to have a fair chance to develop the idea to see if it is worth to proceed. Moreover, capital is used to build networks and to obtain knowledge, thus indicating the importance of these two factors yet again. Potential Born Globals require quite large investments and most of the companies have received governmental funding, seed money or grants through institutions such as Almi and Vinnova in the startup process. However, according to the majority of the respondents, it is suggested that funding from Swedish governmental institutions is not enough.

Yet, Company G says that the Swedish government has noticed this and realized that they could benefit from investing in startup firms, thus the objective is good. Also, Company A suggested it could be of great interest for the government to provide more capital since it could create a win-win situation when these companies succeed. The company receives support in terms of capital needed in their early stage of development whereas the government and the nation experience growth and recognition worldwide. However, Company G argues that the challenge is to pick the right tools to finance these firms. The Swedish government has developed different programs and institutions, such as Innovationsbron, Almi and Vinnova, but the respondents feel that those in charge of the programs for entrepreneurship and innovation often lack the right knowledge and experience that is needed for these firms. This is the government's core problem and affects startups extra hard. Furthermore, Company E suggests that since their company works with developing products to comply with different standards in different markets, targeted funding for specific purposes is also of importance. Moreover, Company G argues that the Swedish government performs poorly regarding financial incentives, especially for high-tech startup. The respondent believes that the reason for this is because the industry is not strongly connected to universities or colleges and is usually quite capital intensive. Further, the interviewee puts this in relation to the biotech industry where firms usually are strongly connected to universities at an early stage of development and thus receive greater support.

Even though there are governmental institutions providing capital, most of the participants mentioned venture capital as more important due to the fact that the capital from governmental institutions is not enough in order to internationalize. All of the respondents are aware of that venture capitalists will to some degree take control over the company, take part in the decision making and enter the company with their own objectives, but is still seen as beneficial. Company G suggests that venture capital creates more opportunities than harm. However, respondents expresses that it is crucial to find the right venture capitalist, evaluate the investor who will become part of the company and make sure that its experiences, objectives and vision complies with the company's values. Furthermore, Company C and H even suggest that a venture capitalist can be beneficial not only in terms of providing capital but, for instance, also in providing experience and the right contact network.

Governmental institutions, and in particular the Born Global program, give opportunities to meet several venture capitalists but also provide knowledge about what venture capitalists look for and what is needed to obtain investments. Company H argues that the capital market looks at business in a slightly different way and it could therefore be helpful for potential Born Globals to gain knowledge about how venture capitalists define a scalable business and what type of documentation they request etc. As of now, startup firms waste much time on the capitalization, finding the right contacts as well as providing the right material to satisfy each stakeholder. Moreover, the respondent feels that it is contacts and networks that determine whether a firm could receive venture capital rather than the firm's performance. Furthermore, Company B mentions that venture capitalists in Sweden are less willing to take risks compared to for example in the US. Consequently, the American venture capitalists can provide more money in comparison to Swedish equivalents, hence the respondent therefore suggests that investors must be more like in the US.

4.1.3 Knowledge

When interviewing the firms, it was clear that accessing knowledge about the market was important for startup firms and thus an area where institutions can contribute with great help. Out of the eight respondents, five considered knowledge to be an essential part in order for potential Born Globals to expand globally. They expressed that access to basic market-knowledge such as mindset and culture as well as knowledge of how to structure your company on an international arena is very helpful. As an example, Company E mentions that the Swedish Export Credit Corporation is interesting in an internationalization process that includes export to markets with high risk and large cultural distances, for instance China or Russia. This kind of institution could encourage companies that wish to explore high-risk markets when internationalizing by providing guidance and support. Moreover, the five interviewees value real life experiences from mentors who have worked within the market since they often possess the knowledge these firms lack. Company B further explained that one could only obtain this type of knowledge by being on spot. Besides, they also valued having access to mentors onsite that can help with guidance and useful tips on where to begin when establishing a business abroad. Company C and E

considered the governmental Born Global program to be a good institutional support for potential Born Globals since it helps them obtain this type of knowledge, but especially helps them to approach the desired market and thus facilitates the access to experienced mentors. Furthermore, it assisted Company H by structuring their business, which simplified the process of presenting themselves on the market. However, it was questioned whether the program actually helped to internationalize or if it just helped organize the core business, provide networks and assist in building a future plan. Company B had participated in an alternative governmental program called TINC. This program shortened the time spent on obtaining market-knowledge and the respondent expressed that "I have done a six-month job in four weeks". However, all respondents expressed that governmental institutions can improve on this matter, as it is hard to actually get involved in these type of programs and to find information about them. Company D suggested that incubators could support startups by providing valuable information and tips, especially about what type of events and internationalization programs to attend. No one specifically said that venture capitalists could be valuable in providing this type of knowledge, but instead focused on governmental initiatives as the core source.

4.2 The participants' view on the current institutional efforts and how this is relevant to internationalization

As outlined above, the respondents felt that governmental institutions and venture capitalists can provide support in an early stage of development. However, seven out of eight participants are disappointed over the present situation and said that there are a lot of improvements that could be done. For instance, respondents expressed a frustration over the process of receiving governmental funding and support, as it is too difficult, time consuming and bureaucratic. Not only does potential Born Globals have to provide a lot of material, both to governmental institutions and venture capitalists, but also different material for each time. This is believed to be a result of the risk and newness consistent with potential Born Globals. Besides, the investments are often restricted in terms of what they can be used for, which hinders the development of startups. Company H suggested that it would be less time consuming if these institutions agreed on a few fixed criterions. Arguably, a platform where startup firms could gain this information faster and where all stakeholders had a common view over, for example, the

documents required would facilitate potential Born Globals' internationalization. Company B said that present institutional initiatives are perfect for national companies since they involve local networks and knowledge. However, they are usually not designed to facilitate internationalization and do not assist with valuable international contacts nor the opportunities to test the product on an international market. Furthermore, Company E said that events such as market days are often useless as they fail to attract the valuable contacts needed and are often too local. Besides, Company A said that there is little support offered onsite on the international market for potential Born Globals, which might be because these firms are in such an early stage of development that is seen as too risky. Moreover, they believed that the persons deciding whether an international new venture will participate in a program or receive seed money often lack both the experience and knowledge, thus resulting in wrong investments or in other words white elephants.

Company D implied that institutions have a lot to learn from startup firms when it comes to the speed and dynamic of their work. Further, the person says that it would be beneficial for startups if the government shorten their bureaucratic process even if it would mean smaller investments, as these companies are in instant need of help. As an example, institutions could co-finance for every customer that the international new venture earns or let incubators, with better knowledge of startups, decide whether it is a good investment and consult the government. Company G said that if Swedish institutions cannot offer the right support, innovations would fall outside the nation and another country will benefit from them. However, a program that was appreciated among the participants was the Born Global program, which has facilitated these firms with knowledge, networks as well as access to venture capitalists. Further, Company G expressed that it should be a presumption that every firm should fulfill before seeking governmental funding and that the government should implement the program as a national prerequisite. Overall, the participants felt that there are only a few working initiatives and far from all international new ventures have access to these.

4.3 Summary of empirical findings

The empirical material gathered in this section has been summarized in a table (Table 2) similar to the one used to summarize the theoretical framework (Table 1). This will ease the process of finding relationships and linkages between the two parts by comparing the tables. Moreover, it will provide an overview of the main findings.

	Government	Venture Capitalists
Network	Six out of eight thought this was necessary for internationalization. Networks can provide knowledge, capital, market access etc. and should be done either through governmental programs or incubators. It would be helpful if these could decrease the time spent on finding networks. Besides, three out of six saw an industry partner as essential.	Networks can provide access to venture capitalists and international investors, but the majority expressed that contacts are provided from governmental initiatives rather than financial ones.
Capital	Seven out of eight considered capital as essential. It enables the firm to test the product on the market and can be provided by governmental initiatives. Moreover, the respondents felt that it would be helpful if the government could help in guiding these firms in the choice of venture capitalists and inform them what is needed to obtain investments.	Venture capitalists were seen as more important investors than the government since the money provided by governmental institutions is insufficient. However, respondents said that it is important to find the right investor for the firm to avoid disparities.
	Five out of eight believed knowledge was essential in	

<p>Knowledge</p>	<p>internationalization. They expressed that access to basic market-knowledge such as mindset and culture as well as knowledge of how to structure the company on an international arena is very helpful. Moreover, there was a need for mentors with real-life experience and also being offered the chance to be onsite to obtain the knowledge. This could be provided by incubators or governmental programs</p>	<p>None of the participants specifically said that venture capitalists contributed with the knowledge they needed. Instead, there was a focus on the governmental initiatives providing this.</p>
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Own Table: Table 2: Helpful initiatives and support according to the respondents

5. Analysis

This chapter provides an analysis of the empirical material in relation to the theoretical framework. The main findings summarized in Table 1 and Table 2 will be compared in order to find linkages and relationships between categories. Furthermore, it will give a basis to the conclusion drawn in the following section.

5.1 Network

The findings from the telephone interviews indicate that networks are essential in order for potential Born Globals to access knowledge, investors and other resources that they lack at an early stage of development. Consequently, it appears that networks can provide important resources indirectly. Thus, the resources provided from networks that was mentioned in the interviews, such as knowledge, capital and market-insight, is consistent with previous research (McAdam & McAdam, 2006; Zou & Gharui, 2012; Cooper et. al, 2012). Moreover, McAdam and McAdam (2006) found that institutions could decrease the time spent on establishing important networks, which in turn can facilitate a faster internationalization process for potential Born Globals (Mtgiwe, 2006). Additionally, Styles and Genua (2008) revealed in their study that focusing on establishing and managing networks in an early stage of development had an impact on the international success of the new venture. This is in line with what interviewees suggested as being important as well as a useful tool if offered by institutions as it could facilitate their expansion abroad, since networking often is time consuming but essential. Hence, we wish to suggest that networks play an important part for potential Born Globals in an early stage of development.

However, differences were found in how institutions could contribute with network contacts according to literature in comparison to the empirical material. For instance, out of six respondents, only Company D suggested that incubators helped by offering access to networks and important contacts whereas previous research had found that incubators were fundamental in order for international new ventures to survive in an early stage of development (Cooper et.al, 2012). Furthermore, it is argued that collaborating with incubators will provide business

resources, knowledge and events that could introduce them to investors as well as governmental support programs (McAdam & McAdam, 2006; Zou & Ghauri, 2012). Yet, these advantages are in accordance with what the interviewee felt the incubator located in one of the major cities of Sweden contributed with. In contrast, Company F had been involved with a different incubator located in a smaller town in Sweden and was not as convinced of their importance, which might indicate that the national incubators are performing poorly if they cannot look after these firms better. Thus, there appears to be a shortcoming in the helpfulness of incubators as previous studies have found compared to what potential Born Globals' in this study experience. Furthermore, the current study found that international new ventures in an early stage of development could benefit from having a partner in a complementary industry, which the literature does not concern. This might indicate that there is a limitation and knowledge gap to what current studies have found in comparison to the findings in this study, thus leading to an uncertainty whether this is a useful tool or not.

Moreover, literature states that venture capitalists can contribute with valuable networks, both local and international (Busenitz et.al, 2004; Sjögren & Zackrisson, 2005). This is in agreement with the findings of this study, as Company C, E and F believed that venture capitalists provided beneficial contacts. Additionally, participants found it important to be onsite and obtain knowledge about the desired market, indicating that international networks are of great importance. Johanson and Mattsson (1988) suggested that networking over geographical borders could determine the internationalization success, confirming the importance of these contacts. Besides, local networks is equally important according to previous research as it can provide information and capabilities needed for potential Born Global's internationalization (Zhou et.al, 2007). However, the participants put more emphasis on the international network as being most essential. Company B even said that the current national institutional initiatives are too local, both in terms of market-knowledge and networks, and are not designed to facilitate rapid internationalization in a way that they could. Based on literature and empirical findings we argue that the international network appears to help more in an early stage of development, but is often provided by local institutions, which indicates that national initiatives indirectly affects the internationalization process.

5.2 Capital

This study found that capital is the most vital factor for internationalization since resources among small potential Born Globals are scarce. Consequently, this is consistent with previous research, which suggest that SMEs tend to have limited resources for internationalization (Cavusgil et.al, 2013). On the one hand, the participants have received financial means from governmental institutions and programs such as Almi and Vinnova, suggesting that startup firms can gain financial capital through public institutions, just as Gabrielsson (2004) argues. On the other hand, the interviewees expressed that this funding option is insufficient. The reason for that could be the uncertainty and risk involved in potential Born Globals (Sharma & Blomstermo, 2003; Sjögren & Zackrisson, 2005) and the challenge to pick the right tools for financing, as Company G said. Moreover, this is consistent with Lerner (2009) who emphasizes the importance of finding the appropriate size of governmental investments in order for them to be successful, indicating the difficulty involved.

Instead the majority of the respondents mentioned venture capital as the most important form of financing. This is in agreement with earlier research by Gompers and Lerner (2001), who said that ninety per cent of new ventures that don't receive funding from venture capital funds will fail within three years. On the other hand, Gabrielsson et. al, (2004) suggest that governmental seed money and incubator support can be of more importance for international new ventures in an early stage of development. Thus, the literature and the empirical study differ. To get in contact with venture capitalists, this study indicates that governmental programs, and in particular the Born Global program, can be of great help. This is in line with McAdam and McAdam (2006) who suggest that governmental programs can provide potential Born Globals with a higher degree of credibility, which could encourage investors and increase their interest. Thus, there appears to be a relationship between governmental initiatives as well as venture capitalists and potential Born Globals. However, this study only shows that international new ventures participating in governmental programs are likely to get in contact with interested venture capitalists but it has not been examined whether the companies receive higher credibility or become more interesting compared to if they would not have attended the program. With this in mind, we wish to suggest that venture capitalists are of great importance for potential Born

Globals in order to internationalize. Nevertheless, we argue that governmental institutions as well as programs are able to facilitate the process of obtaining venture capital.

Additionally, the findings of this study shows that participants are well aware that venture capitalists will enter the company with their own objectives, hence it is crucial to find a venture capitalist with goals and experience that comply with the company's values. Further, the respondents argue that venture capitalists not only provide funding but also valuable contacts. This is in agreement with earlier research, which have found that venture capitalists are characterized by being extremely involved in the firms they invest in, providing not only capital but also support through contributing with network contacts (Busenitz et.al, 2004; Sjögren & Zackrisson, 2005). Thus, we wish to suggest that finding a venture capitalist with beneficial experiences and contacts appears to be valuable and helpful in the internationalization process. However, locating Swedish venture capitalists that are willing to invest in Born Globals with high risk is, according to the study, rather difficult compared to in, for instance, the US. This can be related to previous research, which argues that other countries, such as the US, offer better capital markets and access to venture capitalists but also better financial sources and financial management capabilities needed for a successful rapid internationalization (Yeung, 2002; Gabriellsson et. al, 2004). Hence, this demonstrates why Company B expressed a need for the Swedish venture capitalists to become more like the American. Moreover, as Company G said, “if Sweden cannot support these firms in terms of funding, the innovation will go to another country”, indicating that current initiatives need to improve.

5.3 Knowledge

The results of this study shows that knowledge was the least important support requested, but still an essential one as five out of eight saw it as necessary at an early stage of development. Mostly, they expressed that basic market-knowledge, such as culture and customer behavior, and mentors with real-life experiences of the market were appreciated. This is in agreement with the literature, which states that networks and institutions can provide market-insight as well as complement the entrepreneurs' previous experiences (Greve & Salaff, 2003; Cooper et.al, 2012). Moreover, Hadley and Wilson (2003) argue that international new ventures often lack the

experience needed for internationalization, yet again confirming why there is a demand for initiatives providing resources, such as knowledge, which these firms lack. Therefore, we suggest that knowledge provided by institutions works as a beneficial support for potential Born Globals. Researchers suggest that this type of knowledge can be provided by institutions and more specifically incubators connected to research-and educational organizations (Zou & Ghauri, 2012; Coopers et.al, 2012), whereas only Company D felt that incubators could be of help. However, not so much with providing the knowledge for internationalization but rather guide them in what programs and events there is to attend, which confirms another participants view that incubators only provide local knowledge and not so much foreign market knowledge. Instead, interviewees wish that they were offered to participate in governmental programs that gave access to mentors, either onsite or at least individuals who have worked within the desired market, since they can provide knowledge of how to proceed when establishing businesses abroad. Besides, the respondents expressed that during the development phase it is valuable for their firm to be onsite in order to succeed with their international expansion, which is confirmed in a previous study by Mtgiwe (2006). Thus, there appears to be a desire to receive help from governmental institutions in accessing the network that in turn could provide the knowledge needed, which is more in line with previous research of Zhou et. al. (2007) who state that networks offer a rapid and experimental learning advantage. Consequently, this study shows that emphasis is not put on these institutions to directly provide the desired knowledge as other researchers have found (Zou & Gharu, 2012; Coopers et.al, 2012). Thus, we suggest that incubators could be beneficial, but Swedish ones are in need of improvements in order to support potential Born Globals with the desired knowledge as they now fail to do. Yet, the results should be viewed with some skepticism since it is no generalization but merely an indication from firms participating in the thesis.

Another interesting finding was that interviewees often considered gathering the correct material in order to receive funding or participate in programs as time consuming, since the requested material varied from case to case. Accordingly, Company H said that a platform where this type of knowledge and information was gathered and standardized would be of great help and suggested that institutions should implement it. This is in alignment with a previous study

conducted by McAdam and McAdam (2008) who found that institutions could provide knowledge and guidance in how to proceed with funding options and support international new ventures in their investment readiness. Furthermore, literature states that venture capitalists could provide potential Born Globals with knowledge-sharing and market-insight derived from previous experiences (Busenitz et.al, 2004; Sjögren & Zackrisson, 2005). Yet, this is inconsistent with the findings of this study since Company C and H only saw venture capitalists as institutions providing capital and networks, but not the requested knowledge. However, they could according to some participants provide knowledge in terms of funding and investments. In our opinion, this suggest that there is a need for future research as it indicates either misunderstandings between venture capitalists and international new ventures or a shift in potential Born Globals' perceptions of the support provided.

6. Conclusion

This section provides a conclusion that relates to the analysis and answers the research question presented in chapter one. Furthermore, suggestions for future research and an explanation of the role of this thesis within the specific field will be given.

6.1 Empirical and theoretical contributions

Our research provides contributions in how governmental initiatives and venture capitalists can support potential Born Globals in their internationalization process. The results show that capital, knowledge and networks are the most important resources that these firms lack and thus request from external institutions. Moreover, it appears that these firms are more reliant on governmental initiatives when it comes to accessing knowledge and networks whereas venture capitalists are considered as the most significant institutions providing capital. Relating to Figure 1, presented in section 2, we wish to suggest that there is a strong connection between potential Born Globals, governmental initiatives and networks, as these institutions often provide the network needed to internationalize. In turn, the study implies that networks can provide knowledge about what governmental and financial initiatives to attend, describing a reverse relationship. Consequently, venture capitalists, being the last component, are connected to potential Born Globals by providing capital. However, it was found that they can provide networks, such as access to other international investors, but are not as closely linked to networks as governmental institutions appears to be.

In contrast to previous research, the participants of this study did not emphasize the importance of incubators, which might indicate that Swedish incubators are in great need of improvements or that the study proves the opposite to earlier findings. Furthermore, unlike other studies, venture capitalists were not seen to contribute with the desired market-knowledge and insight needed. On the contrary, both these findings could be a result of the fact that earlier studies were made with participants of different nationalities or within other industries in comparison to this study. Consequently, further research is needed before making any generalizations and conclusions.

To sum up, the purpose of this study was to extend the understanding of Born Globals' perception on the current domestic initiatives and support they receive as well as the additional help they request in an early stage of internationalization. Furthermore, we wanted to compare the type of governmental initiatives and support from venture capitalists the literature found essential with what potential Born Globals argued. Our findings have contributed with further insight into what these firms demand, being knowledge, capital and networks. It also suggests how the support can be provided, being for instance through programs, mentors, industry partners and venture capitalists. Prior to this study, we identified a shortcoming in studies regarding this topic. However, our study has, apart from above mentioned differences, shown to agree with the few existing studies, indicating that future, more extensive, research will probably demonstrate similar results.

6.2 Suggestions for future research

In general, this study addresses several factors that could facilitate the internationalization process of potential Born Globals. Moreover, the case studies examined express a need for improvements within this area. The literature has begun examining the interaction between initiatives and Born Globals, but it is not clearly specified what is needed in terms of support nor enough studies to create a validity for the results, suggesting that further research is necessary (Busenitz et. al 2000; Zhou et. al, 2007; Zou & Ghauri, 2012). Pursuant to this study, it appears to be a certain relationship between potential Born Globals and networks that provide these firms with knowledge, capital and market-insight. It has also shown that it can come from both governmental institutions and venture capitalists, where the findings indicate a clear link between especially governmental initiatives. These primary findings suggest that there is a need for more in-depth studies of these factors. Moreover, a quantitative extension of this study would be beneficial in order to find generalizations.

6.3 Implications for practitioners

This study is of value for both policymakers and potential Born Globals. For policymakers, it shows an indication of what type of support potential Born Globals demand but also how it may

benefit the governmental institutions and venture capitalists. As for Born Globals, it provides a suggestion of important factors that could facilitate the internationalization process of these firms, which can guide them with new ideas and tips of where to look for these tools. That being said, this is no generalization but instead the results of the cases studied in this thesis, which should be taken into consideration by the readers.

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8. Appendix

This section includes a list of the participants of the study, both from the face-to-face and telephone interviews. Moreover, the questions asked are presented.

8.1 Participants

Sören Sjölander

The participant is a professor at the Center for Business Innovation, Chalmers University. He is also the Project Lead of the Born Global program. The interview was held April 1st, 2014.

Mikael Von Dorrien

Mikael is the Program Manager Incubation at the governmental institution Almi Företagspartner AB. The interview was held April 8th, 2014.

Company A - CEO

This company is a tech startup in an early stage of development that is located in Sweden but aims for the US market. Due to their vulnerability of being in this stage, they requested to remain anonymous. The telephone interview was held April 9th, 2014.

Company B - CEO

Company B is a firm that operates within the software industry. However, the participant requested to remain anonymous, a wish we took into account. The telephone interview was held April 15th, 2014.

Sten Ernerot - CEO, Keewords

Keewords is a company located in Stockholm, Sweden, which has developed several different apps that consist of the most important words one need to know in order to express oneself in another language, thus focusing on building vocabulary. The telephone interview was held April 14th, 2014.

Trued Holmquist - CEO, Atcindu/Scypho

ATC Industrial Group develops and commercialize new technologies within the energy efficiency area. The telephone interview was held April 15th, 2014.

Daniel Aarenstrup - CEO, Virtual Trainer

The company is located in Sweden but also operates internationally. Virtual Trainer offers fitness apps that provide the user with for instance individual exercises, group exercises as well as curiosities, thus customizing their products to fit the buyer. The telephone interview was held April 16th, 2014.

Ulf Rask - CEO, Acosense AB

Acosense AB develops a clamp-on instrument that measures complex fluids in the process industry, thus being a high-tech startup. The telephone interview was held April 22nd, 2014.

Caroline Walerud - CEO, Volumental

Volumental is a company located in Stockholm who offers online services by producing a cloud-based 3D Scanner. The scanner creates 3D models of persons, objects or room that can be available within just a few minutes for the customer to share online, download or print. The telephone interview was held April 23rd, 2014.

Rickard Carlsson - CEO, Detectify

The company offers a website security scanner that analyses the customers' website security in a report and is designed to be easy to use. The telephone interview was held April 24th, 2014.

8.2 Telephone interview questions

1. What resources, initiatives and projects from both financial (non-banks) and government organizations do you think is necessary for an early internationalization?

2. What is your view on the current institutional efforts? How is it relevant to internationalization?