BRANDING IN THE INTERNATIONAL BUSINESS OPPORTUNITY DEVELOPMENT

“If opportunity doesn’t knock, build a door.”
Milton Berle

Master’s Thesis
Department of Management and International Business
October 2014
ACKNOWLEDGEMENTS

This journey for writing the thesis has been hard work, opportunity to learn a lot about a lot, moments of joy for achieving, moments of dull reading, losing the focus, moments of enthusiasm, possibility to meet interesting new start-ups, pain of thinking, organising and re-organising the puzzles, days of frustration, questioning, joys of discovering and creating, opportunity to see the different sides of research work, losing the track for the vision, nice discussions, solving problems and finding the underlining goal for guiding the path. Quoting the words from Guy Kawasaki; “Ideas are easy. Implementation is hard”. I would like to thank my supervisor Pia Hurmelinna-Laukkanen for her valuable and professional guidance and fruitful conversations. I want to express special gratitude for the companies that took part to this study and shared their stories behind their unique business opportunities and the paths taken. The interviews were the most rewarding part of this learning process. I would like to also thank the fellow-students for the nice discussions that supported the research work. In addition, I would like to thank Anita Juho and Antti Kauppinen sparing me a moment to discuss about different research streams in the field that helped me to structure my own view on this specific research subject and assisted the journey. And most of all I want to thank my family for their precious support for this achievement.

"I hope that in this year to come, you make mistakes.

Because if you are making mistakes, then you are making new things, trying new things, learning, living, pushing yourself, changing yourself, changing your world. You’re doing things you’ve never done before, and more importantly, you’re Doing Something.

So that’s my wish for you, and all of us, and my wish for myself. Make New Mistakes. Make glorious, amazing mistakes. Make mistakes nobody’s ever made before. Don’t freeze, don’t stop, don’t worry that it isn’t good enough, or it isn’t perfect, whatever it is: art, or love, or work or family or life.

Whatever it is you’re scared of doing, Do it.

Make your mistakes, next year and forever.” Neil Gaiman
ABSTRACT

UNIVERSITY OF OULU

ABSTRACT OF THE MASTER'S

Oulu Business School

Unit
Department of Management and International Business

Author
Heli Yli-Nikkola

Supervisor
Pia Hurmelinna-Laukkanen

Title
Branding in the international business opportunity development

Subject
International Business

Type of the degree
Master’s degree

Time of publication
October 2014

Number of pages
97

Abstract

This study discusses challenges and possibilities with newly established firms related to international business opportunity development, and examines the role of branding in the process. The aim of the research is to analyse how international business opportunities and branding are intertwined in new and small firms’ activities. The study starts with a literature review where the phenomenon is approached by reviewing focal theories related to international business opportunity development and branding. The study continues with an empirical research by examining the international business opportunity development and branding of two Oulu-based newly founded firms operating in the high technology industry. The empirical research is carried out by theme-based interviews.

The study revealed that international business opportunities can be supported by branding activities starting from the very early phase of founding a new firm. The different functions and actors of the international business opportunities are distinguished to analyse the connections to the branding activities and actors impacting branding process, and to analyse how branding efforts can support the international business opportunity development. Hence, the international business opportunity development within a new firm was depicted as a process incorporating the main activities of learning, networking, internationalising, innovating and creating customer value. The business opportunity is co-created together with the specialised capabilities of the main actors: entrepreneur(s), organisation, social networks and stakeholders. Branding being a continuous process to co-create value, building the brand identity and image promoting the awareness, reliability and recognition of the new firm can support also the development of the international business opportunity and nurture the network relationships management.

The results show insights into how the development of the international business opportunity can utilise brand building endeavours to overcome the major challenges that occurred due to specific context of a newly established firm. The study advances the contemporary knowledge by pointing towards the supportive role of branding in establishing new customer and partner relationships to develop the international business opportunity.

The purpose of this research was to gain a more profound understanding of the development of the international business opportunities, and to enhance the development of international entrepreneurship theory in order to explore the relations of the phenomenon. The scope of this study is not the emergence of the business opportunities as such, but the continuous interactive process of discovering, creating, evaluating and exploiting, thus, the development of opportunities in order to be able to collect the fruits of the specific international business opportunity. Branding has often regarded as a business functions for the bigger companies requiring heavy investments and big organization behind, which small firms with limited
resources generally lack. This research is to understand the role of branding in new and small firms established for developing the international business opportunity. The present study encourages entrepreneurs to systematically think of the potential advantages of branding for the development of their international business opportunity and for tackling the challenges faced by a new and small firm.

**Keywords**

International business opportunity, entrepreneurship, branding
## Table of Contents

ACKNOWLEDGEMENTS ........................................................................................................... 2

ABSTRACT ............................................................................................................................... 3

1 INTRODUCTION .................................................................................................................. 7

1.1 Background and motivation for the study ..................................................................... 7

1.2 Research objectives and research questions ......................................................... 11

1.3 Research methodology .............................................................................................. 15

1.4 Outline of the study ..................................................................................................... 16

2 KEY CONCEPTS IN INTERNATIONAL BUSINESS OPPORTUNITY DEVELOPMENT AND IN BRANDING .............................................................................................................. 17

2.1 International business opportunity development .................................................. 17

2.2 Branding ....................................................................................................................... 19

2.3 Branding in newly established firms ....................................................................... 21

2.4 Branding in the context of business markets ....................................................... 23

3 RELATION OF BRANDING AND INTERNATIONAL BUSINESS OPPORTUNITY DEVELOPMENT .................................................................................................................. 27

3.1 The actors .................................................................................................................... 27

3.1.1 Entrepreneurs ........................................................................................................ 29

3.1.2 Organisation .......................................................................................................... 33

3.1.3 Network actors and external stakeholders ....................................................... 37

3.2 The activities .............................................................................................................. 42

3.2.1 Internationalising ................................................................................................. 42

3.2.2 Networking ............................................................................................................ 44

3.2.3 Learning and knowledge creation ...................................................................... 48

3.2.4 Innovating and value creation ............................................................................ 52

4 BRANDING AND INTERNATIONAL BUSINESS OPPORTUNITY DEVELOPMENT IN THE CASE FIRMS ............................................................................................................. 59
4.1 Empirical research design .............................................................. 59
4.2 Introducing the case companies .................................................. 61
4.3 Branding and international business opportunity development in the case firms .................................................. 63
  4.3.1 Case: Firm A ........................................................................... 63
  4.3.2 Case: Firm B ........................................................................... 66

5 ANALYSIS OF THE ROLE OF BRANDING IN INTERNATIONAL BUSINESS OPPORTUNITY DEVELOPMENT .................................................. 70
  5.1 Main findings ................................................................................ 70
    5.1.1 Branding international business opportunity ....................... 73
    5.1.2 Entrepreneur’s commitment .................................................. 74
    5.1.3 Organisation’s impact ............................................................ 76
    5.1.4 Stakeholder view for the value co-creation ......................... 78
  5.2 The Possibilities and challenges ................................................. 81
  5.3 Limitations and discussion for future research ......................... 83
  5.4 Conclusions ................................................................................ 85

REFERENCES ...................................................................................... 87

List of Figures:

Figure 1 Framework for the actors involved in international business development and branding in newly established firms .......................................................... 28

Figure 2. The activities as part of the international business opportunity development and branding ............................................................................... 42

Figure 3 Interlinked processes of branding and international business opportunity development ................................................................................................. 73

List of Tables:

Table 1. The case companies ................................................................ 62
1 INTRODUCTION

1.1 Background and motivation for the study

Although the entrepreneurship is recognized as being of prominent importance for economic wealth and throughout the world researchers have turned their attention to it, a coherent research object in this scientific field has not been reached (Kirzner 1997, Bruyat & Julien 2000). International entrepreneurship (IE) is regarded as a cross-disciplinary field combining the research in entrepreneurship and international business (McDougall & Oviatt 2000). Empirical research in the field of IE has described the phenomenon from different viewpoints incorporating mixture of multiple levels of interaction between the entrepreneur, firm, market and environment (Coviello, McDougall & Oviatt 2011). This has pointed out that the phenomenon is a complex and heterogeneous field of research. Over recent decades, the research on IE has moved on from its early emphasis on internationalisation processes, influences and entry modes (Oviatt & McDougall 1994) towards studying a wider variety of entrepreneurial behaviours (Jones, Coviello & Tang 2011, Mainela, Puhakka & Servais 2014).

Seminal work in the IE field drew attention to analysing the emergence of the rapidly internationalising firms, such as born globals or international new ventures (INVs), that were international from inception, (Oviatt & McDougall 1994, Dimitratos & Jones 2005) especially in knowledge-intensive fields (Bell, McNaughton, Young & Crick 2003, Coviello & Jones 2005). INV was defined as “a business organization that, from inception, seeks to derive significant competitive advantage from the use of resources and the sale of outputs in multiple countries” (Oviatt & McDougall 1994: 49). According the prior research on born globals and INV, knowledge, organisational capabilities and developments in markets and technologies were the drivers explaining the aggressive international opportunity exploitation (Autio, Sapienza, & Almeida 2000). INVs and born globals contradicted the traditional incremental internationalisation theory (Johanson & Vahlne 1977) that described gradual and cautious expansion through the accumulation of knowledge by experiential learning and incremental commitments in foreign markets.
As the interest widened later beyond the research on INVs and born globals, the IE was defined on a broader manner as “the discovery, enactment, evaluation, and exploitation of opportunities – across national borders – to create future goods and services” (Oviatt & McDougall 2005a: 540). With this notion, the entrepreneurial behaviours focusing on international business opportunities become central in IE. Furthermore, also in studies on business internationalising the interest moved towards opportunity perspective (Alvarez, Barney & Anderson 2013). The research on international business opportunity directed the topics towards entrepreneurship, entrepreneurial creativity, innovation and opportunity-driven behaviours. The recognition and successful development of business opportunities has been regarded vital for the entrepreneurial process in order to form promising new ventures, succeed in international markets and to accelerate internationalisation (Shane & Venkataraman 2000, Dimitratos & Jones 2005, Oviatt & McDougall 2005b).

There can be found a consensus on the conceptualizations of business opportunities themselves; most scholars agree that opportunities revolve around value creation and competitive imperfections in product or service markets (Venkataraman 1997, Ardichvili, Cardozo & Ray 2003, Alvarez & Barney 2007). Ardichvili et al. (2003: 108) defined an opportunity as a “chance to meet a market need through a creative combination of resources to deliver superior value”. But even though the wide interest towards the research on international business opportunities (Alvarez et al. 2013, Shane 2012) there is no clear consensus on the approaches how to study the process involved with the opportunities. A coherent framework for the phenomenon has not been reached (Mainela et al. 2014, Ellis 2011, Edelman & Yli-Renko 2010). There are two main perspectives highlighted in the academic literature for the process by which opportunities evolve (Vaghely & Julien 2010, Edelman & Yli-Renko 2010). The “discovery” perspective claims that opportunities are formed by exogenous shocks to already established markets or industries that entrepreneurs then discover and enact subjectively (Alvarez & Barney 2010, Shane 2012, Shane 2000). The “creation” perspective, in contrast, claims that opportunities are endogenously enacted, created, based on entrepreneur’s perceptions and interpretations and do not exist independent of the these perceptions and actions (Alvarez & Barney 2007, 2010). But both the views still agree that the business opportunities require subjective enactment to be exploited (Shane 2012).
Mainela et al. (2014) state that because entrepreneurship is a complex social phenomenon, multiple ontological and epistemological assumptions, philosophical backgrounds and research methods should be used for understanding and studying the phenomenon. Likewise, Venkataraman, Sarasvathy, Dew and Forster (2012) suggest business opportunities are both found and made, i.e. **discovered and created**. Also, Vaghely and Julien (2010) integrate in their framework both the discovery and creation into entrepreneurial behaviour. In the empirical studies it has been demonstrated that the discovery and creation elements are intertwined in entrepreneurial action, though, the results showed that many of the entrepreneurial opportunities were more enacted than discovered (Edelman & Yli-Renko 2010, Renko, Shrader & Simon 2012).

There have been acknowledged different phases of a process related to opportunity discovery or creation: identification or recognition; evaluation or preparation; and actual exploitation (Wakkee 2004, Edelman & Yli-Renko 2010). Even, these different stages might be displayed as being sequentially organised while in reality this is not often the case. In reality, the process is highly dynamic and iterative as the different stages may be overlapping and many feedback loops exist both within these stages and between them (Wakkee 2004: 69). Along the progress changing circumstances may require actions to change or go back to certain decisions and backward phases producing new actions. Here, when talked about a process, it is not denoted as a static and linear process with a certain start and an ending. Therefore, in the present study no separation is made between the two processes: opportunity discovery or opportunity creation nor the different phases included. Instead, this study takes the assumption that the international business opportunity is both found and made and adopts the concept of international business opportunity development which embrace these different dynamic and iterative processes. Above all, the study focuses to examine the actors and activities related to the phenomenon and how the opportunity develops to be able to create value to the market.

In addition to opportunities for existing markets, a business opportunity consists of set of ideas, perceptions, interpretations and actions that enable the creation of future goods and services also in the absent current markets for them (Venkataraman 1997, Sarasvathy, Dew, Velamuri & Venkataraman 2003). Alvarez et al. (2013) put emphasis in their studies on market transforming and innovative opportunities. These
business opportunities can also require that some specific aspects of a need or demand must be somehow created (see also Alvarez & Barney 2007, 2010). If a consumer is hungry, that does not directly lead to a demand of hamburgers. If a consumer is hungry and fancies hamburgers that does not yet mean all types of hamburgers are accepted. One interesting challenge related to business opportunities lies in the ability to present the value for the potential customers’ needs, interests, or problems, which the customers otherwise might not necessarily be able to recognise or articulate (Sarasvathy & Dew 2005). Venkataraman (1997: 120) underlined that the focus of the research on opportunities ought to concern with “understanding how, in the absence of current markets for future goods and services, these goods and services manage to come into existence.”

Prior research has revealed that in start-ups managerial emphasis given to customer-centric operation and marketing competence have been performance enhancers (Knight, Madsen & Servais 2004). Kirchhoff, Linton and Walsh (2013) claim that the step from invention to commercialisation can be the major constraint in business opportunity development. Thus, to convert an innovation into a commercial one, both technical know-how and market expertise are required to gain competitive advance. According to Kirchhoff et al. (2013) it can be either the external factors; difficulties in finding adequate financing or appropriate personnel for marketing and commercialising the innovation, but most often the internal factors; inventors are unable to realise lack in their skills for marketing or unwillingness to commit other resources for commercialisation purposes that are constraining the success in commercialising the innovation.

Branding is regarded as a process of adding value to a product and/or service (Leek & Christodoulides 2012). Branding comprises a set of processes for creating, communicating and delivering value to customers and for managing customer relationships in ways that benefit the organisation and its stakeholders (Abimbola & Vallaster 2007). Branding has evolved and shifted from the view of a brand as a firm-provided property to branding as a collaborative, value co-creation activity of a firm together with all its stakeholders (Merz, He & Vargo 2009). The global, competitive and information rich business environment forces to focus more on the influences of customers and customer relationship management, thus, turning the competitive
market more customer-led than product-led (Abimbola & Vallaster 2007). Indeed, the research has shown that consumers of products and services have been the developers of many important innovations later sold by manufacturers (Chandra & Coviello 2010). The current views on value creation emphasise the active roles of both the firm and its customers in the value creation, since that process determines the value-in-use for the customer (Komulainen, Mainela & Tähtinen 2013). Research has approached value as a concept focused on consumers’ expected and realized expectations, past and present experiences, and influences of the expectations and experiences of others actors in the environment (Merz et al. 2009, Komulainen et al. 2013).

Thus, this study will examine the current research status on branding in newly established firms to investigate the role of branding in international business opportunity development for promoting the value creation, identifying, stimulating and generating customer demand, to communicate, build and manage customer relationships and to deliver the added value offer. The commercialisation or launching to the market a new product or service based on new innovation can be more challenging than expected and might not proceed as rapidly as planned. The study aims to facilitate understanding how new firms develop their international business opportunity and how they utilise branding in that development.

1.2 Research objectives and research questions

Although, opportunities have received growing interest in the entrepreneurship research field, still, along the discussion a coherent view about the phenomenon has not been reached (Alvarez et al. 2013). Coviello et al. (2011) call for more research on ‘opportunity’ in the definition of IE to improve understanding how this concept is defined and operationalized. Further, additional research that better links IE and international business with the research in marketing and branding has been requested (Gabrielsson 2005, Coviello et al. 2011, Styles & Seymour 2006).

Initial focus in the research on business opportunity was in the nexus between entrepreneur and opportunity (Shane & Venkataraman 2000), as the firm-level discussion has not developed accordingly (Dimitratos, Voudouris, Plakoyiannaki & Nakos 2012). The definition of entrepreneurship comprises entrepreneurs as economic
actors who seek to identify, create and exploit business opportunities (Venkataraman & Shane 2000, Alvarez et al. 2013). The interest was in analysing why some individuals find opportunities which others cannot see. The international business opportunity development is not just in the discovery, but also occurs as in evaluation, creative act, resource acquisition and as part of creating and developing the new start-up (Sarason, Dean & Dillard 2006). The definition does not restrict to any specific institutional arrangements to study entrepreneurship and business opportunity processes. In this context, individuals as well as firms, independent from their size, age or ownership arrangements, even not-for-profit organisations and social entrepreneurs can all be regarded entrepreneurial (Mainela & Puhakka 2009, Alvarez et al. 2013). It can be also acknowledged that entrepreneurial activity could happen inside an organisation (Amit, Glosten & Muller 1993). In particular, entrepreneurs regarded in this study are those economic actors, entrepreneurial and small newly established firms, who seek to develop and exploit international business opportunities.

Rapid internationalisation has been explained to be to a great extent due to effective use of networks and different social ties in the business networks (Coviello & Munro 1997, Coviello 2006). But sometimes the new ventures and small and medium-sized enterprises (SMEs) pursuing international markets are challenged by building new relationship networks across countries. They have to overcome the liabilities of newness and foreignness that can hinder establishing their position in the new network (Zahra, Korri & Yu 2005). The customers may expect existing liable partner network from the firm or the partners may wish the firm already has established customer relationships in the market before tying a new business relationship.

The new entrepreneurial and small firms are often challenged to internationalise their business and to exploit their new innovation due the dynamic business environment. The turbulent business environment share several challenges and opportunities; continuously changing and developing market environments and technologies, intensification of global competition expanding market opportunities, rapid innovation diffusion and product and service obsolescence (Carlsson, Braunerhjelm, McKelvey, Olofsson, Persson & Ylinenpää 2012, Etemad & Lee 2003). Thus, the firms face the challenges to be flexible and quick to adjust to rapidly changing new market conditions. On the other hand, strong brand or giving emphasis on branding has been
regarded important as deriving the only truly sustainable competitive advantage for firms to cope in today’s hypercompetitive markets (Ojasalo, Nätti & Olkkonen 2008, Keränen, Piirainen & Salminen 2012).

Although, the international and global marketing literature has contributed to the understanding of corporate brand building strategies of large and well established firms, the start-ups’ and born globals’ branding endeavours have received less attention (Gabrielsson 2005, Rode & Vallaster 2005). A bit more has been written about branding in the context of SMEs. Vast amount of literature exists on “branding”, “international business opportunity” and “newly established firms”, but there is relatively little on “branding in the international business opportunity development” or on “branding newly established firms”. Given the limited attention received by branding endeavours in the international business opportunity development, it seems justifiable to study and to enhance knowledge of branding in newly established firms in the international business opportunity development phase. The aim of the study is not to delimit the analysis to product branding or corporate branding only. Thus, a strict distinction has not been made between branding the services, products or innovation that are the basis for the international business opportunity, or branding the newly established firm which is established to develop the business opportunity. This is because in the early phase when starting to develop their business opportunity, in a very young firm these two levels of branding are often inseparable (Ojasalo et al. 2008).

Like said developing networks and relationships with their customers and business partners have been recognized as one important cornerstone in international business opportunity development (Johanson & Vahlne 2003, Coviello 2006). But in addition, it has been recognised that network actors take actively part in branding in the context of SMEs operating in a business-to-business setting, influencing the recognition, initial credibility and legitimacy of a SME in the new markets (Mäläskä, Saraniemi & Tähtinen 2011). The researches have stressed the role of relationships in providing information on international opportunities and helping in forming necessary new social ties (Ellis 2000), but role of branding activities have got less attention in the international business opportunity context in newly established firms.
Future research has been called for examining in greater detail the effect of entrepreneurial processes and mind-sets on marketing issues in international markets including decisions on branding and marketing communication contributing to IE (Chandra, Styles & Wilkinson 2009, Styles & Seymour 2006). The aim of this study is to focus on the international business opportunity development and branding in start-ups to understand how the opportunity evolves together with the branding efforts. The study will facilitate a better understanding of the international business opportunity development and the relation of branding activities along the process in the case of newly established firms who are developing their international business. The study reviews the prior research related to the international business opportunity development and examines the actors and activities relevant to the phenomenon. These actors and activities generate a platform to analyse the relation between international business opportunity development and the actors and activities related to the branding for developing the international business opportunities in a newly established firm.

Thus, the research question of the study is as follows;

Q: What is the role of branding in the context of the international business opportunity development in a newly established firm?

To be able to provide an answer on the main question, the sub-questions are divided in order to investigate the two main parts related to this study. Accordingly, the main research question can be approached by answering firstly to the sub-question 1;

Q1: What are the actors and activities in international business opportunity development?

And secondly the sub-question 2 contributes to the main research question by answering the following sub-question;

Q2: What are the actors and activities involved in branding in a newly established firm?
1.3 Research methodology

A qualitative research manner is applied in this study to increase both practical and theoretical understandings of the phenomenon under research. The research is constructed as follows. First, the contemporary literature related both to international business opportunity development and branding are examined through a literary review. To explore the concepts to be included in the framework for the actors and activities related to international business opportunity, also the literature on IE research has been reviewed. Since IE is regarded as a cross-disciplinary field combining the research in international business and entrepreneurship (McDougall & Oviatt 2000), also these theories become relevant for the investigation of this study. As the IE is defined as “the discovery, enactment, evaluation, and exploitation of opportunities – across national borders – to create future goods and services” (Oviatt & McDougall 2005a: 540), being similar to the definition for the entrepreneurship as “the discovery, evaluation, and exploitation of opportunities for future goods and services” (Eckhardt & Shane 2003: 336), hence the entrepreneurship scholarly perspectives can be included to the examination. Binding diverse theories can lead into new conceptualizations rather than mere equation (Dos 2011). In the same manner, the actors and activities in brand building in a newly established firm are identified in the branding literature.

While, the empirical phase is constructed on the framework derived from the literature reviews on international business opportunity and branding research fields. The empirical study is a qualitative multiple case study of two case firms. The empirical research setting is the two small high tech firms, operating on business-to-business and business-to-customers segments. Both of the firms are recently established and are currently actively developing and exploiting their international business opportunities. The data gathering method applied in the study was the information gained from the interviews conducted to the entrepreneurs of the firms and observations supported by secondary data. Diverse data formats and information sources were employed to assure the reliability and non-biasedness of the information. The present study is characterised by the general limitation of a case study. The results of the study lack statistical reliability and they are primarily applicable in the case firms currently examined.
The newly established firms studied in this research can be characterised as those that from their inception pursue expansion to the markets with a vision of a business opportunity that is global in nature. These Oulu-based firms are facing challenges given to their remote and small country origins, resource constraints and the aim to conquer the global market rapidly with new innovation and technologies. The global competition among the technological innovations is intense and challenged as the technologies tend to expire fast. Branding endeavours for a start-up is a difficult managerial challenge given these circumstances. Usually, it has taken decades for a global company to gain a global brand recognition (Gabrielsson 2005).

1.4 Outline of the study

The focus of the study is on how the international business opportunity is developed together with branding endeavours in a newly established firm. This scope is built around the establishment phase of internationalisation process in a firm, for the practices the new ventures conduct to develop their business opportunity and relationship network which supports their business opportunities in international markets, and the branding activities that relate to the international business opportunity development to create value for their customers.

The remainder of the paper is organised as follows. In order to give a better picture of the specific context of the study, the key concepts in international business opportunity development and branding processes are both briefly described in Chapter 2. Chapter 3 provides an overview of the theoretical foundation for the framework with the depicted actors and activities in both international business opportunity development and branding. The most relevant literature is reviewed dealing with both processes to study the actors and activities influencing these processes. Chapter 4 discusses the empirical case study. In chapter 5, the empirical findings and implications are analysed and the limitation and future research subjects discussed and finally, closing the research with the conclusions of the study.
2 KEY CONCEPTS IN INTERNATIONAL BUSINESS OPPORTUNITY DEVELOPMENT AND IN BRANDING

In order to be able to advance towards the development of the theoretical framework, an overview of the key concepts and theories related to international business opportunity development and branding are both briefly described here to provide better picture on the specific background of the study. Because the context of this research is newly established firms operating in both business-to-business (B2B) and business-to-consumer (B2C) sectors, current research on branding, specifically in the context of start-ups and B2B sector, are presented.

2.1 International business opportunity development

Throughout the existing academic literature the discussion of international business opportunities is usually connected to Schumpeter (1934) and Kirzner (1973, 1997), who were among the first ones to bind together entrepreneurship and opportunities. Schumpeterian approach has been described as an active and creative process underlining entrepreneurial innovativeness, attitude and motivation to construct opportunities (e.g. Mainela et al 2014). Whereas, Kirznerian approach has been seen as underlining more objectiveness of opportunity, entrepreneurial alertness and requirement for acquiring market information (e.g. Ardichvili et al 2003). Schumpeter (1934) presented theories on entrepreneurial innovation that drives for introduction of new goods and methods of production, opening of new markets and sources of supply and industrial reorganisation. With the innovations the entrepreneur creates creative destruction (Schumpeter 1942), moving the markets towards disequilibrium by presenting new solutions with greater value to the markets than the options already existing.

There can be found a consensus on the definition for business opportunities; most scholars agree that opportunities revolve around value creation and competitive imperfections in product or service markets (Venkataraman 1997, Ardichvili et al. 2003, Alvarez & Barney 2007, Venkataraman et al. 2012). Eckhardt and Shane (2003:336) describe opportunities as “situations in which new goods, services, raw materials, markets and organizing methods can be introduced through the formation
of new means, ends, or means-ends relationships”. When business opportunity is studied with international context, it means that also the cross-border combination of resources and/or markets are featured (Di Gregorio, Musteen, & Thomas 2008). With these definitions the research inherently presumes that markets exist or that they can be created (Sarasvathy et al. 2003, Sarasvathy & Dew 2005).

The two frameworks as the opportunity discovery and creation processes are derived from the Kirznerian and Schumpeterian views of the business opportunities. The discovery perspective assumes opportunities as given in the environment; they exist regardless of whether or not entrepreneurs, inside or outside an industry or market, are aware of their existence (Shane 2000, Venkataraman & Shane 2000). Thus, because of the independent and objective nature of the opportunities, (and that they are created by exogenous shocks), the discovery view assumes that entrepreneurs play more passive and just a responsive role. This ignores that the process by which business opportunities are developed and that can have an impact on the manner how entrepreneurs can exploit the opportunities (Alvarez et al. 2013). Opportunity discovery is realized through active, although not necessarily purposeful, scanning and search the environment for competitive imperfections (Shane 2012, Edelman & Yli-Renko 2010). The opportunity discovery stresses alertness of individuals, knowledge of the market, and ability to recognise and exploit the opportunity (Kirzner 1973, 1997, Archivili et al. 2003, Alvarez et al. 2013). The discovery view incorporates decision-making that involves risk and need to analyse vast amount of information to understand the possible outcomes associated with the opportunity (Sarasvathy & Dew 2005, Edelman & Yli-Renko 2010). The discovery perspective has been criticised incomplete, since social interactions are believed to be more pervading and important than the discovery view suggests (Korsgaard 2012).

The creation perspective, in contrast, views opportunities as actively constructed through social interaction and learning (Baker & Nelson 2005, Alvarez & Barney 2007, Sarason et al. 2006). Opportunity becomes meaningful for an entrepreneur together with his/her prior ideas and beliefs and develops along with the subjective perceptions and interpretations of the resources and abilities there exist to exploit that opportunity (Alvarez et al. 2013). The creation perspective sees business opportunity as context dependent as the opportunity is enacted by individuals as result of sense-
making and actions and social interactions in daily activities (Venkataraman et al. 2013, Alvarez et al. 2013). The market is chancing and evolving with such a pace that it is quite impossible to predict (Moroz & Hindle 2012), thus, it is not necessary to consider the environment as given, instead the entrepreneur is the most essential source for the business opportunity (Edelman & Yli-Renko, 2010).

While the debate about whether opportunities are discovered or created is interesting, it has been partly fruitless for the development of the overall opportunity discussion. Venkataraman et al. (2013) stress that successful opportunities have to have acknowledged value in the market, meaning that there has to be somebody both willing and able to exchange the introduced opportunity for the value of it. This means that the international business opportunity involves selling and convincing the opportunity to the market, whether objectively discovered or subjectively created. Therefore, this study regards international business opportunities overall as developed and studies how branding could relate to and support the international business opportunity development, as for example; for discovering market opportunities, in the interactive process within markets, for discovering and creating value to the potential customers.

2.2 Branding

A brand comprises of a bunch of functional and emotional assets and liabilities that extend or subtract the unique value promise provided by a product or service (Lynch & de Chernatony 2004, Spence & Essoussi 2010). Perceptions of a brand is based on all the aspects as a result of what a customer has experienced, learned, felt, seen and heard about the brand (Keller 2001). Brand promise is a summary of attributes that may be real or illusive, rational or emotional, tangible or intangible, all associations and beliefs the customer has about the brand (Ojasalo et al. 2008). Brand can refer to people, things and ideas, as well as the processes for targeting, positioning and communicating offerings. In B2B sector, branding is a multidimensional construct that refers to product characteristics, employees, resources, support and distribution services, brand image, company reputation, identity and policies (Abimbola & Vallaster 2007, Brown, Zablah, Bellenger & Johnston 2011). Therefore, the brand perceptions are influenced by associations with the relationships, corporate reputation and service experience (Brown et al. 2011). Nowadays, branding has evolved and
shifted from the view of brand as a firm-provided property, to branding, as a collaborative, value co-creation activity of a firm together with all its stakeholders (Merz et al. 2009).

Branding can ground the relational asset that reflects bonds between the brand and its customers (Merz et al. 2009). Various changes in the global business environment, such as the increasing homogeneity in product quality and functional variables and the decreasing number of personal relationships due to digital communications, have increased the interest in branding (Leek & Christodoulides 2011). Indeed, it has been suggested that in today’s hypercompetitive markets, a strong brand may be the most valuable intangible assets and the only truly sustainable competitive advantage that firms have (Keränen et al. 2012). Branding endeavours can benefit awareness, perceived quality, brand associations, loyalty and other proprietary assets such as patents and trademarks (Aaker 1992, Bresciani & Eppler 2010).

Research on brand management presents a strong and authentic brand identity as a foundation for branding, since a brand is a reflection of an organization’s real characters, organization’s identity (Burmann, Hegner & Nicola 2009). A strong identity provides a sustainable approach for a brand distinction and competitive advance because it is not easily imitated (Mäläskä 2013). The ultimate brand vision guides the brand building with the vision of the core purpose for the brand and for the future objectives of the brand. According to Ojasalo et al. (2008) brand vision should be supported by the chosen core values of the brand, which need to be in line with the organization’s values.

Several frames for conceptualizing brand identity have been presented (Coleman, de Chernatony, & Christodoulides 2011). According to the extant research brand identity comprises from the product, the entrepreneur, organization, vision, organisation culture, market positioning, relationships, behaviour and presentation (Rode & Vallaster 2005, Abimbola & Kocak 2007, Coleman et al. 2011). Brand identity is fundamentally concerned with reality and entails a collection of a firm’s inherent and unique features that express, ‘what an organisation is’ and ‘how do we wish to be perceived’ (Abimbola & Vallaster 2007, Mäläskä 2013). Therefore, the behaviour of
employees and corporate communication towards internal and external stakeholders of the firm are reckon among brand identity (Abimbola & Vallaster 2007).

Mudambi (2002) suggests that reputation of a firm refers to the image of the firm perceived by all of its stakeholders. Brand image is “a combination of stakeholders’ assessments whether the firm meets its commitments and reaches their expectations and whether the firm is in line with its brand identity” (Leek & Christodoulides 2011: 833). Bengtsson and Servais (2005) see brand image greatly as being about the relationships. Brand image is built from the brand identity together with external and internal relationships with the stakeholders. It requires a thorough knowledge of the firm's own capabilities and an ability to listen and understand various stakeholders’ requirements and ability to interact and create benefits (Leek & Christodoulides 2011). Firms with a good reputation are presumed to be more credible and trustworthy. Customers have more confidence in firms with a good reputation and assume they are more capable to provide greater value. The study by Ojasalo et al. (2008) suggest that a strong brand can also advance relationships to business partners compared to their competitors. Business partners tend to promote their well-known partners rather than those whose brand image is weak. Thus, a strong brand can help in creating new bonds through the network actors.

2.3 Branding in newly established firms

Branding has been less researched among the newly established firms than with the large enterprises and MNEs (Bresciani & Eppler 2010). Branding for start-ups have mainly concerned theorising the different processes occurring in corporate brand building. New and young firms provide a specific context to research branding as internal organisation culture, behaviour, structures and processes are yet in development stage, as well can be also the product or service (Rode & Vallaster 2005). Newly established firms have yet to prove its credibility as a profitable entity. Additionally, studying branding in the context of SMEs and start-ups is partly challenged due to lack of understanding the meaning of branding by the focal firms themselves (Merrilees 2007, Bresciani & Eppler 2010). The new and small firms under research might not be even fully aware that they are a brand.
The research on branding in SMEs (e.g. Krake 2005, Wong & Merrilees 2005) revealed that SMEs have a narrow interpretation of what branding is. SMEs’ impression on branding was limited to the brand name, logo and advertising. Even so, personal selling and face-to-face communication was a major part of their marketing communication to their customers. Moreover, Krake (2005) claimed that branding in SMEs did not receive the needed priority it would have required for building a strong brand image. Branding in SMEs, especially co-branding received very little attention, even though selling was given the main priority among the most important functions in the firms. Still, it has been noticed that SMEs do believe in the power of branding, especially for enhancing their sales, and indicate interest in running branding activities, but it is challenging since with limited resources they are too busy with the daily routines and business pitching (Wong & Merrilees 2005, Horan, O’Dwyer & Tiernan 2011).

There are SMEs that give a role for branding in their business strategies (Wong & Merrilees 2005, Ojasalo et al 2008). Especially, an increasingly competitive market has motivated SMEs to invest into branding (Horan et al. 2011). Branding process in SMEs differ from the large corporations due to several reasons: a strong personal influence of the entrepreneur, small business networks, the organisation identity, structures and reputation are still under construction, and the resources are usually limited in capital, marketing knowledge and time (Bresciani & Eppler 2010, Abimbola & Vallaster 2007, Rode & Vallaster 2005, Wong & Merrilees 2005). The entrepreneurs are more occupied with issues related to development of the product or service, production processes, acquisition of capable employees with required expertise for the production and acquiring financial issues to develop the overall business opportunity (Bresciani & Eppler 2010).

Typical features associated with born globals and INVs that create challenges to brand management are the combination of small size of a firm, resource limitations, time constraints and accomplishing the global vision of the business opportunity. Time and money are the typical reasons for abandoning branding activities in small firms, however, this is to abandon an “opportunity to exploit inherent but underdeveloped competitive advantage” (Horan et al. 2011: 121). Decisions in a newly established firm for the emphasis given to branding strategy and to allocation of resources for branding
are affected by the scope of the competitive strategy measured by a range of products, broadness of markets, and number of market segments, customers and distribution channels (Gabrielsson 2005). Particularly, Ojasalo et al. (2008) argued that the high-tech SMEs orientate on branding less systematically and with a minor role than to the overall product development.

According to studies, the goals for branding and defining customer segments in SMEs were fuzzy and poorly defined (Gabrielsson 2005, Ojasalo et al. 2008). The level of competition in the market or industry and the stage of the product life cycle are also variables that influence the level of emphasis given for branding. For instance, increasing competition along the product life cycle may demand investments on branding to secure the market position. An innovation can be spread to broader user groups more efficiently by employing branding, since the newness of the technology may not be convincing the customers as such, for example the conservative ones (Gabrielsson 2005).

2.4 Branding in the context of business markets

Branding in B2B markets has received less attention in the academic literature than in the much studied B2C markets. Business marketers have treated branding as largely irrelevant to B2B markets due to a belief that industrial buyers are unaffected by emotional values attached to brands (Leek & Christodoulides 2012). Traditionally, organizational decision making processes have been considered rather rational, hence, branding linked with the emotional values has been believed to have very little to offer. But in fact, recent research has acknowledged that B2B brands should generate trust and develop cognitive and affective ties with stakeholders (Lynch & de Chernatony 2004).

The research on branding in B2B markets has been predominantly derived from the same framework with consumer concepts as studied in B2C markets that has focused more on branding the products than on corporate branding (Mudambi 2002, Keränen et al. 2012). But, it has been considered that in B2B sector, instead, corporate brands weight more than product brands (Aspara & Tikkanen 2008). Whereas, Keränen et al. (2012) suggest that B2B or industrial branding ought to take into account both the
corporate and product brand perspectives. In fact, Ojasalo et al. (2008) identified that often in SMEs the corporate brand building and product brand building are strongly intertwined processes and are not easily separable.

Quoting the theoretical framework from consumer markets has led to exploring B2B-branding mainly from the buying perspective of the customer firms (Keränen et al. 2012). Therefore, branding has been often observed as how it influences the buying behaviour and decision making in customer firms. Mudambi (2002) summarized the special features typical to purchase situations in business markets:

- Emphasis on tangible products and augmented services (installation, operation, maintenance, repairs, consultancy, etc.),
- Highly complex products,
- Customized products and services,
- Personal relationship between a buyer and a salesperson,
- Sophisticated buyers,
- Specific nature of the purchasing situation, importance of the purchase, and
- Reliance on personal selling.

The dominant perspective about buying behaviour in B2B setting suggested that buyers tend to rely only on objective criteria in decision making (Brown et al. 2011). Besides, especially among SMEs, B2B branding has not received that much attention because it has been considered that building a brand involves a long term financial investment at the expense of short term business profitability, and due to lack of clear vision whether B2B branding will increase the financial reward (Ojasalo et al. 2008). Yet, brands can play important, functional role in B2B markets as signalling for the quality of the product, augmented services and relationship, for flexibility to respond to future changes and for overall experience a customer can expect (Aaker & Joachimsthaler 2000, Ojasalo et al. 2008, Brown et al. 2011). Several studies have presented also that subjective, emotional and self-expressive benefits in the end do matter (e.g. Mudambi 2002, Brown et al. 2011, Leek & Christodoulides 2012).

Brand relationship in business markets is influenced much by the quality and differentiation of the product and/or service and by the supporting service and distribution channels. Customers in business markets rely also on intangible factors, such as business relationship, company reputation, trust, reassurance, reliability, and
essentially, product and service promises (as promises about quality, long-term stability, exceptional service and support) and symbolic promises filling the customers’ emotional needs. Both the functional and subjective emotional features can assist developing the brand relationship (Mowle & Merrilees 2005). But in brand relationship, especially, the emotional features and various interactions stand out. (Brown et al. 2011, Leek & Christodoulides 2011, 2012)

In fact, when the purchase decision is important and risky as well as when partnering is preferred, the professional buyers in business markets are receptive to branding (Mudambi 2002). The consequences of a potentially harmful purchase decision formulates an emotional risk that the sellers can ease with their brands to reassure trust for and quality of their product (Bengtsson & Servais 2005, Abimbola & Vallaster 2007). High level of customization in high-tech products tends to add perception intangibility and therefore increases sense of risk. Role of brand cues have been recognized to be more important in a complex business situation and when the degree of risk is high (Mudambi, Doyle & Wong 1997). Degree of insecurity such as uncertainty for the technology or need can influence that branding becomes more important evaluation criterion (Brown et al. 2011). According to Kotler and Pfoertsch (2007), in business markets risk reduction, increasing information efficiency and adding value benefits are the most important function for the brands.

Criticality of a product, for a customer, may affect the importance of branding (Mudambi 2002). A branded product may be preferred as a crucial component. Brands are preferred when the product of a customer firm needs to gain legitimacy by incorporating a branded components and thus by being associated with a reputable company (Leek & Christodoulides 2011). But similarly, as the degree of risk is low in the decision making process role of brands increases (Leek & Christodoulides 2011). When risk is perceived lower, for saving time and efforts it is more efficient to rely on brand cues than engage in diligent consideration and objective information-driven search process (Mudambi 2002). Introduced benefits for branding through the research in business markets are many:

• reducing risk and complexity of buying situation (Mudambi 2002),
• increase loyalty and trust (Abimbola & Vallaster 2007),
• brand awareness, which is related to firm performance (Brown et al. 2011),
• firm reputation, increase role of brand information (Mudambi 2002, Merrilees 2007),
• may increase firm's power in the distribution network (Mudambi 2002),
• may raise barriers to entry for other firms (Leek & Christodoulides 2011)

Branding aims to instil confidence in potential customers as to the supplier's quality, reliability, integrity and to create an impression of trustworthiness (Bengtsson & Servais 2005). It has been examined that branding has supported the communication process to customers and business partners; the communications of the branded products or services has been accepted more easily (Leek & Christodoulides 2011). Powerful brands are develop through consistent and positive customer experiences over time requiring a long-term strategy (Abimbola & Vallaster 2007, Kotler & Pfoertsch 2007). Such experiences are achieved through a brand’s media, i.e. product, service, environment, company's communication strategy, employees’ behaviour and communication, which all can assist to make the brand become “tangible” to the customer. Characteristics of the organization constitute to the brand (Aaker & Joachimsthaler 2000), but brand is also influenced by other actors in firm’s network; for example, word of mouth from past and present customers, partners and external stakeholders (Merz et al 2009, Mäläskä et al 2011). Hence, branding is not only a responsibility of the marketing department. Abimbola and Vallaster (2007) propose that due to more flexible structures and processes in SMEs, small firms can have a clear advantage over large companies in branding.
3 RELATION OF BRANDING AND INTERNATIONAL BUSINESS OPPORTUNITY DEVELOPMENT

Next, the framework for the crucial actors and key activities in international business opportunity development and in branding are introduced by examining the contemporary research on these subjects. The discovered actors and activities serve as a platform in the analysis of the relevance of branding for the international business opportunity development. This theoretical framework is used for the analysis of the relation of branding efforts to international business opportunity development as the basis to the empirical research of this study.

3.1 The actors

Research merely on international business opportunities can be short-sighted. Current research on opportunities has been studied in relation to the entrepreneurs developing the opportunity (Sarason et al. 2006), organisation and the surrounding environment (Busenitz, West, Shepherd, Nelson, Chandler & Zacharakis 2003). Based on prior research following framework has been suggested as an approach to capture the unifying actors associated with the international business opportunity development process that comprises such constructs as opportunities, entrepreneurs and/or founding teams, organisation and network relationships within the context of a wider environment (Busenitz et al. 2003).

The interactions between opportunities and environmental conditions cannot be ignored (Alvarez et al. 2013). Opportunities have evolved from interactions between markets that involve the creation of new means-ends relationships (Eckhardt & Shane 2003). Entrepreneurs’ cognition is constrained by their cognition of the environment (Zahra et al. 2005); the social interaction between entrepreneurs and their environment shapes their cognitive process and behaviours (Vaghely & Julien 2010). Sarason et al. (2006) proposed that entrepreneurs not only fill market gaps but they co-evolve together with social structures creating business opportunities and while constituting ventures. For potential entrepreneurs, the decision whether to initiate a business and to start developing international business opportunity is influenced by additional characteristics within the existing business environment (Acs 2007). These conditions
comprise a country’s capacity to encourage start-ups and capabilities and resources of the institutional support programmes aimed for supporting founding and internationalising start-ups.

The *entrepreneurs and/or founding teams* category focuses on the characteristics of entrepreneurs and/or founding teams, the dynamic processes associated with the development of intellectual or human capital by individuals and/or founding teams. The *organisation* category includes the acquisition and deployment of resources, and the development of organisation and management capabilities, practices and strategies (Busenitz et al. 2003). Furthermore, the researchers have recognised the importance of *network relationships* to promote or inhibit international business opportunities (Coviello 2006, Ellis 2011). The entrepreneurs tend to search for suitable partners right from the beginning to support the development of the business opportunity (Mainela & Puhakka 2009). Together these actors constitute an international business *opportunity* under development to be transformed into a viable product or service offered to the market.

![Figure 1 Framework for the actors involved in international business development and branding in newly established firms.](image)

The research has realised that also the *customers* are nowadays more and more involved in co-developing the new ideas, innovations and products in the future markets internationally (Chandra & Coviello 2010). Venkataraman et al (2012) highlighted the importance of *stakeholders* in the opportunity development and
suggest shifting the focus on action and interaction together with the stakeholders as an important unit of analysis. To be really a business opportunity, other people have to acknowledge the value of the opportunity, and someone has to be able and willing to exchange something for the value of the opportunity. Thus, international business opportunities require acting, interacting and negotiating together with a variety of stakeholders from different markets and social contexts (Mainela et al. 2014). Beside the entrepreneur and organisation being essential also the stakeholder-view to co-develop has been also acknowledged in branding literature (Merz et al. 2009). Thus the theoretical framework of the actors involving in the international business opportunity development and in branding in newly established firms is depicted in the Figure 1. The key actors selected as entrepreneur/s, organisation and network actors and stakeholders are further examined in the next sub-chapters.

3.1.1 Entrepreneurs

Due to the initial assumption that entrepreneurship is an act of an individual (Shane & Venkataraman 2000) at first the scholars attempted to discover the relevant individual variables that differentiates entrepreneurs from non-entrepreneurs (Sarason et al. 2006, Carlsson et al 2012, Alvarez et al. 2013). Overall efforts to find systematic differences between entrepreneurs and non-entrepreneurs have had limited success. Alvarez and Barney (2007) claim that the causal relationship between cognitive differences and entrepreneurial behaviour is unclear; whether these differences are the cause or result of the entrepreneurial activities. Though, the intention of Venkataraman and Shane (2000) was to shift the focus of the research away from the emphasis on the characteristics of individuals in explaining entrepreneurship (Shane 2012). Eckhardt & Shane (2003) argued that the studies with an individual-centric approach have assumed entrepreneurs more as a static entity whose skills, actions and motives stay unchangeable over time. Thus, the individual nexus is not proper to explain the continuously evolving dynamic and interactive international business opportunity development process.

The entrepreneur is the driving force throughout the international business opportunity development process: “initiating and directing the process from the original idea to the exchange with the market” (Wakkee 2004: 68). One of the fundamental assumptions
in entrepreneurship and IE research is that individuals are different with respect to, personal traits, skills, experience, background, social capital and cognitive capacity (McDougall, Shane & Oviatt 1994, Shane 2000, Chandra et al. 2009) and imagination and motivations (Ardichvili et al. 2003). The discussion on the nexus of entrepreneurs and opportunities initiated from the emphasis on alertness (Kirzner 1973, 1997) of individuals for recognising opportunities. Alert individuals perceive knowledge of market inefficiencies because of their skills in acquiring, interpreting and using disparate sources of market information (Eckhardt & Shane 2003, Kirzner 1997). Because of differences in traits, history and experiences and perceptions of resource availability and endowments, people come up with different ideas for business opportunities and the ways to exploit these (Zahra et al. 2005). Therefore, business opportunities are not just out there for anyone to pick up to exploit but recognising opportunities and strategies to develop them are highly personalised.

Related to developing business opportunities internationally the entrepreneur’s management and attitude towards internationalisation strategy play a key role (Karra, Phillips & Tracey 2008, Roudini, Hassan & Osman 2012). However, entrepreneur’s managerial cognition is rationally bounded and is promoted or hampered by entrepreneur’s environmental and social conditions (Vaghely & Julien 2010). Entrepreneur’s prior knowledge and exposure to international settings was viewed as the main drivers facilitating new international business opportunities (eg. McDougall et al. 1994, Kuemmerle 2002). But recently, it has been noticed that lack of international experience is not a disincentive, instead, the entrepreneurial orientation associated with innovative and proactive approaches for pursuing international markets (Knight & Cavusgil 2004) and the managerial emphasis on international customer-centric business development and marketing orientation matters more on the performance (Knight et al. 2004, Dimitratos et al. 2012).

Entrepreneur’s knowledge, prior experience, interests and skills direct entrepreneur’s interest towards the new opportunity and for the ability to develop it (Ozgen & Baron 2007, Santos-Álvarez & García-Merino 2010). But as equally, the interpretation of the attractiveness, appeal or possibilities related with the opportunity can be weakened by prior knowledge and experiences. The cognitive process describes how people direct their attention to the environment to gather information, interpret it and based on that
interpretation construct and guide decisions to seize and act on opportunities (Zahra et al. 2005). Entrepreneur’s information cognition, actions, alertness and aspirations are interacting with and influenced by elements of the external environment, such as market structures, institutional settings, social networks, resources, organisational culture and co-founders (Zahra et al. 2005, Santos-Álvarez & García-Merino 2010, Venkataraman et al. 2012). The decisions related to internationalisation can be restricted by uncertainty and poor understanding of the market appeal or attractiveness, barriers and obstacles to markets abroad, and available governmental support services intended to help firms to internationalise (Santos-Álvarez & García-Merino 2010).

Additionally, entrepreneurs do not only learn from their own experiences in the market or industry, but also from the business experiences of others, which can thus develop a mimetic behaviour that follows the institutional perspective presented by DiMaggio and Powell (1983).

Alvarez and Barney (2007, 2010) were of the opinion that international business opportunities should be studied how they evolve with entrepreneurial behaviour to act and react according to elements in their environment. McDougall and Oviatt's (2000: 903) defined IE behaviour as “a combination of innovative, proactive and risk-seeking behaviour that crosses national borders and is intended to create value and organizations”. Entrepreneurial behaviour is about how individuals and firms manage to “move into new markets, seize new customers, introduce new resources, and/or combine markets, customers, and resources in new ways” (Di Gregorio et al. 2008).

The entrepreneur has centric role in making the decision of the different strategic choices to develop the business opportunity, whether to focus on technical development as a path that can create an international pull strategy, or marketing to implement an international push strategy, or to drive towards an international restructuring of an industry (Gabrielsson & Kirpalani 2004).

In a new and small firm the role of an entrepreneur is also very crucial during the initial phases of brand strategy development; how their firm’s brand identity and image is developed, for the weight branding receives in business development and how branding is encouraged in the firm (Gabrielsson 2005, Krake 2005). It has been claimed that if a new firm is not able to establish its brand in the market within a relatively short time, they disappear from the market (Timmons 1999: via Rode &
Vallaster 2005). That is because the ‘window of opportunity’ to enter a market and to find a position for the firm in the competitive environment is fairly narrow. This can be challenging for a new firm giving its shortage with resources and marketing competence. In a start-up company, the owners or entrepreneurs are often the ones to take the lead in branding; however, they either seldom have the time for it or are not even aware of “brand management” as a concept (Ojansalo et al. 2008). The entrepreneur, as a person, can be extremely important for acquiring recognition for a brand. The entrepreneur can often be the brand. The entrepreneur can reinforce its firm with distinctiveness. However, the position of entrepreneur, and the different possibilities available through him, such as the past experience and history, are hardly used for building the brand (Ojasalo et al. 2008).

Rode and Vallaster (2005) emphasize that in the early phase branding and brand identity of a new venture is strongly anchored with the entrepreneurs’ vision, philosophy and personality. As discussed, branding is seen as originating from the brand identity, which constitutes the internal part of the brand consisting of corporate culture, design, behaviour and communication (Rode & Vallaster 2005). And by extending brand identity with brand image that is built through various ways of interaction with its stakeholders, the active role of the entrepreneur in branding in start-ups is quite evident, such as his ambition level and motivation in more precisely, are crucial for the level of attention branding receives within the organisation (Krake 2005). The entrepreneur’s perspectives and experiences has been shown to strongly shape the firm’s identity connected with firm’s organisation culture, design and behaviour and internal communication (Ojansalo et al. 2008).

Branding is influenced by entrepreneur's ability to articulate and communicate vague vision of the firm, market positioning and their core values, managing and developing their business concepts and ideas, building and maintaining internal and external relationships, and managing, leading and developing the organisation culture (Boyle 2003, Krake 2005, Rode & Vallaster 2005). Some firms have created successful brands which are personalised, created and nurtured from individual entrepreneurs (Horan et al. 2011). The study by Horan et al. (2011) found out that the enthusiasm on branding and how branding is incorporated in the entire firm is influenced by the entrepreneur and his management style. They also discovered that the process for branding in SMEs
need to be fast, flexible and focused on the key issue to translate the entrepreneur’s vision. It has been observed that the founder or entrepreneur, as the one who holds a unifying position with the firm, has crucial role also for the outcome of branding in newly established firms. Start-up companies with more experienced, motivated and recognised founders and key personnel are more likely to achieve global brand recognition than those without such qualities (Gabrielsson 2005).

3.1.2 Organisation

The initial base for the research on business opportunities in the nexus between entrepreneurs and opportunities (Venkataraman 1997, Venkataraman & Shane 2000), disregarded the resources the entrepreneur currently controls. Later the research unfolded to include the impact of an organisation into the studies on the opportunity development. Since, international business opportunities undergo development along the process for establishing a new firm, resource recruitment and allocation, for forming the organisation structures and cultures (Sarasvathy 2001, Sarason et al. 2006). Alvarez et al. (2013) asked for more research on the relation between organisational research and the opportunity processes, notably because, the influence and importance of stakeholders (Venkataraman et al. 2012) in the development process of opportunities had been acknowledged.

Already, Kogut and Zander (1993) set capabilities of the resources to develop tacit knowledge and to learn as the ultimate basis for building sustainable competitive advantage, which makes successful development of opportunities possible at international markets. Baker and Nelson (2005) underlined that alertness to different possibilities for the resources is as important as alertness to international opportunities; to find out novel combinations between information and resources and different new ways to convert information and knowledge benefitting firms tend to develop new business opportunities. Also, Coviello and Cox (2006) suggested that entrepreneurs and managers should note that particular role of the organizational culture and specially human resources in international business opportunity development.

The complex bundle of knowledge, capabilities and experiences embedded in the organisation is regarded as valuable, rare, and hard-to-imitate intangible resources that
grounds the sustainable competitive advantages that differentiate the firms in the global competition (Wernerfelt 1984). Organisational capabilities and knowledge can be a strategic resource facilitating a firm to develop the international business opportunity into proper valid business able to create true value for the market (Wiklund & Shepherd 2003). Similarly, Oviatt and McDougal (1994) suggested that born globals should focus on developing those international business opportunities which match with the strengths and resources the firm currently possesses. The common challenge which the newly established firms often tackle with is the scarcity of resources; limited financing, amount of resources and scope of competences (Terpstra & Olson 1993). Knight and Cavusgil (2004) suggested beating the constraints of resource limitation by leveraging that distinctive mixture of the resource competencies and strategies the firm possess.

Baker and Nelson (2005) examined with a field study how small newly established firms acted to exploit opportunities. They explored how firms exploited efficiently different physical, social, and institutional inputs that other firms rejected or ignored that enabled the firms to develop their opportunities into established business. They demonstrated that the business opportunities are primarily social construction, impacted by organisation and the external environment of the firm. The firms actively exercised creativity and synergetic capabilities of the employees in the organisation, their tolerance for ambiguity and setbacks, social skills and their ability to improvise and take advantage of other emerging resources played remarkable importance in the business opportunity development (Baker & Nelson 2005). The combination of employees' different interests and capabilities is of essence. Employees bring with them a variety of skills and resources, but along with their interests and desires they are able to make use of a greater range of their capabilities than their jobs require.

Considering the international aspect in the business opportunities, Knight et al. (2004) claimed that if organisational culture is oriented to international sales from the beginning, also then management is likely to be more effective in international marketing, and the organisation as a whole more capable in pursuing and mastering international business opportunities. Kocak and Abimbola (2009) suggest firms to leverage its collection of fundamental intangible resources, which comprise a specific constellation of strategic orientations such as market, entrepreneurial and
technological orientations. These resources may include trade secrets, embedded technological knowledge and managerial, marketing and production skills, which are valuable and difficult to imitate and provide the competitive advantages needed for internationalization.

Dimitratos et al. (2012) created a comprehensive concept of international entrepreneurial culture to study operationalization and the activities included in international business opportunity development in a firm-level. They aimed to contribute the research of IE by developing a framework to utilise the organisational culture to recognise, develop, enact and exploit international business opportunities. According to Dimitratos et al. (2012) international opportunity-based behaviour embedded within the whole organisational culture consist of interrelated capabilities; international entrepreneurship orientation, international market orientation, international learning orientation, international networking orientation, innovation propensity, risk-accepting attitude and motivation. An entrepreneurial organisation focuses on capturing the specific entrepreneurial aspects of decisions making styles and practices in an organisation-level (Wiklund & Shepherd 2003).

It has been believed that the entrepreneurial nature of start-up firms enhances the ability of the firms to learn by actively seeking and absorbing knowledge about international markets, potential customers, competitors, and the issues concerning of operations across borders (Narver & Slater 1990, Dimitratos et al. 2012). Networking over borders, information sharing throughout the firm and revising business strategies to enhance customer value are important functionalities. Market orientation is defined as an organisational culture that aims to effectively and efficiently bring about the necessary behaviour to create better value for customers than the competing alternatives and, thus, stimulates continuous better performance for the business (Narver & Slater 1990). The organisation culture that is proactive and promotes willingness to innovate and to take risks, enhances the positive affect of the resource capabilities and generates value to the organizations (McDougall & Oviatt 2000, Knight & Cavusgil 2004, Jones & Coviello 2005).

The employees are of essential in branding too. The perception of the brand is determined by customers’ experiences, expectations and satisfaction with the product
and/or service which is thus, in turn shaped and represented with brand promises impacted by employees (Leek & Christodoulides 2011). Employees communicate their view of the brand image about the firm through direct and indirect dyadic interaction with firm’s customers and all other stakeholders (Merz et al. 2009). Therefore, employees provide a point to differentiate, communicate and share the brand and for achieving competitive advantage. Moreover, employees building and maintaining relationships with all the firm’s stakeholders contribute to the value of the brand (Mäläskä, Saraniemi & Tähtinen 2010). Or they may as well sabotage it. Ojansalo et al (2008) discovered that if brand building and planning are conducted only by the highest management level, it may have negative side-effects. If employees are not involved in branding, it may cause lack of commitment and resistance to change regarding to brand building.

The basis for branding is risen from the identity and values of the organisation, thus the role of employees gets emphasized as being an important link between the brand identity and brand image, as well as the firm and its external stakeholders (Juntunen, Saraniemi, Halttu & Tähtinen 2010). The whole organisation should understand and stand behind the constructs for its organisation identity and the values and aim to fulfil the promised value propositions of the brand through their own actions and behaviour (Abimbola & Kocak 2007). Wong and Merrilees (2005: 162) claimed that firms benefit from “an approach in which the processes of the organisation revolve around the creation, development and protection of brand identity in an ongoing interaction with target customers with the aim of achieving lasting competitive advantages in the form of brands”. But as the entrepreneurs are usually role models that strongly characterise the organisational culture, hence, the organizational identity of a SME is often a reproduction of the personality and characteristics of the entrepreneur.

The employees are one interface and information junction to the customers of the firm. When employees are encouraged and involved in branding it can enhance the capacity of insight, idea and relevant innovation generation and development, increase speed to market and reduce the market failure (Abimbola & Kocak 2007, Merz et al. 2009, Mäläskä et al. 2011). Therefore this study claims that product development and branding should not be seen as completely separate operations, instead both of them should be integrated into the firm’s business strategy.
Ojasalo et al. (2008) suggest that the internal reality of the organization forms a base for a successful external brand building process. In the corporate branding process for the internal brand building the strategic, vision- and value-based aspects are prevalent, as well as internal communication (Harris & de Chernatony 2001, Ojasalo et al. 2008). Managing the internal communication belongs to the communication management in addition to the external communication. It is vital that the employees share the same brand perceptions within the firm and can convey these to customers in a consistent manner (Leek & Christodoulides 2011). Branding is much about something that the organisation does continuously through its actions and interactions with all its stakeholders. The employees’ knowledge, skills, brand perceptions, behaviour, treatment of the customer and management of the relationship have been found to influence the customers’ perception of the brand (Roper & Davies 2010). And actually, in B2B-relations the employees affect more than in B2C-context. Thus, employees of the company should be committed and involved in the constant discussion of the brand identity and the values it holds (Harris & de Chernatony 2001). Therefore, brand identity or the organisation identity can be the strategic tool to harness internal resources successfully (Mäläskä 2013).

3.1.3 Network actors and external stakeholders

The research on business internationalisation has emphasised the influences of relationships in business- or inter-firm network level (Ellis 2011, Coviello 2006). It has been recognised how firms internationalising are dependent on each other. Their activities are often coordinated through interactions between firms inside networks (Johanson & Mattsson 1988). Business network can determine important possibilities, but also constraints for present and future business activities. These relationships can impact on opportunities by influencing foreign market selection, entry mode, product development and market diversification activities (Coviello & Munro 1997), which effect on the development of the business opportunity. However, first a firm needs to obtain its initial position in that network (Johanson & Mattsson 1988). Especially, when a firm pursues to enter a new market abroad, the business network relationship aspect becomes important; the firm has to build an entirely new network to gain its position in that market. This is also the case with new start-ups, which have just started to build the network for the firm based on their international business opportunity.
Business partner can be another firm as a strategic alliance, a research institute, an organisation, and/or a financial investor (Wakkee 2004). Network relationships and strategic alliances can help a newly established firm to find contacts to potential customers and partners, gain initial credibility, establish and develop knowledge of dynamically changing local markets and local developments in the industry, set up their organisation, and access external resources and sales channels (Wakkee 2004, Mainela, Pernu & Puhakka 2011). In addition, the researchers have recognised the importance of entrepreneur’s interpersonal or social networks (e.g. McDougall et al. 1994, Ellis 2000, Ellis & Pecotich 2001), both new and old social ties (Kontinen & Ojala 2011) and formal and informal ties (Coviello & Munro 1997), to promote or even inhibit their international business opportunities. Relationship ties can stimulate entrepreneur’s interest towards certain areas, influence the entry, facilitate the access to the relevant information related to the opportunity, help to identify possible exchange partners, and/or also even to initiate unintentional internationalisation (Ellis 2000, 2011, Ardichvili et al. 2003, Shane 2012). Besides these advantages of the networks in the international business opportunity development, the networks can assist new firms with their challenges with the liabilities of newness and foreignness by giving support in building trust and commitment in the market (Johansson & Vahlne 2009).

Burt (2004) studied that the relevant and valuable information concerning the new business opportunities is spread around and accessible through the pipelines of social ties. The reach and extent of the entrepreneur’s social network relates positively to international opportunity recognition. Important information pieces are scattered around and relevant pieces needed to combine and construct the international opportunity tend to arrive via links from different and separate social clusters. Thus, the relevant, valuable information required by the opportunity development often calls for interaction with several actors who have different knowledge and different other network ties to present (Burt 2004, Baker, Gedajlovic & Lubatkin 2005). The study by Kontinen and Ojala (2011) discovered that establishing new formal ties facilitated small firms to recognize new international opportunities rather than using the existing or new informal ties.
Ozgen and Baron (2007) stressed that the greater the extent of social ties with mentors and within professional forums (conferences, seminars, etc.) correlates positively and significantly with the impacts on new opportunity recognition. Additionally, the exhibitions have been underlined in the empirical studies due to their tendency to generate more specific information that serve positively the international opportunities (Ellis 2008, Kontinen & Ojala 2011). In the trade exhibitions and similar forums the proportion of relevant potential social ties is high (Coviello 2006). Exhibitions and similar events, with dense social networks of people who share common interests, facilitate access to valuable information regarding the business opportunity, because the relevant persons regarding the business opportunity in that network can share and combine essential and missing information and knowledge. Etemad and Lee (2003) emphasised that networks, which comprises of a broad and complex set of divergent knowledge, skills, and experiences benefit the international business opportunity development. This kind of networks, which have synergy among the separate resource of its members, can facilitate problem solving and strengthen the capabilities of the members belonging to the network.

The other stakeholders’ influence on international business opportunity development has been studied less. Zahra et al. (2005) described international business opportunity development affected by an individual’s sense-making process under specific environmental and social circumstances, which influence entrepreneur’s motivation, history and culture. Dew and Sarasvathy (2007) studied stakeholders' (such as an investor, a supplier, a strategic partner or customer) influence on innovation, which formed the basis for a business opportunity. Dew, Read, Sarasvathy and Wiltbank (2011) observed how entrepreneurs converted initial customers as strategic partners and built partnering relationships with customers to develop new market opportunities. The influence of the government’s support organisations and programmes in the international business opportunity development has been acknowledged and studied, but the role of branding has had less attention and interest among the researchers in entrepreneurshipships and IE. Otherwise, further research that connects stakeholders in the international business opportunity development has been called (Venaktaraman et al. 2012).
Instead, in branding literature the influence and participation of network actors has been regarded vital in the research field (Merz et al. 2009, Mäläskä et al. 2011). The social and business network relationships influence the SME's brand image, beside the nature of the firm's internal branding decisions and identity (Mäläskä et al. 2011). Firm’s external key stakeholders, e.g. customers, other brands, investors, public, suppliers, partners and distribution channels, together construct brand value through their direct and indirect interactions (Möller & Törrönen 2003, Merz et al. 2009). It has been found out that cooperative relationships with business partner have an important role in branding (Ojansalo et al. 2008). The reputation of the business partner can give leverage to a small and/or new firm. Especially, when the partner is respected the relationship can have a positive reference or signalling effect that is realised by wider network actors (Ojansalo et al. 2008). Branding can be also promoted and the brand promise strengthen by linking the vision and values of the brand by associating it with a famous person (e.g. actor, artist or athlete), place, institution, or other brands as an endorser (Uggla 2006). No firm can fully manage the participation of its network actors on branding, but it can aim to mobilize the stakeholders for the brand building to improve the brand performance in the market (Mäläskä et al. 2011).

The overall brand experience and functional brand value are influenced by the performance of the network actors in a close association with the firm (Ojansalo et al. 2008, Mäläskä et al. 2011). For example, strategic partners, such as key technology providers or value adding re-sellers who can determine the extent of customer satisfaction by affecting product and/or service performance and, thus, can influence the functional brand value. Reference from a respected actor has been seen important to gain credibility and legitimacy in the market and in creating brand recognition for a small firm (Mäläskä et al. 2011, Leek & Christodoulides 2011). Respected reference providers can be trusted opinion leaders in the industry, like valued customers, branded alliance partners or investors who are seen as symbolizing trustworthiness and presenting for the competitiveness of the small firm (Mäläskä et al. 2010). Different network actors can also provide positive word-of-mouth (WOM) recommendations, which can support creating brand awareness for the firm. Positive WOM results from the positive experiences of the firm, like successfully completed projects and technically superior products (Mäläskä et al. 2011). In worse case, negative WOM communication can be perceived as a threat to SME's brand image. For example, the
social media is capable to circulate both positive and negative messages almost instantly. WOM recommendations are perceived as an efficient and cost-effective sources for communicating about the brand.

The relationship ties in the firm’s network are often the most relevant information sources. Thus, with an easy reach of the network it enables a firm for “a quick reaction to ensure customers have positive experiences with the brand” (Abimbola & Vallaster 2007). In the internationalising theory and IE the importance of co-operating and networking have been emphasised for overcoming the scarcity of own resources and for providing important market knowledge (Coviello & Munro 1997). Firms tend to form mutually benefitting relationships with their buyers, suppliers, trade associations, other firms, universities and research centres (Zahra et al. 2000). In the branding literature it has been suggested that start-ups should utilise co-branding with large well-established firms, and especially co-operate with horizontal partners to get leverage for their brand (Gabrielsson 2005).

SMEs in the technology oriented field tend to derive the information for the input of their product development from competing products and companies rather than straight from the customers (Ojasalo et al. 2008). Yet, especially, large firms have realised that it is more effective and efficient to let main customers and communities of individual users engage in generating new ideas and innovation on their behalf (Chandra & Coviello 2010). Smaller firms have started to follow the same path. The long-held assumption that “it is the firm that knows it all” has been gradually changing by recognition that the end-users and user-communities are prominent innovators and, thus, valuable for value co-creation, co-designing and co-innovating. Today, it is so easy for consumers across nations to interact via the communication technologies, with online infrastructures, within online/virtual communities and in various platforms to collaborate online. The potential customers can be utilised as resources to develop the business idea by discussing with them and observing in order to find out the true needs in the market or for making a new market with new business opportunities.
3.2 The activities

Next, the purpose of the study is to explore the different activities both embedded in the international business development and in a newly established firm's branding process. The study focuses on the activities of internationalising, networking, learning, innovating and value creating (Figure 2.). These activities are very much intertwined and interrelated, which makes it sometimes hard to study these separately.

![Figure 2. The activities as part of the international business opportunity development and branding](image)

3.2.1 Internationalising

The research has shown that firms which have a sufficient degree of internationalisation i.e. are active in many markets, were able to capture successfully the fruits of a new innovation (Kafouros, Buckley, Sharp & Wan 2008). Exposure to new international markets facilitates new opportunities to learn which can enhance innovativeness and thus can contribute to new international business opportunities (Dimitratos et al. 2012). Internationalisation influences to the capacity a firm to innovate and enhances a firm’s capacity to improve performance through innovation. Firms that have some level of internationalisation and are able to access a broader range of markets, sources of information and new network connections, consequently therefore, can benefit better from their new products and processes to develop those
Internationalisation has been associated with the same characteristics as seen within entrepreneurship, such as; risk taking for uncertain environments, behaviour and acting to influence, adopting and responding to the new markets, events, and circumstances. Internationalising involves also developing modes of control to optimise resource allocation and strategic management of the requirements for the sustainable competitive advance (Oviatt & McDougall 1994). In addition, internationalisation is often considered to comprise from interlinked processes of learning and networking (Johanson & Vahlne 2003, Coviello 2006).

Hohenthal, Johanson and Johanson (2003) stressed that international business opportunity requires that the firm learns to develop the opportunity along with the daily activities to expand to the new markets and at the same time learns to manage the internationalisation process itself. During the internationalising, the firm explores the market and encounters uncertainty, surprising events and information that can influence the overall international business opportunity development. The opportunity is developed as the localized information is accessed and while acting, building networks and learning through the international expansion process (Hohenthal et al. 2003, Mainela & Puhakka 2009).

By internationalisation process firms learn and can better adapt technologies and features to local market needs, improving their responsiveness to the local demand (Niemi, Juho & Mainela 2013). Internationalisation assists a firm to better exploit possible returns of their innovation or business idea and to cover costs spent on innovation process by exploiting the business opportunity with wider markets. Sandberg (2007) in turn suggests that customer-related proactiveness and anticipation play an important role in introducing the innovative business opportunity successfully. Performance of the firm to develop the business opportunity can be improved through exposure to the international markets by learning from the markets and utilizing the wider range of resources, knowledge, information and ideas available globally. Thus, to gain competitive advance, it requires both technical know-how and market expertise to convert a technological success into a commercial one, to refine the firm’s strategies for fitting better the business opportunity into the international markets (Kirchhoff et al. 2013).
Newly established firms aiming for the international markets with their business opportunity are challenged by the liabilities of newness and foreignness, and for getting to know the true demand, requirements and preferences of their customers (Zahra et al. 2005, Gabrielsson 2005). Branding has been acknowledged to assist to supress these challenges. Branding can be leveraged for building the awareness and recognition in new markets within networks (Abimbola & Vallaster 2007). Branding involves interacting, communicating and cooperating together with the customers, networks and other stakeholder actors, which can support getting to know the demand and requirements in the foreign market, and help in sharing their brand information to the new market. In the wake of the efficient international communication and the homogenization of markets across countries, which has been seen the past decade, devoting on branding strategies has enabled firms to spread their market awareness effectively across countries (Lee, Gongming & Zhengming 2012). The increases in the speed, quality and efficiency of international communication promote the sharing of brands and product knowledge among customers in different countries (Kocak and Abimbola 2009). Thus, the brand awareness of customers in one country can easily lead to market demands in other distant countries.

3.2.2 Networking

Venkataraman et al. (2012) underline the focus on the actions and interactions of entrepreneurs and their stakeholders as an important unit of analysis. Social network ties are developed through discussing and sense-making to discover the appropriate partners (Mainela et al. 2011). Social networks and business partners are a good alternative to obtain different kind of information about the foreign environment, businesses, technologies, and potential customers and competitors and to share processes and resources. This alternative can reduce possible risks and craft failing more affordable for the entrepreneur. Network relationships offer for newly established firms a new potential for learning, which can support both internationalisation and business opportunity development (Johanson & Vahlne 2003, 2009).

To be able to benefit from networking it requires abilities from an entrepreneur and organisation to absorb and interpret information and knowledge from the network ties
across countries, particularly because the information can be often tacit and culturally specific (Karra et al. 2008). The development of international business opportunities along the impact of the international network relationships are also influenced by different institutional and cultural effects (Vaghely & Julien 2010). The international entrepreneurial actions feature also the ability to develop alternative access to various resources without necessarily owning them in order to create value and build competitive advantage (Zahra 2005, Karra et al 2008). The business opportunities are developed and evaluated based on prior knowledge and experience together with the social interaction and they are revised against trials and errors and against the feedback from the market (Zahra et al. 2005). The intangible resources can be leveraged and exploited through cooperation and partnerships within and across business sectors and together with the customers to develop the international business opportunity.

By effective usage of networks, firms can overcome different liabilities in a new market as; an outsider, foreignness, smallness, newness (Autio et al. 2000, Johanson & Vahlne 2009). But managing cooperation and networking effectively and efficiently can be challenging because of those propensities. In branding, the researchers have emphasized systematically planning internal branding processes for creating and communicating a favourable brand image, but overall brand performance is dependent on a range of different external actors (Ugglä 2006, Merz et al. 2009, Mäläskä et al. 2010). Lee, et al. (2012) found out that without reasonable effort and investment on building firm’s own brand, born globals were challenged by integrating their brand with business partner's resources and brand in the foreign market. The other way around, it was interpreted that business partners did not wish to work with new and small firms that did not consider or invest to strengthen their brand because only few partners could undertake the business promotion on their own. They concluded that partnerships with local partners abroad promoted early internationalization for the born globals that had devoted on building both a new innovation and their brand advantages.

Warsta, Lappi and Seppänen (2001) examined Finnish software companies expanding into the USA to analyse the processes and factors related to establishing partner relationships. Most of the companies taken part to the research were start-up companies. Warsta et al. (2001) concluded that, for a firm entering in a new market or
in a new country, it is important to become well-known and to dedicate for building a reputation from the very beginning. According to their conclusion, this can be done by co-operating with branded customer companies, since it was seen that partner’s reputation gave leverage to the small software firm. To Warsta et al. (2001) opinion, without right partners it is rather difficult and time consuming for a small software firm to create credible brand.

Like Merz et al. (2009) conclude, brand value is co-created through network relationships and social interactions among the ecosystem of all stakeholders. The value of strong brands originates from the positive signals that are communicated about the value offer for the stakeholders (Brown et al. 2011). Aspara and Tikkanen (2008) pointed out that cooperation with respected business partners, their reputation gives leverage to the small firms. Branding involves building, maintaining and managing relationships, internal relationships inside the organisation and relationships to partners, customers and to other stakeholders. Firms can incorporate meanings and values attached to closely associated entities such as a nation, industry and network of alliances to build up their own brand identity (Mäläskä 2013). Networking and interacting has been acknowledged to promote organizations to successfully co-created products and services together with customers, even integrating customers into core processes (Chandra & Coviello 2010). Features taken for branding are selected in correspondence to the market needs, expectations and feedback received from outside the firm and, thus, are influenced also by external inputs (Mäläskä 2013).

While it has been recognized that the value of the product or service is not in the exchange of the article rather than in the use of it, value-in-use, thus, the emphasis for value of customers and other stakeholders as collaborators and co-developers has been increased. Emergence and widespread adoption of digital communications and the social networks have spread the network actors’ effect on branding (Mäläskä et al. 2010, 2011). Increased connectivity internationally, access to information and networks, globalization of information and customer-to-customer communications pools are matters actively taken into use for branding and for means to provide references for the small firms. Accordingly, interacting and networking with reputable actors is a way of seeking support for status or position and is exploited among small firms in order to strengthen their brand.
Every interaction with customers and other stakeholders influences the brand value of the firm: “the more positive the customer experience, the stronger the brand, and greater is the positive reputation for the organisation” (Ambimbola & Vallaster 2007). While bigger companies and MNCs often spend considerable amounts of money to research beneficial brand reputations and different manners to act correspondingly, entrepreneurial firms or SMEs are limited by their budget to follow the same strategy. Marketing communications from a strong brand is better accepted, and thus, brand increases the firm’s power in the network (Ojasalo et al. 2008). Instead, new and small firms have to be creative in their strategy for the brand communication and with the channels and ways to communicate and interact with the stakeholders. “Partners also offer their support for SMEs in branding issues by giving feedback on the planned brand building activities and launching processes. Especially at the new product launch stage, cooperation or co-branding with a bigger, trustworthy and known firm strengthens the SME’s brand, and particularly its trustworthiness in the eyes of the customer” (Ojasalo et al. 2008: 100).

Interaction and building customer relationships support firm in determining the characteristics and quantity of the needs in the market. Especially in B2B context, branding has been noticed to benefit the ability to be found as a potential supplier, the acquisition and analysis of supplier’s proposals and the evaluation stage in making the purchase decision (Leek & Christodoulides 2012). Brands have been used as cues in the beginning of a relationship when the buyer is evaluating suppliers and differentiating the offerings between the suppliers (Brown et al. 2012). Brand may be particularly important when the buyer lacks knowledge and experience of the supplier as it may be perceived as reducing risk and providing confidence in the purchase decision (Mudambi 2002). If in the context of B2B market, brand image includes an emotional element such as trust then the concept links into the building of relationships (Leek & Christodoulides 2011).

In contrast to the view on branding, where a firm is solely responsible for brand communication and building, as well as generating and controlling the value promise and brand image, the present study observes branding as a social and dynamic process of value co-creation, and the network actors are the co-creators in branding of the focal firm. The interactive branding process evolves together with internal and external
network stakeholders, including employees, customers, investors, partners, suppliers, regulators, special interest groups, and local communities (Merrilees 2007, Mäläskä et al. 2010). Thus, branding is viewed in terms of collaborative and communicative, value co-creation activities that take place as part of the relationships between the firm and all of its stakeholders (Merz et al. 2009). And the brand value is the stakeholders’ collectively perceived value-in-use. Network actors (like customers, channel partners or strategic partners) can also be utilised for co-promoting, communication, receiving feedback and advices and for creating new contacts (Mäläskä et al. 2011).

Branding strategies by newly established firms pursuing international markets with their new business opportunity have special requirements that the means should be cost effective, rapid and simple. The newly established firms having vision of a global business opportunity face challenges how to build international business when originating in small country, having limited human, financial and managerial resources and need to proceed rapidly in the turbulent environment. It has been claimed that it is necessary to be able to build a global brand for a successful global expansion (Luostarinen & Gabrielsson 2004, 2002). Small firms can overcome resource limitations by co-operating with large channels, networks (see e.g. Coviello & Munro 1997) or original equipment manufacturers (OEM) of well-known brand owners (Gabrielsson 2005). This option would be particularly suitable for firms in B2B sector to leverage the marketing resources and brand recognition of their well-known partners. But it is good to note that the option can lead to a situation where a small firm becomes overly dependent on the partner. Therefore, it has been suggested that born globals should not rely only on a single branding strategy, such as OEM, private labelling, co-branding or their own brand development (Gabrielsson 2005).

3.2.3 Learning and knowledge creation

Learning, information processing, knowledge creation, creativity, innovation, and international business opportunity development are related to one another and thus have been the central topics in to recent research on business opportunities (Kocak & Abimbola 2009, Vaghely & Julien 2010, Alvarez et al. 2013). The organisation culture ought to encourage learning, exploring, questioning and problem solving, to contribute new and creative ideas, products, services or processes leading to new business
opportunities and enabling to find ways to develop the opportunities (Dimitratos et al. 2012, Venkataraman et al. 2012). The latest internationalisation process model described by Johanson and Vahlne (2009) defines business opportunities as the subset of knowledge that is the single most important driver of internationalisation. Internationalisation and opportunity development have been observed to be dependent on organization's own internal learning (Johanson & Mattsson 1988).

Shane and the colleagues (Shane 2000, Shane & Venkataraman 2000, Eckhardt & Shane 2003) underlined different dimensions of information important for business opportunity, namely knowledge of markets (e.g. price, resources, information asymmetries and diffusion), knowledge of customer needs and problems and knowledge of ways to serve the markets. Also the knowledge concerning opportunities has been referred additionally to the intensity of knowledge in the product or service itself (Douglas, Craig & Keegan 1982, Ovaitt & McDougall 2005). When business opportunities are examined from the information perspective it has been concerned what affects the relevance of the information individuals possess and how they process it to shape out the business opportunity (Zahra et al. 2005, Vaghely & Julien 2010). Knowledge relies on experience to provide expertise, reasoning, reflecting and sense-making for interpreting information (Zahra et al. 2005, Vaghely & Julien 2010). Social interactions help people to interpret and make sense of the vague information scattered around and to develop interpretation of the external environment (Vaghely & Julien 2010, Alvarez et al. 2013).

Information comprises of uncertain data in ever changing environment which in turns changes our understanding in timely manner. Individual information processing has also been associated with problem solving and decision making which facilitate business opportunities (Vaghely & Julien 2010). Current jobs, technological knowledge and prior work experience can be sources for information that triggers opportunity recognition and supports decision making. Our information processing capacity is limited, thus attention demanding information will only be incorporated if it seems relevant based on our prior knowledge and our social constructions. Human information processing and prior knowledge can present expectation, judgement and resistance against new evidences for new information related to the opportunity. Thus
prior knowledge and experience can reduce the behaviour towards acting to develop the business opportunity (Vaghely & Julien 2010).

Information processing and learning are significant processes for converting the knowledge into firm’s competitive advantage (Perry, Chandler & Markova 2012, Sarasvathy 2003, Sarasvathy, Kumar, York & Suresh 2014). A number of scholars have recognized that organizational learning contribute to the firm’s competencies and influence the ability to enter and expand into international markets and exploit international opportunities (e.g., Zahra, Ireland, & Hitt 2000, Autio et al. 2000, Santos-Álvarez & García-Merino 2010). The ability to learn about a new host country moderates the speed at which the firm exploits international business opportunities (Oviatt & McDougall 2005a). Autio et al. (2000) explained that “learning advantages of newness” help learning process of a young firm that does not yet have existing organizational learning routines, which can hinder their learning opportunities in international markets, and this may, thus, benefit the new firm in its international business opportunity development. In international context, learning means also the propensity to obtain and use international business competences and how to use firm’s competitive advantages in the foreign markets (Dimitratos et al. 2012). Firms and entrepreneurs may seek for opportunity benefitting from cross-border resources by absorbing the knowledge available in that environment, e.g. through investments in research and development (R&D), manufacturing and/or marketing sites abroad (McDougall et al. 1994, Kuemmerle 2002). Or they may seek to benefit from the existing knowledge and product bases and invest abroad in order to exploit the existing stock of knowledge in a better way.

Learning becomes central along the international business opportunity development to be able to take the advantage from environmental coincidences as they arise (Alvarez et al. 2013, Perry et al. 2012). Opportunities often require different knowledge that is scattered inside the organisation, in the networks and around the environment and involves ability to act and construct social environment around together with the stakeholders (Baker & Nelson 2005, Sarasvathy 2001, Sarasvathy et al. 2014). The opportunity co-evolves as the meaning and understanding develop along with the social construction (Alvarez et al. 2013). Knowledge develops by interpretation of information, beliefs on cause–effect relations, or know-how developed over time by
the individuals and firms in a path-dependent way in social contexts (Santos-Álvarez & García-Merino 2010, Venkataraman et al. 2012). The created opportunities tend to require more tacit knowledge and knowledge from learning-by-doing, and this information is more difficult to be acquired or imitated compared to information related to discovered opportunities (Alvarez et al. 2013). Consequently, learning process develops the sustainable competitive advantage that is hard to imitate (Venkataraman et al. 2012). The challenge with developing new business opportunities lies in interpreting and making sense of the vague, scattered and randomly distributed information (Mainela et al. 2011, Vaghely & Julien 2010). In order to understand the market acceptance and competitive environments, especially if the market is presently absence for the new innovation, the opportunity development requires more acting in the markets and testing the market response. The information regarding to the competitive environment, the needs and supply and their relationships is not often obvious nor easy to be analysed (Mainela & Puhakka 2009).

The novel or technological features of a business opportunity make the value proposition for the customer difficult to be assessed before the actual consumption of the product and/or service, or even during and after it, meaning that the opportunity involves high levels of uncertainty (Komulainen et al. 2013). This emphasizes that the potential value for the customer provided by the possible business opportunity is envisaged. The products are often launched while still under development, in its early product lifecycle and they remain subject to near change and development as new versions of the product are introduced throughout the lifecycle (Mainela & Puhakka 2009, Komulainen et al. 2013). This means that not only does the firm need to learn from its customer feedback and responses to develop the business opportunity but also the customer needs to adapt with the development of technology and learn to use it. Branding is a continuous process to analyse the current and changing situation, to learn on the circumstances and act based on that. Thus learning orientation is also crucial ingredient in branding to be able assimilate, serve and create customer valued value offer in the market (Kocak & Abimbola 2009). Within newly established firms building brand identity and brand image is a continuous, dynamic, interactive and social learning process between the firm's internal and external stakeholders (Kocak & Abimbola 2009, Ojansalo et al. 2008).
Branding is part of the business strategy that is also developed regarding the circumstances. Branding is not just one time campaigns and marketing gimmicks, but constant interacting, learning and reacting regarding to the internal and external variables. Brand identity emerges from what the firm is and what it does and how it is identified by the organizational members with no explicit reasoning behind it (Mäläskä 2013). It requires dynamic capability by the entrepreneur and the organisation to build, interpret, integrate and reconfigure a valuable position. The branding features are selected in correspondence to the market needs, demands, expectations and feedback received outside the firm, and are, thus, influenced also by external inputs (Mäläskä 2013). Especially, in newly established firms the corporate brand identity management is seldom based on a well-planned brand strategy, but it develops along with the firm’s daily activities and overall business strategies and processes (Merrilees 2007).

3.2.4 Innovating and value creation

It has been proposed that investments in innovation allows firms to develop and license new technologies, introduce new business opportunities with new products, services and processes, adopt more efficient production techniques and therefore become more competitive and increase their economic performance (Kafouros et al. 2008). Business opportunity that is constructed from creativity and innovativeness is constructed with the ability to produce work that is unique or unexpected but it has to be also appropriate, i.e. useful and valuable to someone (Styles & Seymour 2006). Vaghely and Julien (2010) argue that creation of opportunities which comprises of new information and are innovative require a combination of creativity, innovation and market knowledge. The key factors related with innovation are know-how, knowledge, rich market-relevant information and good timing (Zahra et al. 2005, Alvarez et al. 2013). But as discussed before developing new innovative business opportunity is linked with the capabilities of the entrepreneur's network and his organization.

“Innovation is critically important in contemporary economies. Investment in R&D is essential for firms and nations to produce innovations and compete for the future” (Tellis, Eisingerich, Chandy, & Prabhu 2008). Committee on Prospering in the Global Economy of the 21st Century (2007) echoes this statement and underlines the role of
innovation in creating strategic competitive advantage for the firms. Currently, an increasing number of firms rely on technological innovation for the creation of new international business opportunities (Mainela et al. 2011). Thus, development and exploitation of know-how and technology for innovations are seen as the drivers for international business opportunities for firms (Jones & Coviello 2005). Beside knowledge, competitive advantage of a firm based on technological innovation is relying also on technological skills and experience in new product development (Mainela et al. 2011).

Scholars have shown innovation affecting significantly both the survival and economic growth of firms of all sizes, in every industry (Cameron 1998, Creamer & Amaria 2012). Shane (2000) demonstrated how innovations based on one technology can generate several different business opportunities. The importance of innovation grows as the business environment becomes increasingly uncertain and competitive. The innovation process may include co-operation with network partners to leverage the resources and competences of partners (Knight & Cavusgil 2004). A range of different external partners, with different unique resources, has been shown to affect the performance of the innovation process, but the partners have to have synergy and common shared vision and goal for the collaboration (Hill & Jones 2009, Cui & O’Connor 2012). Their knowledge tends to be tacit and dependent on the network relationships, therefore inherently difficult to imitate and thus facilitates differentiation (Wiklund & Shepherd 2003). Creamer and Amaria (2012) argued that merely being innovative does not matter; the challenge often lies in the process of direct application, implementation, and rapid commercialization. In their study especially open collaboration was positively associated with growth and innovation, and significantly contributed to faster product introduction with lower risk and lower costs. For building the competitive advantages based on innovation, they stressed the firm’s ability to practice and switch from traditional business operating models to those that feature more open collaboration. The open model relies on the creativity of the members to spot future opportunities, identify trends, and develop new business models to capture value (Creamer & Amaria 2012).

Generally, deep prior knowledge and wide experience have been considered to lead more likely into new innovations. But when the innovation requires new way of
thinking to break the existing rules and habits to discover something totally new, instead, deep prior experience may hinder needed learning required for the opportunity enactment process, if it is not balanced with diverse experience (Zahra et al. 2005 Santos-Álvarez & García-Merino 2010, Alvarez et al. 2013). Deep prior market or industry knowledge may craft actors path-dependently and to be resistant to new possible ways to enact in the current market or industry. This does not straightaway mean that previous experience is not applicable. Innovation relates to tacit knowledge sharing to help transforming information into new knowledge (Vaghley & Julien 2010).

Fairly little has been discussed in the research on opportunities about the essence of value creation. More is discussed how entrepreneurs understand the opportunity costs, costs of production, return of investments for developing the opportunity, i.e., the value of the different opportunity choices for the entrepreneurs or firms themselves (Ardichvili et al. 2003, Alvarez et al. 2013), less is discussed about the added value creation for the customer as being basis for developing the business opportunity. Mostly the value is considered to be created by filling the needs in the market, market gaps and with introducing new novel cross-border resource combinations (Di Gregorio et al. 2008). But business opportunities are constructed from the interpretation for the market demand, needs and preferences by the entrepreneur and a firm, but are these interpreted correctly.

As Alvarez and Barney (2007, 2010) discussed how international business opportunities evolve with entrepreneurial behaviour to act and react according to market responses, this process is about measuring whether the value offered by the entrepreneur had value to the customers in the market. According to this process, entrepreneurs tests their beliefs about the opportunities and interpretations about markets by several iterative actions, evaluations and reactions, and if they notice that they misinterpreted the results of previous actions, they go back the sequences and start again or even abandon the entire opportunity development process. Chandra and Coviello (2010) are among the few researchers in the field of international opportunities to present the idea that the value offer can be also co-developed, co-created and/or co-produced together with the customers, end-users or communities of users. Hsieh, Nickerson and Zenger (2007) discussed how the business opportunity is
engaged by seeking problems to be solved and finding valued solutions, sets of valuable and complementary development, design and commercialization choices. Their study acknowledged that the products and services underlying international business opportunities do not ‘sell themselves’ but need to be also commercialized before they can be sold.

Thus, innovation alone is not a recipe for business opportunity, but it also needs commercial exploitation, (Venkataraman et al. 2012) there has to be somebody who is willing to buy it, has the need, usage and desire for buying it and has the ability to acquire it (Ardichvili et al. 2003). The opportunity development process can lead to formation of innovative opportunities that are unrelated to current markets and industries (Alvarez et al 2013). The capability to combine internal competences to benefit the external environment is critical for the international business opportunity process (Mainela et al. 2011). Entrepreneurs need to co-enact with others in the external environment for the attempt to influence the other social constructions in order to get the recognition and acceptance for their new business opportunity (Alvarez et al. 2013). Thus the development of internal capabilities and innovation process is interlinked with international networking orientation to be able to connect with others in the market and allow technological interaction outside organization. The performance of innovative process in a firm is also influenced by their customer relationships and the skills to understand and react to different customer demands. Sandberg (2007) indicated that in terms of creating and sustaining new-product success, customer-related proactiveness and anticipation play an important role already at the idea generation stage in the case of radical innovation development process.

The value is assumed to be created via innovations, but this discussion misses the point that do those innovations have real value to the customer. Value creation process that takes the customer in the focus is more discussed in the international marketing literature, with international market orientation that refers to the posture and behaviour that the firm adopts to create superior value for its foreign customers (Murray, Gao, Kotabe, & Zhou, 2007). Much of the discussion about opportunities creating value to the market is built on entrepreneur’s assumptions and belief about the market, customers, or the value offered by the resource combination or innovations.
Narver and Slater (1990: 21) defined market orientation as: “the organization culture that most effectively and efficiently creates the necessary behaviours for the creation of superior value for buyers and, thus, continuous superior performance for the business”. Thus, also the focus on customer service and marketing competences are critical in business opportunity development (Knight & Cavusgil 2004). Marketing competence implies skills concerning product adaptation and differentiation, marketing planning, control of marketing activities, as well as being highly effective in pricing, advertising, and distribution (Knight et al. 2004). In turn, customer orientation means creating sufficient understanding of one’s customers to be able to provide superior value for them continuously. And for this, it is not enough to understand the present conditions but also the future conditions, dynamics of the environments and markets. These are among the functions branding activities aim to facilitate. Customer orientation comprises also to focus on customer commitment, understanding the needs and satisfaction level and on customer services. The central principle in market and customer orientation is that the organisation continuously intensifies skills and knowledge to be able to create superior customer value (Knight et al. 2004). Branding provides tools or a strategy, through which the firm can interact with its customers and stakeholders.

Branding literature has shifted from product-oriented model of economic exchange to value-in-use, onto customers’ value creation processes (Vargo & Lusch 2004, Merz et al. 2009). Units of output, embedded with added value in the production process are the central components of exchange in the value-in-exchange view. Whereas, value-in-use treats service as the main factor for exchange and that goods and products are important, but are identified as vehicles for service provision, thus embedding the process orientation (Merz et al. 2009). In branding field innovation has been linked with creative thinking and acting in all sectors and acknowledged as an entrepreneurial quality (Gabrielsson & Kirpalani 2004). It is important that all the stakeholders share the view of brand values and these are communicated frankly and consistently to ensure the perceptions of the brand are unified and strong (Leek & Christodoulides 2011). Branding can assist entrepreneurs to communicate the vague vision regarding with their international business opportunity for all the stakeholders.
Instead, the research in international business opportunity has approached value as a static concept offered and created by the firm. Furthermore, in branding it has been recognised that the customers are endogenous to value creation; value is always co-created together with the stakeholders rather than solely created by a firm and thereafter distributed to customers. Accordingly, a firm can create a value propositions, but the value is determined by the customer (Merz et al. 2009, Vargo & Lusch 2004). The value is determined on consumers’ past, present and future expectations and experiences. Styles and Seymour (2006) stressed that in entrepreneurial activities for value creation with several actors is relevant for the international business opportunity development, namely with; customers, employees, society, investors, and business partners.

Bruyat and Julien (2000) suggested that entrepreneurship research should focus on the dialogue between the entrepreneur and new value creation within a continuous process and in relation to the environment that has specific characteristics. They emphasised that the phenomenon of entrepreneurship cannot be understood if all of these aspects are not considered, the entrepreneur, the value creation process and the environment. Entrepreneurship is not simply about blindly and automatically responding to environmental stimuli for interest rates, subsidies, information networks, etc., but as an ongoing process to be capable of creating, learning and influencing the environment (Mainela et al. 2011, Venkataraman 2012).

Innovative firms might need to inform or educate potential customers about the value and the development of their new or improved products over the already existing ones (Komulainen et al. 2013). Market awareness is a competitive advantage for innovation and technology-intensive industries where product life cycles are short and new products may differ dramatically from existing ones. Given the novel, innovative and unfamiliar nature of technical products, branding and marketing play an important role in informing potential customers of their existence, attributes and benefits (Mäläskä et al. 2011). Market awareness or brand power is an asset giving sustainability for innovations (Porter 1986, Ballantyne & Aitken 2007). Sustainability of innovations is difficult in knowledge-based industries because knowledge may not persist unique for a long time and easy dissemination threatens pioneering opportunities. Personal selling can be a way to achieve market awareness, but by branding it can be achieved more
efficiently and effectively (Ojasalo et al. 2008). Moreover, strong brand power can protect more effectively SMEs' innovations.

Beverland, Napoli and Lindgreen (2007) examined global B2B brands and concluded that the leading brands shared one common feature; they all had built their respective brand identity around adaptability to customer needs and for serving a total solution to their needs. Brand experience is subjective and relational, it is always a personal perception that cannot be managed completely by any firm itself. It is embedded in co-creative interactions between a firm and all its stakeholders rather than in a physical product. In the end, brand experience is an outcome of co-creation, the customer is always a co-creator of value. Furthermore, according to Ballantyne and Aitken (2007), branding is most of all about serving and communicative interaction, and in particular, interaction between employees, customers and stakeholders, that entails the co-creation of overall meaning and experience of the firm. Thus, branding is viewed as a collaborative process of value co-creation that takes place as part of the relationships between the firm and all of its stakeholders (Merz et al. 2009).
4 Branding and International Business Opportunity Development in the Case Firms

In the empirical part of the analysis the aim was to look at the special characteristics of both the processes, in international business opportunity development and in brand building, in newly established firms. First, the purposes for the particular type of research design and methods selected are lightened up. The empirical research setting with the background of the case companies are introduced. Thereafter, the results of the empirical research of the processes under study are presented for the analysis for the findings related to the present study.

4.1 Empirical research design

The study utilized a multiple qualitative case study approach. The underlying thread for a coherent research is the design of a research that links the theory, data collected and conclusions to the initial research questions of the study. The research design unites the formation of research questions, collecting, obtaining and analysing the relevant information on the research problem that is only partially understood and the analysis for the results to a coherent whole (Ghauri & Grønhaug 2002). The current research is a qualitative multiple case study that explores the branding and international business development factors in a newly established small firms together with the sample of two new Finnish ICT companies. A qualitative research is a method which enables utilizing rich data in order to assist achieving more meaningful results about the relationships that prevail between the objects under study (Marschan-Piekkari & Welch 2004). With the qualitative approach the aim is to contribute the theory building on the relation of branding in international business opportunity development. Qualitative research can provide the means for the use and possible synthesis of multiple theories for new conceptual development (Dos 2011).

In turn, a case study approach is suitable when the research concerns phenomenon with “how” or “why” questions related, or studying the relation of various aspects, or when the research concerns real-life situations. (Stenbacka 2001, Ghauri & Grønhaug 2002). A case study is useful when the purpose of the research is to build a comprehensive understanding of a certain phenomenon in a given context, rather than to create a
generalizable result (Marschan-Piekkari & Welch 2004, Ghauri & Grønhaug 2002). Given particularly the little amount of research in the area of the present study, it is suitable for theory development rather than theory testing. A case study is a method that allows the examination of real-life events to obtain a holistic view and meaningful characteristics of a specific complex social phenomena, such as business or organizational processes, industry life-cycles and international relations (Gummesson 2000, Yin 1984).

Therefore, the qualitative case study approach appears to be suitable for international business and marketing research, and thus for the study at hand. The purpose of this study is not to provide statistically verified data on the factors binding branding and international business opportunity development. Rather, the aim is to examine the relationship that prevails between branding and international business opportunity development activities that the two SMEs have perceived during their venture founding, business development and internationalization processes. Case studies are concerned to lack rigor theory and accurate basis for scientific generalization (Eisenhardt 1991). However, a qualitative case study is preferred as the purpose for this research to provide a thorough insight on the individual branding and international business opportunity development of these two SMEs. This research aimed not to exert any control over the events under observation.

In order to increase our understanding of the research phenomenon at hand, a certain case always is needed to be chosen as the basis for constructing the theory (Ghauri & Grønhaug 2002). It is not recommended to rely on a single source of evidence in a qualitative case study research (Marschan-Piekkari & Welch 2004). Thence, a multiple case study was adopted to explore the studied phenomenon for the branding and international business opportunity development in SMEs with a longitudinal view permitting replication and various perspectives. The study includes two sources of evidence to provide a more extensive view on the matter under research; direct observation of the events regarding to the study and the interviews of the entrepreneurs involved in the events (Yin 1984). Additionally, secondary data concerning the case firms was collected through the company websites and articles in electronic and printed publications. Multiple case method provides a way to gain more insightful implications and convincing results by addressing the matters under study with the
different viewpoints and broader perceptions gained from the representatives of the SMEs dealing with the matters at hand (Yin 1984, Stenbacka 2001, Dos 2011).

The study is based on the analyses of two newly established Oulu-based firms operating in the high-technology sector. The collection of the empirical data concerning the relation of branding strategies adopted in business opportunity development endeavours of the case companies was conducted through personal, face-to-face interviews. The two case-firms were examined using the same unit of analysis, i.e. the processes for the international business development and brand building. The interviews were agreed to take approximately 40 minutes and were conducted between the 4th and 12th of March 2014. The entrepreneur and/or a responsible person on marketing management was requested to be interviewed and the decision for the suitable person for the interview was left to the firms. Both of the interviewees were representatives of the entrepreneurs or co-founders in the management level with expertise on the business opportunity development and internationalization of their firm. The representative of the other firm (Firm B) was also responsible for the marketing management in the firm. The interviews were theme based and semi-structured. Both of the interviews were recorder and transcribed later, in order to gain more an accurate description for the analysis of the study (Yin 1984, Stenbacka 2001, Dos 2011).

4.2 **Introducing the case companies**

The case companies are young, at the age between 1.5-3 years and have been established based on their international business opportunities that had already been able to demonstrate international interest and collect international sales. Thus, the firms had already internationalized. Both of the companies had a global vision and mission and targeted internationally with their business opportunity from the very beginning. During their early start-up life-cycle, the firms had already managed to grow by the size in employees and establish customer and partner relationships. Both firms are still in the early phase in their business development, even though they have established the prototypes and first versions for the products to the markets, but still in their development-path to be a mature and well-established company. The firms were
both growth oriented, and they are leveraging their resources and investments to gain competitive advantage internationally.

Both of the case companies are building the future with their business opportunities on many markets and focusing mainly on customers in international markets. The companies were actively seeking new collaborations locally and globally. The firms were constantly studying new market possibilities and opportunities in order to develop their own business opportunity. They had innovative tendency and were seeking to exploit the business opportunities based on new innovations, technologies and market approaches. They were studying and keeping up with different technologies, product categories and platforms to be able to develop the business better for the current and future customers and projects. Branding had also provided necessary information for the firms for their product development and strategy planning.

| Firm A | 12 employees | Founded 2012 | Operates in B2B sector |

Table 1. The case companies

The firms can be associated with characteristics such as small size, limited in both resources and capital and having focus on global vision. A common feature with the firms was that their business opportunity is based on unique and highly specialised value offer based on complex products and services. The Finnish home market was seen as insufficient and the global market expansion was essential and necessary part of their business opportunity development, thus, company’s vision. The Firm A operated in B2B segment that targeted large business customers and MNCs which were mainly electronic manufactories for end-users. Thus, understanding the value offer the firm adds for their business customers’ end-users was also an argument that they emphasised. The Firm B was operating in both business and consumer markets with products and services for professional and leisure industry which have broad appeal in both groups of customers.
4.3 Branding and international business opportunity development in the case firms

In this sub-chapter the international business opportunity development, branding and the connections between these processes in the case companies are looked more into detail. The challenges and possibilities in the international business development and branding in start-up companies are revealed through this empirical research.

4.3.1 Case: Firm A

The main customer segment for the Firm A was the OEMs that buy a product or service offered by Firm A to include it into its own final product sold then in the business or ultimate consumer market. Firm A was ready to tailor their products along the OEMs preferences. Firm A followed the international market changes and competitors’ actions to develop their proactive business strategies to meet better the customers’ needs and demands. Thus, Firm A was operating in B2B sector, but still they wanted to bring special value for their business client by providing added value based on knowledge for the needs of their business partners' end-users. Marketing in B2B sector requires understanding of the business customer's value creation process and buying process of the customer organization.

According to the entrepreneur in Firm A their international business opportunity is based on a business model that was recognized not to be provided by any other company in the global market. The business opportunity was built around aiming to unite quality design skills and highest expertise in technology engineering for a unique value proposition to consumer brands. But the products were not coming out with their own corporate brand, but the customer’s brand. In close collaboration with their customer the company identified the needs of the business customer and aspirations of the target consumers to create the vision for the technical aspects of the product and its design to be built along with the core brand owner's brand positioning. The whole brand experience is built inside-out, including both graphical user interface and physical appearance. In their view their business concept have not been discovered anywhere else, thus there is no direct competitors.
At first, the business opportunity was built around the entrepreneur's past history and experience and for the availability of highly skilful talents in the region. The entrepreneur discussed about the matter within his close network relationships. The final idea for the combination of the building blocks that formulated the business opportunity came up from the entrepreneur's networks. Not only did the entrepreneur's experience affect the business opportunity but it was closely linked with the past history and expertise of the organisation. The firm believed to have very capable, highly professional and innovative engineering team, which had a good experience of the industry sector and had been responsible already of developing the devices to multiple consumer brands to global markets before setting up the start-up. Their own design team had created already before hundreds of innovative device concepts and had won prestigious design awards. Their competitive advantages for the business opportunity are their skills and competence in commercialisation and visual modelling for the product that appeal the end-customers. They have the skills and capabilities to talk together with the business customers brands in order to take the business customer’s brand requirements and visual aspects to the product and interface them with the technical and commercialisation requirements to appeal the end customers’ needs and preferences. “With our expertise, we can provide consumer brand owners with everything they need to have a real advantage when entering the market” (the co-founder in Firm A).

The entrepreneur felt that developing their own brand had importance to their own business development. Their brand was important for their business customers. They put effort on communicating about their own brand. "Important to communicate who we are, where we come from and what we do" (the co-founder in Firm A). They thought that it was essential to bring out their own unique brand as a firm because the competition is fierce and there are many other brands competing in the industry sector. Through branding they wanted also inform their business customers that they are capable of adding consumer perceptions to new technological innovations and associate with the high quality and solid know-how aspects. They want to approach technological innovation from the end consumer experience and preferences. In close collaboration with large global brands they want to create something unique and compelling, to design, develop and manufacture new innovative products for global brands, that also the end-users value. Together with their business partners and
customers they are modifying the product to be combined the latest technological innovation and customer's brand.

In the beginning, the Firm A relied more on the qualities that were associated for the brand with the entrepreneur and the organisation and focused more on personal selling based on the broad network base that the entrepreneur had created. They had encountered difficulties to reach and get to meet the right representatives of the large customer companies and MNCs, that have the decision making power for developing their customer companies' businesses and new business opportunities. Since then, they had met people from the middle management-level, people with less influence and decision power in their company. They might have seen more new risk in the decision to start developing businesses together with the focal company and risk in how it might affect to their own career.

Thus, they started to raise efforts on branding. In one of the biggest exhibition in their industry sector they used concept marketing to raise awareness and interest towards the company. They launched a branded proof-of-concept prototype of a new technological innovation, which was well commercialized. The idea was to show how they could be the trend-setter in a new emerging product market. With a proof-of-concept prototype branded with their own corporate brand they wanted to show what the new technological innovations might look like, feel like and function, and the process for how the actual new innovations can be commercialised ready to market taken into account the usability, visual, design aspects, and the preferences, needs and demands from the consumers. With their own brand they want to show what they are capable of producing, offering and bringing the commercialization and branding concept for the actual end product. The firm got surprised with their new innovative device concept in that international expedition and beat large companies in the same category, such as Samsung. The branded product concept was challenging from the consumer perceptions since the new technical devices were considered being cumbersome and unattractive.

Their purpose was to create tangible added value to their business clients by developing products that were perfect extensions of their customer's brand. Their vision was to become a leading trusted partner for OEM brand owners globally. Thus,
this guided also their vision for their own brand. They felt that gaining recognition becomes essential when creating business relationships. They wanted to improve the awareness and recognition with branded proof-of-concepts that would show their technological innovation capabilities and that their innovations take the value creation for the customer and customer perspectives as the centric aspects. The branding concepts are used for raising the attention among customers and business partners and thus increase awareness of the company.

Since focusing in branding they received more visibility in the media growing their credibility and awareness, which attracted the right representatives from the customer companies. They received wide media visibility in respected journals, websites and influencers that can be used as references. As they had OEMs as customers they were not allowed to use many of them as references. But with the received media coverage and they branded prototype concept they got reference to be leveraged. They used all kind of media to spread their brand information. Firm A leveraged also governmental facilities and institutions in branding and marketing activities, the firm used their premises and services in an exhibition and leveraged the brand and branding channels of the Finnish Minister for European Affairs and Foreign Trade. The firm focus on building strong brand imago for the technological innovation and commercialisation know-how. They also have organisation identity that values the unique competences of the organisation. The vision they have communicated through the organisation and it is valued and shared among all employees. The values are not strictly defined, they are rather formulated in the everyday work and along the internal communication.

4.3.2 Case: Firm B

Firm B was founded for an international business opportunity based on innovation that is one of a kind. The innovative product and service are offered both in the consumer market as the end-users and for business customers that provide services for their customers, the consumers. The business customers are the one offering the facilities and services for the end-users in order to for the users to be able to consume the product bought from Firm B. Firm B needs to convince their business customers that the product and service bought from them is an investment for the business clients. Investment would provide added value for the consumers and thus, increases the
attraction of the business client's own services and service platforms among their customers. Thus, the products and services from Firm B also support business customer's business and value offer for the consumers. But also the consumers need to buy products and services provided from the Firm B in order to consume the value provided by the other firm.

The initial idea of the business opportunity was developed by the small co-founder team. "The soul of the business idea has been the same all the time, but how to make it real and how implement it has changed in variety of ways" (the co-founder in Firm B). Then the small founding team (4 people) developed the initial framework for the international business opportunity, but along the development process the partners, investors, government services supporting start-ups and customers have impacted a lot by giving guidance, feedback and suggestions for different ideas how to develop the opportunity further. The initial idea about the business opportunity was affected by two of the co-founders past history, interests and experience. The co-founders had combination of prior experience and know-how on high-tech field, international business, entrepreneurship and on marketing. The initial development of the business opportunity was influenced by a good mixture of different competences in the organisation. Both of the co-founders had already gained recognition either in the international business or in national media.

The customers were taken in close co-operation with the business opportunity development. They were consulted starting from the beginning and the product development was undertaken working closely with the customer. The customer gave feedback on the user experiences and developed ideas for the applications and features. The interaction was frequent before and during the close collaboration for the product development. The business partners and investors gave valuable guidance how to implement the features the customers’ value based on the customer feedback.

Firm B had already focused on branding from the very beginning to develop the international business opportunity. They used multiple branding strategies; corporate branding, promotion events, co-operative business promotion and branding arrangements, dedicated internal and external communication, building brand identity, values and image. They started their business with carefully selecting and focusing on
a one customer segment, and until the business opportunity has developed further and business starts growing they are be ready to scale the customer segments wider. Their innovative business opportunity is scalable, thus they had to plan and make the branding strategy scalable too to support the growth and in order to avoid difficulties to widen the business into other customer segments.

Firm B started their business opportunity development with one target segment and integrated the customers in that segment into the business opportunity development process in order to be able to evaluate and provide unique value offer for the customers. They made market survey and customer feedback survey related to the business idea to discover the potential of it and identify how to develop it to better fit for the market. They also gained initial recognition in that market segment by participating the consumers more for developing the product and that made the product feel more valuable and personal for the customers. They noticed challenges in market and customer survey studies in asking people about something that is not yet existing, to find the right questions and to teach the customers about the new innovative technology. “How to ask preferences of a concept that nothing like exists in the market, the users did not know about, had to imaging it and might not fully understand” (the co-founder in Firm B). But based on market survey they got good result for their product. Customer feedback has been essential in improving the product and make it more user-friendly and thus more appealing. They discovered that simplicity in using the product for example is important based on the feedback.

Branding has been considered meaningful in Firm B. Branding and marketing has not been overshadowed by focus only mainly on R&D, but the firm has given as much effort and investment on branding too. "Being proud of what we are developing and offering to the customers reflects to the image the customer gets and it fosters the meaning and importance internally for the firm. We want that the customer is a proud user of our product and it is meaningful for him/her” (the co-founder in Firm B). Firm B has set the vision and specified the vision and values that are associated for the brand image. Brand is built through the values of the organisation, which are simplicity, quality and playfulness. The values are both internally and externally the same. Internal corporate culture is built also through the values. The brand identity values its organisation, and internal communication and trust is very important. The know-how
and skills of the members in the organisation have been valuable both for international business opportunity development and branding, especially the mixture of different experiences and capabilities.

In their opinion it is worth consider branding the image, because it gives the first impression of the company and is the first interface to any relationship. But after all the brand image has to be redeemed with a good user experience for the customer both as in B2B and B2C sectors. They are aiming for the wow-experience. "Branding for the perception that this is stunning stuff. We are not only selling the product but the experience” (the co-founder in Firm B). Branding both in B2B and B2C sectors brings challenges. Also the services and support offered has to qualify the brand image in B2B sector. The customer firms understands the value they will gain from the focal company in order to provide value addition to their customer, the consumers. It is an investment for the customer firm that offers greater value to their customers and for that the end users would be willing to invest to use it.

The branding channels the firm uses are various, through exposition and other events, different campaigns that builds the desired image, digital media, references, partners, investors and end user customers, social media, and use of trend setters. For their brand, the Firm B utilizes the association of famous athletes and celebrities that are endorsed among the consumers and use them as references and promoters. Social media was regarded as very powerful, because it reaches easily wide audience internationally. Social media is a good branding channel for building the image and impression of the company easily, less costly and globally. But additionally, traditional media has been used for branding. Global agents and investors have been used to spread the word of mouth efficiently. And partners and investors have not only been part of developing the business opportunity, but also been co-promotes. They have perceived that the branding efforts have brought them awareness, recognition and supported building the relationships. Also, they believe it has supported them for achieving respected venture capitals to invest on their new venture.
5 ANALYSIS OF THE ROLE OF BRANDING IN INTERNATIONAL BUSINESS OPPORTUNITY DEVELOPMENT

At what point in a firm's lifecycle it becomes relevant to think about branding and when a new firm ought to start branding activities? “It is important to think about the communication from the beginning, otherwise you have to do it several times later” (Bresciani & Eppler 2010: 356). Although there are studies regarding the brand development in the start-ups (e.g. Rode & Vallaster 2005, Bresciani & Eppler 2010) and international business opportunity development, however the intersection of these areas is less researched. In this chapter the main findings from the empirical study on branding of newly established firms engaged in developing international business opportunity are unfold. In the case companies the processes of branding and international business opportunity development were intertwined together presenting possibilities and challenges. The study indicated that branding in the early phase of international business opportunity development does play a role in clarifying and shaping the aspects from the business opportunity that are meaningful for the value creation and supports relationship building among the customers and strategic partners.

5.1 Main findings

The empirical material suggests that branding has a relevant role in the overall international business opportunity development activity in the case of newly established firms and their innovations. The firms examined are technology- and innovation-oriented companies. The Firm A relies on the idea that competitive strength in the marketplace is mostly based on superior and unique expertise with a new innovating service and design concepts added. The Firm B emphasises their expertise team but the business opportunity is based on their new technological innovation. The history of the entrepreneurs, such as past experience, motivation and recognition influenced on the behaviour how the international business opportunity is being developed and for branding efforts introduced along the process. The unique characters of the organisation or the team had favourable influence on the product innovations and opportunity development and on firm’s technological quality influencing the reputation of the firm.
Regarding with the international business opportunity development, the roots of the business opportunity was built around the experience, skills and interests of the entrepreneurs. It was further developed together with relationship ties and expertise of the employees. The availability of highly specialized employees and careful evaluation of the right positioning in the market and what is the added value they are bringing to the market played significant role in the business opportunity development. Learning through the international business opportunity development process was essential: “a lot has been learned and changed from the initial ideas, thoughts how to proceed and how to differentiate in the market” (co-founders in Firm A and Firm B). The networks were regarded as used in the development process more as enabling the development. But then again, relationship ties played as underlining actors for shaping the international business opportunity. The firms took the customer side closely in the cooperation to develop their business opportunity further, to find the better fit for the market.

The case firms in the present research comprised entrepreneurs with quite extensive networks in the market and industry segments. The role of the local, domestic and international networks in the early phase of internationalisation were utilised in the case firms for ramping up the business. Networks played an important role in providing the companies with access to resources such as development and research facilities, helping them to develop their intellectual property rights, and for opening sales and marketing opportunities, etc. For the start-ups it would have been very difficult or even impossible to obtain such resources on their own or by other means. Government organizations had also an important role in the internationalisation processes of the case firms.

As Baker and Nelson (2005) underlined, the alertness to different possibilities with the resources available, this was also the case regarding with the present study. In a small company the unique know-how of the organisation was considered very important and was taken as an essential factor for developing the international opportunities. Thus, the companies appreciated their employees highly. The companies were born from their employees and their attitude towards the work. The organisation culture was both deliberately created but also formulated not necessarily so intentionally through everyday work and efficient internal communication and interacting. Like Knight and
Cavusgil (2004) suggested, the case companies exceeded the resource limitations by leveraging that distinctive mixture of the resource competencies and strategies they hold. As from the business opportunity point of view, the right mixture of skills and experiences is important. "It is wondrous how you don't need such a big organisation around to build a product like this" (co-founder in Firm A). Small organisation may be more agile to respond to market and change their operation quicker to the respond to the market changes. Small companies can also use business partners and alliances effectively to support their business. Prior networks can support getting the chance to talk with bigger and respected companies in the field.

Hence, this study wants to underline the key element in the international business opportunity development in the statement of “the discovery, enactment, evaluation, and exploitation of opportunities – across national borders – to create future goods and services” (Oviatt & McDougall 2005a: 540) to especially focusing on the continuous development process that helps to shape the creation of future goods and services to better fit with the true added value for the customers. Thus, branding can be the supportive process incorporating all the stakeholders in the value chain to be integrated for the activities in value co-creation. Building fancy advertising campaigns is not enough, the behaviour and activities of the company should be in line with the brand values and promise of the value offer (Hoeffler & Keller 2002) and the values the organisation should be consistent with what the brand communicates. Thus, also employees of the company should be committed and involved in constant discussion of the brand identity and values it holds (Harris & de Chernatony 2001). The Figure 3 aims to depict the different actors and activities in the opportunity development and branding the have all interlinks with other actors and activities shaping each other and the underlying international business opportunity.
Several researchers (e.g. Ellis 2008, Kontinen & Ojala 2011, Coviello 2006) have underlined the exhibitions for offering good possibilities the business opportunity development. But there is a major possibility that small firms tend to get overwhelmed by the crowd in bigger international events and exhibitions. Also in B2B business, it might be difficult to find the right persons with sufficient decision making power from the larger corporations in the customer’s stand. But only after paying attention on branding the firm attracted the right audience, and again, got the decision-makers attention to come to discuss in their booth. "We should have done this much earlier, should have started bolder to be in totally different position already now. We started through the network contacts and that is much slower, even though we have discussed with the customer brands many times, finding the right guys is difficult and takes time" (co-founder in Firm A).

5.1.1 Branding international business opportunity

Ojansalo et al. (2008) and Mudambi (2002) have claimed that INVs and born globals mainly emphasize personal selling and selling through networks to push the products through the value delivery process and marketing channels, when they sell specialized
products to global niche markets that may be hard to target with advertising, or sell to industrial markets and lack the needed resources to engage in large scale marketing. According with Gabrielsson’s (2005) suggestion this would indicate that companies in B2B segment favour push-based marketing communication over pull-based. Instead, in pull-based approach the marketing communication and sales promotion aim to create a pull, an attraction, for the brand in the market. For example in a highly competitive B2B market it was recognised that branding could be a way to communicate to the customers about the quality, trust and liaison. Company that has OEMs as customers cannot always use them as their references. According to Leek and Christodoulides (2011) factors such as level of risk, uncertainty, product criticality may all affect the importance of the role of brands in the decision making process in B2B markets. Therefore brands also in B2B markets work as communication enablers and relationship builders.

For a new, small and unknown firm in the business networks, branding their own company and business opportunity supported forming and building new customer and partner relationships. Because the importance of the relationship ties in international business opportunity development this study suggests that the newly established firms in B2B/B2C sectors should utilise also pull-based branding strategies to be able to discover the relevant and important network ties for their business opportunity. Further, branding helped the companies in setting up their organisation and their initial customer base and attracting recognised investors. With branding they were better able to communicate the vague vision of the business opportunity. For instance the start-ups enrolled in innovation and start-up programmes, which provided them with access to a business coach that helped them to avoid some of the major pitfalls a start-up can make. Beside the investments a good investor can provide support in internationalising, developing their business and new sales channels. The investor partners also helped the start-ups in creating some level of credibility, which usually requires an extensive track record.

5.1.2 Entrepreneur’s commitment

As expected, the role of the entrepreneur for the position branding received in the development process of the international business opportunity is a critical factor. In
the other case company the entrepreneur focused on branding in the beginning with consideration. In the start, they concentrated on branding more unintentionally and less systematically. Once they started to see the supportive effect of branding for their business opportunity development they started to brand more strategically. They concentrated for building the external brand image but internally, the brand identity, was managed more unconsciously. On the other hand, the other firm concentrated on branding comprehensively. The firm emphasised the values as the key essence of their brand. Thus, it was seen that the prior experiences on entrepreneurship and marketing impacts on the role branding receives in the company. And it was seen also how branding is also a continuous evolving process that encompasses learning.

Likewise in Ojasalo's et al. (2008) research, the entrepreneurs were proud of their products and wanted their brand to reflect beside the quality also attractive and distinguished design. The other case firm that operated also in B2C sector acknowledged that encompassing the experience in addition to the product and service offered, the experience ingredient further contributed to more differentiated brand value. Both companies had great global visions for their business opportunity and were aiming to reflect this also in their brands. Thus, it was evident that branding was influenced by the entrepreneur's ability and enthusiasm to express and communicate their vision for the firm, market position, to manage and develop their business concepts, to build and maintain internal and external relationships, and lead and develop the organisation culture and their core values.

In both of the firms the entrepreneurs had international business experience. In the Firm A this experience played an important role for opening the doors to customer companies and reflected to the corporate brand image. The Firm B had more former marketing and entrepreneurial experience. This also reflected as putting more emphasis on branding efforts for the international business opportunity development. The prior research has acknowledged how the brand has been successfully associated with the entrepreneur (Horan et al. 2011), and even though both entrepreneurs had some level of recognition, the firms leveraged this quite little for branding.
5.1.3 Organisation’s impact

Brand identity is seen as an integration of the internal (employees, managers) and external (customers, partners, supply chain, other stakeholders) perspectives of the brand. The brand identity is built from the identity and values in the organisation. Thus, the organisation, its employees are the important link between the brand identity and the brand image, the promised value propositions of the brand. The companies had evaluated their business opportunity with their strategic position in the market. This is also reflecting for the position of the organization in the market and guides the development of their brand image, and thus also the brand communication. Their vision of the brand image guides them what the brand is, who it is for and what it offers. But to bring their vision of their brand into life it needs to be shared and communicated. It means creating, sharing and communicating the brand visions and values to both internal and external audiences.

To be heard and recognised, most importantly an early-stage company needs be able to communicate the value their product and service delivers. To be able to communicate their brand proposition the case firms had dedicated for defining the messaging and positioning derived from the business opportunity. Most importantly they had gathered and aimed to understand the market requirements to be able to translate the features and functions of the business opportunity into something the buyers actually care about. However, often the external communication is emphasized, but the organization’s internal communication is also a critical point. Both the management and the organisation culture need to understand and stand behind the branding strategy.

In a small newly established firm the brand identity and values had formulated based on common shared view on the organisation culture shaped by every day communication and behaviour. Both of the firms were in early-stage, thus also the organization culture was in its organizing stage. But still, the commitment of the personnel was also taken into the brand building process. Although, the study also showed that the link between the brand identity and image were not in all cases fully understood. It was more guided by commonly shared values and everyday interaction in the company. Branding was seen much about something that the organisation does
continuously through its actions and interactions with all its stakeholders. The empirical data included a firm in which the brand building process was established based on internal value analysis and the personnel were truly involved. In this case, the process was “inward-outward” brand building and the result showed comprehensive dedication to branding also in the organisation.

The empowerment and involvement of the personnel seemed to affect to successful brand building. The empirical study showed that the meaning of the link between personnel’s involvement and commitment in branding was recognized by the management, and the firms were willing to develop more. Branding was about offering customers the right kind of experiences with the products and services. As discussed earlier, employees of the company form the interface between a brand’s internal and external brand communication, and are often in critical role when customers are forming their perceptions of the brand and of the company. It was acknowledged that the perception of the brand is determined by customers’ experiences, expectations and satisfaction with the product and service. The worst case would be when the brand communication and the daily operations do not meet. Relationships were formed also through the interactions between the employees and the customer. Employees were responsible for example of the functional capabilities, customer support, pre- and after-sales services and communication to partners and other external stakeholders. It was taken into developing the organisation culture that the employees share the same brand perceptions within the firm and convey these to customers in a consistent manner. The employees’ knowledge, skills, behaviour, treatment of the customer and managing the relationship were recognised to influence the customers’ perception of the brand. When operating with B2B-relations the employees affect was considered significant. Thus, committing and involving the employees of the company was taken into the constant development for branding.

The firms considered the continuous communication was also of essential for the outcome of the international business opportunity development. To communicate and spreading the information about the business opportunity widely is not only supporting awareness of the existence of the firm, but also is an opportunity to receive valuable information to develop the business opportunity further. "As I see it, start-ups should be outward and drumming themselves to the world. Finns are too modest, they are not
telling what they are up to until the product is finalised. And even then they are belittling whether the product is even that good" (co-founder in Firm A). Also, the empirical research suggests that there should be a clear internal understanding in the organization of the strategic directions and goals of the branding and how it is linked to the vision and strategy for the international business opportunity development. By branding the companies wanted to receive awareness globally, that this kind of company with great talented and skillful organisation exists. The employees provided a point to differentiate and for achieving competitive advantage. For example, how the firms communicated about their employees and organisation culture influenced for attracting investors who most of all were encouraged by the unique, committed and capable organisation that had good potential in driving the business forward and had good future visions.

5.1.4 Stakeholder view for the value co-creation

Seeing that the overall brand experience and functional brand value are influenced by the performance of the network actors in an association with the MNCs (e.g. Ojansalo et al. 2008, Mäläskä et al. 2011), and that the brands in the end do matter in B2B market, thus it becomes relevant to consider branding the small firms in B2B market, especially when the business customers are OEMs and MNCs. Brands of the strategic partners can be used for signalling for the quality of the product, augmented services and relationship, for flexibility to respond to changes and for the overall experience a customer can expect (e.g. Brown et al. 2011, Leek & Christodoulides 2012).

Firm B wanted to be a trusting leading provider for the OEMs. They wanted to complement their customer brand with their quality and leading technological products, thus they were paying attention for the brand perception for their customer to compress trust, quality and expertise. They had analysed their competitors and wanted to take a different approach than others and differentiate from them, by in addition, being capable to extend their customer’s brand with unique design and experience for their end consumer. The satisfaction of the end-user, to be able to design from the end-user perspective was essential part of the ingredients for branding. The products are developed in close collaboration with the customer as a tailored customer project. The firm was aiming after building long-lasting and trusted relationships with
their business clients. In this B2B context branding their firm, was seen significant for receiving trustworthiness, awareness and recognition that facilitates customer acquisition and new lead generation.

Branding was not only seen as spreading the awareness and word of the companies, but it was also to assist the firms to get necessary information for their product development and strategy planning. They realised that it is more effective to encourage and take the customers and communities in co-development to enhance their business opportunity to better fit to the market. To figure out and ensure the features and most relevant information affecting for the market fit they were continuously discussing and interacting with their customers. Thus, the firms were actively learning from the customers how to create value to the market. The active communication and interaction also built awareness for the firm and positive experiences with the brand. For example Firm B had done co-operation with an organisation operating in the customer field and with their feedback, they got the true requirements preferred by the users. The cooperation may have increased the speed to market and reduced the risks of market failure. Thus, for example in the other firm the marketing and product development were treated as equal business functionalities in a firm, but also these functionalities needed to cooperate closely together.

One of the case firms had a new technological innovation that did not exist in the market before. With brand communication they were discussing and interacting with the customers to create demand and attraction for their innovation. They needed to show that their product and service is something the customers have always wanted if would have known that it existed. The new innovative product and service also involved changing the long-held habits and approaches how things have always been and done. Thus, the value offer also comprises learning by the customers. The active communication and interacting with the customers ease this learning curve. The other firm operating in B2B markets with innovative high technology products targeted for consumers incorporated to their competitive advantage the unique perception of the customer preferences in the end-products. The new innovative products in that market segment had not yet received mass markets, therefore the firm played more as the technological forerunner and design-trendsetter, and thus, they were also involved in the end-user demand generation activity in the sector.
According to the branding research about born globals’ branding strategies it has been suggested that start-ups should utilise co-branding with large established firms and co-operate with horizontal partners (e.g. Warsta et al. 2001, Krake 2005). The Firm A is not going to produce products under their brand name but instead aim to deliver added value for their OEM customers' brands. They have come to a conclusion that establishing products with their own brand in the industry they are operating would be money and time consuming; instead they are collaborating with large global brands to develop new innovative products. Thus, co-branding is not suitable to them at the moment. But they realize that building their own corporate brand is fundamental in order to be able to establish a relationship with their global OEM customers.

Respected reference providers can be leveraged for branding in small companies in early-stage (Mäläskä et al. 2010). Reference providers can be trusted opinion leaders in the industry, like valued customers, branded strategic partners or investors who are seen as symbolizing trustworthiness and presenting the competitiveness of the small firm. Especially, the firm B used wide range of different respected reference providers in their branding. They provided for the firm positive recommendations and brand associations with the respected business partners, well-known customers, successful athletes and celebrities, promoted the brand image and spread the positive brand message around the world. Instead, the main customers targeted by the Firm A were OEMs and large MNCs, which often do not want to reveal their strategic business partners and collaboration partners, thus the firm could not use them as reference providers. But the firm promoted the brand image through business promotion events and proof of concepts, and leveraged the received media coverage for creating brand awareness, recognition and credibility.

Firms' visions were to operate globally and be the leading provider in their market segments. Thus, branding came in hand to support driving the internationalisation of their business opportunity, building the international networks, to achieve international awareness and for the global expansion. For promoting global brand recognition and to circulate positive brand message instantly around the world, they utilised digital media, global editorial publicity and international expositions or trade exhibitions. As expected the creative usage of inexpensive and effective pull-branding approach was used more B2C sector through specialised magazines and social media. But media and
digital media were seen as important promotion channels in B2B sector due to ineffectiveness of the push-approach for building the relationship network. International trade fairs or expeditions were important for introducing their business concepts and products and for meeting and discussing with customers. Also governmental facilities and institutions (Team Finland) was used for branding purposes and government organizations to support the internationalisation of the case firms.

The study found out that cooperative relationships with the stakeholders are important for brand building and have important role for the development of the international business opportunity to co-create the value offer for the customers. This study underlines collaborating, interacting and leveraging creatively and widely a larger base of relationships with the stakeholders and using different communication channels and events creatively. Besides the communication, interacting and networking being important for branding so is activating and retaining the stakeholders and utilizing their feedback to build a brand. Branding is not only a strategic action or marketing gimmicks, but it requires time to develop and upgrading as well. When branding is a way to act, a genuine and insightful manner to do things and to develop the international business opportunity, then it does not necessarily require any additional resources. This supports the view by Wong and Merrilees (2005: 157), who suggest that likewise large companies, also small firms can build brand, but the means are different.

5.2 The Possibilities and challenges

Branding can support developing the fit between the business environment and the new product and service, i.e. the business opportunity. Although, the present study revealed that the newly established firms do not necessarily have a comprehensive interpretation of what branding is all about, the firms examined did not belittle the importance of brand building. The Firm B argued that the role of branding was particularly important because they were operating in both consumer and business markets. They thought that they needed to underline to their business customers that they understand the value of the investment they make for their own customers by bringing additional value proposition for them. But also the Firm A considered that
the brand image and publicity they received with successful branding results for international exposition was enhancing more the development of their international business opportunity than their previous efforts to build the network relationships through personal efforts or with use of international agents.

Challenges for developing the international business opportunity came from discovering and establishing the right relationship ties. Frim B had used a lot of effort on trying to discover the right persons with decision making power among the large corporations. After starting strategically focusing on branding, instead, the customers, representatives from MNCs from the decision making level discovered them. As the CEO of the Firm A said, “If we would have done this earlier our business would be at very different level at the moment.” As a newly established small company it is challenging to build their business in a very competitive B2B market.

In the current case study, branding supported the international business opportunity development. The activities concerned developing the value offer further for the market and developing the technology and innovation in co-operation with different stakeholders. Branding has had a significant role in raising interest in the market and acquiring capable employees, acknowledged and recognised investors and business advisors, and interest among the customers even before there was any product launched. The firms branded their international business opportunity with an image of successful, largely scalable and very potential future business. Branding was a way to gain trust, awareness and recognition for the newly established firm. From the international business opportunity development side it:

- Helps customer and strategic partner acquisitions
- Helps maintaining and building customer relationships
- Helps to create cooperation and stakeholder relations
- Helps to seek external funding
- Helps to commercialize the new products and/or services
- Helps in internationalisation endeavours
- Helps in recruiting new skilful employees
- Helps in communicating the vision for the business opportunity
Branding and international business opportunity development were interrelated continuous processes. Big companies are said having more difficulties in transforming and keeping up with the external changes and new competitors. The processes ought to be flexible, alert and adaptable to be developed with the emerging possibilities and challenges presented along the path. The study suggests the firms to be open and alert for all the possibilities they could receive from branding for developing and improving their international business development. In spite of limited resources, small companies can utilise more innovative, creative and cost-efficient means for branding and be quick in reacting to the market changes. However, the results showed partially some lack in the understanding the intersection of external and internal brand perceptions with the brand identity, thus the full commitment of the personnel and the organisation culture for the process. This might result in some problems later in the branding process if the personnel are not fully involved and committed as well.

All though, the international business opportunity regarded with Firm B was very scalable to wide range of different market segments, to tackle the limitation in resources they focused on one customer segment to start with and planned broadening the segments and product offerings after managing to establish the brand for the first segment. Without a long term branding strategy for the growth of the business and widening customer segments and the product offers, they might face challenges to adapt their brand. If the branding strategy is strictly tight to the specific customer segment, there might be some challenges ahead when they broaden the scope if the branding strategy is not scalable. The firm already acknowledged challenges in branding equally their business globally and locally and to different size of customers in the market segment.

5.3 Limitations and discussion for future research

Having discussed the main findings, it is important to recognize the limitations of this research. The research was carried out as a qualitative multiple case study approach. The approach was seen as a most suitable method of inquiry. It gave an opportunity to study the phenomenon with broad scope. The broad scope and combining of two different subjects; international business opportunity development and branding in newly established firms, made the research challenging. The data sample from the case
firms was gathered through interviewing. Despite the secondary data supporting the validity of the measures, one cannot totally dismiss source bias. Like other data collection techniques, interviews also have limitations that can affect the quality of the findings. Still, the results have implications for future research on branding in the international business opportunity development.

Present research has studied the relation of international business opportunity development and branding in small, newly established firms. This article improves our understanding of this phenomenon, contributing to the literature on international business opportunity and branding in start-up firms. The different actors and activities involved in the international opportunity development were indicated in order to reveal the connections with the studied actors and activities within branding and to examine the role of branding. The study brings out the challenges in international business opportunity development in newly established firms, as well as examines the possibilities and challenges in branding with the international business opportunity in the development phase. Even though the international opportunity and branding start-up companies have both received attention as an interesting research topic, important gaps remain concerning the intersection of the phenomenon. This article provides a starting point for such theoretical refinement and advancement. The following suggestions for further research emerge from the study.

Longitudinal designs, in particular, are necessary to establish the outcome of the associations between international business opportunity development, branding and company performance in a longer run. It would be interesting to see with a longitudinal research the outcomes with the development of international business opportunity that cooperates branding along with it. Perceivable promise exists for research at the nexus of international business opportunity, organisational culture and building brand identity. Future research should also extend for understanding the resource capabilities associated with international business opportunity development transforming these also to the resources for branding the opportunities. The present study revealed challenges with start-up companies in branding their business opportunity to international markets that had different customer characteristics in the customer segment.
This study found that the means for branding in start-up companies may be different from those in large companies. Indeed, more research is needed to explore and develop such affordable and effective approaches to be used in branding in start-up companies. This study found that the internal and external branding was not understood in brand management in the newly established firms. Clearly, this area requires more examination. Furthermore, the role and methods of networking in brand building and co-branding requires more research in the context of international business opportunity development. More research is also required on the managerial approaches used to synchronize the international business opportunity development and brand development processes. Furthermore, quantitative studies would be needed to see how well the findings of this study can be generalized.

5.4 Conclusions

The scientific contribution of this empirical research relates to two aspects concerning international business opportunity and branding:

1. Branding in international business opportunity development phase; and
2. Branding in small, newly established firms.

Indeed, as discovered in the literature review, much has been written about the international business opportunities, establishing a firm and branding, but very little about branding in the international business development or branding the newly established firms. This study aimed to shed light on these knowledge gaps. The present research corresponds to increasing the knowledge of branding in international business opportunity development in newly established firms by an empirical study. The study contributes by identifying four (4) special characteristics of international business opportunity development and branding in small newly established firms:

1. the activities;
2. the actors;
3. role of branding in international business development;
4. perceived benefits of branding for international business opportunity development
The present empirical study shows that branding can have a place already in the international business opportunity development phase. The common view is that branding takes place when the business has been well-established, after the product development and its launch (Ojasalo et al 2008). The empirical study challenges the common view about firms operating in technology-oriented industry that are thought to prioritise their efforts on the product development first and only afterwards paying attention for marketing. There were several benefits for focusing efforts also in branding already from the inception of the firm established to develop the international business opportunity. The firms appeared to have customer benefit-oriented approach for the development of their international business opportunity. Thus, the study suggested that branding in the business opportunity development supports understanding of the customers and gains knowledge of the external and competitive setting in the market.

This study builds a conceptual framework of the actors and activities in the international business opportunity development and concentrates on how branding is connected to the development and can be used as a strategic tool in that development process. The purpose of this research was to increase the knowledge of branding in international business opportunity development in newly established companies with an empirical study. The method used was a multiple case study. The study contributed to the literature by identifying special characteristics of branding in international business development. The special characteristics identified relate to challenges, possibilities and perceived benefits, actors and activities in international business opportunity development and in branding and the connections between them.
REFERENCES


