The crypto catalyst
A study on the internationalisation of Swedish blockchain born globals.

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Abstract
In a scope where continuous innovations are seen each day, the cyberspace can be seen as the tech-entrepreneurs’ playground for delivering new solutions to customers. Digital start-ups who interact through the cyberspace operate with little to no restriction despite having limiting resource. In 2008 a man named Satoshi Nakamoto developed a new technology called blockchain. The new breed of firms providing blockchain solutions have been painted to live in a borderless world with little technical restrictions. Exploring the effects that blockchain brings to their internationalisation has brought our attention to study the early internationalisation of blockchain born globals and their business ecosystem.

The deductive and qualitative approach gave the results from four different companies that were involved in blockchain technology. By using previous theory on internationalisation and a deductive approach a conceptual synthesis was developed. The synthesis was later applied in the case-companies to observe the results.

The findings have shown that the firms implementing blockchain in the core offering has resulted in an accelerated internationalisation. The major factors contributing to this quick internationalisations is the spread of knowledge between buyers and sellers, trough the cyberspace. However, the authors were unable to find a relationship between the accelerated internationalisation and to the extent in which a firm has implemented blockchain in its core offering. The finding has given the authors prominent answers to the research question and has highlighted the complexity of the subject. The, authors conclude the thesis by displaying the importance of cyberspace in the business ecosystem; how it attracts customers and the importance of the company’s business model. Blockchain technology proved to have effects on the process of internationalisation due to superior technological performance, but also its hype.

Keywords: Blockchain; international business; born global; internationalisation; accelerated internationalisation; business ecosystem; cyberspace; business model; domain specific familiarity
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Definitions

This part covers definitions of words used in the text but not explained.

1. A *Digital Currency* is a type of currency available only in digital form, not in physical.
2. *Double-Spending* is a flaw in a digital cash blueprint in which a same digital coin can be used more than once through duplication or falsification of the digital file.
3. *Encryption* is the method of disguising information through complex mathematics.
4. A *Block* or *Block of data* refers to a successful transaction to have been recorded and added to the blockchain in a way that is permanent and unalterable.
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1 Introduction

This upcoming section serves to introduce the reader to the chosen area of research. The thesis will provide a background on the topic and thereafter discuss the relevance of the topic in the problem discussion and its problems related to the literature on International Business. Moreover, this section will end by detailing the research questions and purpose of the thesis, as well as defining the limitations and present an outline of the study.

1.1 Background

Many efforts have been made to understand the concept of internationalisation. Possibly one of the most cited frameworks dates to the 1970s (Johanson and Vahlne, 1977; Johanson and Wiedersheim-Paul, 1975) with the Uppsala Model which focused on explaining the internationalisation process of larger manufacturing companies. These were seen to expand incrementally to geographically close markets with small psychic distances by a learning-by-doing process. The entry modes of these companies were characterized as slow with few marginal risks, as they committed large resources to gain market knowledge and reduce uncertainty.

From the early 1990's on, researchers increasingly addressed a new breed of firms, Born Globals. These were characterized as small and operated internationally early in their existence despite having limited resources and capabilities (Oviatt and McDougall 1994; Madsen and Servais 1997). Theoretical explanations on Born Globals focused on explained an increasing importance of network relations, industrial conditions, and managers'/entrepreneurs’ influences in the firm. However, this increase has argued to be allowed due to technological changes, such as the internet (Oviatt and McDougall 1999, Knight and Cavusgil 1997).

With time, we have seen a growing tendency of corporations to operate across national boundaries. Acs, Morck, and Yeung (2001) and Gjellerup (2000) have explained this surge with three underlying events through history. Firstly, the liberalisation of our global market due to stabilisation of political regimes, e.g. the fall of USSR, which has aligned the global economic environment and has driven the geographical expansion of markets. Secondly, the dismantling of trade barriers through economic trade agreements has created a more equal market in terms of opportunities. Lastly, the growth of technological developments within communication, e.g. the Internet, has allowed for strong connectedness and awareness of international economic opportunities.

The technological changes to have been brought forward to the market, such as the Internet, have changed the business ecosystem in which firms interact. The business ecosystem can be defined as “an economic community supported by a foundation
of interacting organizations and individuals” (Moore, 1996, p.6). The business ecosystem has received much more attention from scholars in the last decade as the rules have changed for the players. The internet, which has replaced the traditional forms of communications, can be seen as the new and stronger glue that has left the business ecosystem more interconnected and reactive (Knight and Cavusgil, 1996).

The Internet, as a technological development, has offered various possibilities as an information source and as a networking platform (Petersen, Welch and Liesch, 2002). It has shown to increase the number of available international sales channels for companies, thus favouring international trade (Gabrielsson and Gabrielsson, 2011; Gabrielsson and Kirpilani, 2004). Another term to describe the scope that the Internet has provided is cyberspace. It represents the new medium of electronic communications through which we interact virtually (Bryant, 2001). The digitization of products may increase firms’ inclination to internationalise early due to the lower barriers to entry in the so-called cyberspace as it offers firms easy, less costly and immediate access to global markets from their inception (Mahnke and Venzin, 2003). Cyberspace allows for smaller firms to compete with firms all over the world from a very early stage (Singh and Kundu, 2002). Furthermore, the ability to deliver digital services quickly and at a low price might result in accelerated internationalisation (Johanson and Vahlne, 2003). Moreover, in this context, access to global markets is often instant and competitors are dispersed around the globe. In this regard, accelerated internationalisation makes it possible to gain markets quickly and to enjoy a first-mover advantage (Kalyanaram, Robson and Urban, 1995; Posner, 1961).

However, the drivers for internationalisation are more complex since they tend to stem both from internal and external factors of the firm. In the academy surrounding BGs, researchers have characterised the emergence of BGs from different perspectives. Madsen and Servais (1997) have stressed the importance of BG research as the phenomenon is increasing in complexity by the day due to technological advancements. Knight and Cavusgil, (2004), argue that companies using unique firm-specific resources and capabilities is what allows them to internationalise rapidly. Madsen and Servais, (1997), explain how the use of non-equity modes of entry into foreign markets is the main driver to rapid internationalisation. They stress the importance of network relationships as an influence on the speed in which the company will internationalise. Oviatt and McDougall, (1994), emphasize the dramatic decrease in transportation and communication costs made possible by new technologies such as the Internet.

While some authors have attributed the rapid internationalisation of born globals (BGs) to their selling knowledge-intensive products (Madsen and Servais, 1997; Cauvusgil and Knight, 2004; Oviatt and McDougall; 1994), Hennart (2014) argues that the key difference between BGs and other firms lies in their business models. He suggests that it is not the technology per se that allows for rapid internationalisation but having a niche product and being able to deliver it to a niche
market through low-cost information and delivery methods. However, Knight and Cavusgil, (2015) argue that technological developments such as the Internet indicate an emergent business environment that will further enhance the ability of born globals to internationalise and have high performance in the global market.

In today’s world, we can see the effects that the internet/cyberspace has brought to businesses. Companies such as Facebook have, by utilizing the internet, managed to reach all continents of the globe rapidly, and is a perfect example of the correlation between cyberspace and rapid internationalisation. In a broad perspective, the economy/society is being outpaced by the digital transformation that the cyberspace offers (Iansiti and Lakhani, 2017). In the year of 2009 a new digital medium, the blockchain, was created, which served as the underlying technology of Bitcoin, the first digital currency [1]. Zalan (2017), explains how the Blockchain technology has made the internet transition from the “internet of information” to the “internet of value” or the web 3.0 as the author refers to it, and that it is set to transform the way business is done.

1.1.1 The fundamentals of Blockchain

The creation of Blockchain technology was the by-product of the fundamental flaw of double spending [2] within a digital cash blueprint (Chohan, 2017). The developer that goes by the pseudonym Satoshi Nakamoto, created the first digital currency, Bitcoin in 2009, solving the problem of “double spending” with an unalterable encrypted [3] online payment system (Nakamoto, 2008). What was so revolutionising about the technology behind Bitcoin was the ability for online payments to be sent directly from one party to another without the need for a central clearing authority and without risk of data being tampered with, due to its encrypted blocks [4] of transactions (Nakamoto, 2008). However, the Bitcoin blockchain, or blockchain 1.0, had its limitations as it was only designed to be used as a payment system where users were bound to pre-defined operations (Tapscott and Tapscott, 2016).

It was not until 2014, with the creation of Ethereum, a digital currency backed by the second generation of blockchain (Blockchain 2.0), that society started to see the true potential of the technology (Buterin, 2013). Ethereum allowed users to create their own operations of any complexity they wished. In this way, it would serve as a platform for many different types of applications, beyond cryptocurrencies (Ethereum.org, 2018). This revolution meant that virtually anything of value could be exchanged on Blockchain (Tapscott and Tapscott, 2016). Ethereum is best described through, what the creator Vitalik calls, “Smart Contracts”. Vitalik explains a Smart Contract as an asset transferred into the blockchain as a set of codes by a programmer. When these conditions are met by the contracting party, the transactions automatically validate the defined conditions and determines whether the asset should go to one party or back to the other party (Buterin, 2013).
These contracts are secured in the blockchain, which eliminates the risk of relying on intermediaries.

### 1.1.2 How blockchain works

![Diagram of blockchain process]

The transaction is complete. This new block is immutable because it is encrypted.

A transaction request is made.

The new block is added to the existing chain.

Once verified, the transaction creates a new block of data.

The network validates the transaction (the transaction can be of virtually anything of value).

The request is sent to computers (known as a P2P network).

**Figure 1: Own figure with data collected from PWC (2017).**

This model explains how e.g. a transaction process works in a blockchain system. The system keeps a record of all its transactions that take place in the peer-to-peer network. A peer-to-peer network is a medium in which computers act as a server allowing for shared access to data, without the need of a central server (Nakamoto, 2008). Simplified, this means that users have the freedom to access assets without an intermediary.

According to the World Economic Forum (2015), 10% of the global gross domestic product is believed to be stored on blockchain technology by 2025. This disruptive technology is replacing the “internet of information” with the “internet of value” (Tapscott and Tapscott, 2016). Gupta and Knight (2017) state that the implications of blockchain could fundamentally revolutionize the way international business functions and eradicate the borders of internationalisation. Although an administrative world powered by a digital ledger is not likely to happen anytime soon, it is not the case in a small but distinct group of digital start-ups; the Blockchain BGs. Previous research on blockchain BGs argues that these companies have found ways of rapid internationalisation and have touched a new organisational form for cross-border activities where they are seen to operate in a “borderless world” (Zalan, 2017).
1.2 Problem discussion
The number of literature on blockchain is growing rapidly (Miau and Yang, 2018). From bitcoins creation until 2016, research mainly focused on cryptocurrencies, as they were new to the market. It was not until after 2016, with the blockchain 2.0, that researched shifted from studying cryptocurrencies to studying the underlying technology. Most of the published research on blockchain has primarily been from sectors such as computer science, mathematics and economics, and econometrics and finance. Interest from international business and international entrepreneurship scholars has not been matched by the works of the areas mentioned above (Miau and Yang, 2018). Public awareness has also risen dramatically as some cryptocurrencies have seen to surge more than a thousand per cent in the short span of a year, bringing tremendous profits to early investors. Terms such as ‘Bitcoin’ and ‘Ethereum’ were among the most googled words in 2017 (Zalan, 2017). Blockchain technology and ‘Smart Contracts’ is currently experiencing the same hype as bitcoin experienced between 2014-2017, but this time in the business world and how it is set to change the way we do business (Tapscott and Tapscott, 2016).

As Zalan (2017) states, the hype around blockchain by business and media has not been matched by interest from International Business/ International Entrepreneurship scholars. She mentions the untouched subject of exploring the blockchain network or business ecosystem and how it allows for rapid internationalisation. Furthermore, she explains how some highly innovative blockchain start-ups that internationalise literally at birth have no technical restrictions, as blockchain offers an open sourced, decentralised and globally distributed system of trade. However, Zalan (2017) falls short to paint the whole picture as the author restricts herself by emphasizing the business ecosystem and rapid internationalisation of companies using blockchain as a means of acquiring finance. This is done through Initial Coin Offerings (ICOs) where the companies procure tokens, its own digital currency, to its investors, which might be worth something in the future, as opposed to traditional crowdfunding, where investors do not receive anything for their contribution (Tapscott and Tapscott, 2016).

Furthermore, the ramification of the so-called blockchain revolution is said to affect both the financial and business part of corporations (Tapscott and Tapscott, 2016). Nevertheless, as stated the technology and its effects still lacks empirical scrutiny, since only a few companies use it. There are, however, as mentioned before, a variety of ways companies are using the blockchain technology today, and the world Zalan (2017) paints seems somewhat magnified. The author highlights how blockchain can be used, to leapfrog the funding part of start-ups. This does not necessarily mean that companies will internationalise quicker, and further research needs to be done on the subject. A company might for example use blockchain as a means to secure funding for its project, which has nothing to do with blockchain. This strengthens Hennart’s (2014) claim that it is not technology per se that allows for rapid internationalisation, but rather having a niche product and utilizing
effective distribution channels to find niche markets. Evans (2017) state that blockchain technology will set to transform many areas such as healthcare, financial services, governments, logistics and society in general. Although, this thesis acknowledges the world Evans (2017) and Zalan (2017) paint, time remains a factor until companies can get there, and a picture depicting reality is needed.

It can be established that the internet or as previously mentioned the cyberspace has transformed almost every aspect of business and economic activity (Kenney, Rouvien and Zysman, 2015). The cyberspace scope is experiencing continuous change, because of technological revolutions. It is therefore important for scholars to research the new forms of internationalisation that cyberspace continuously allows for, as Madsen and Servais (1997) state.

1.2.1 Research gap
Blockchain and its effect on international operations as previously mentioned have been touched by researchers such as Zalan (2017), where BGs are in focus as these are the group of companies currently capitalizing the most on the technology in the internationalisation process. Zalan’s (2017) aims to alert researchers in International Business (IB) and International Entrepreneurship (IE) of this new phenomenon of rapid internationalisation arising as a result of digital innovations brought by the blockchain. Her paper gives a general overview of the blockchain technology and maps connections with the IB/IE literature, focusing on explaining accelerated internationalisation of firms that are born global on blockchain.

Tapscott and Tapscott (2016) underline the fundamental changes that the blockchain technology will bring to society. The research is however based on theories on what the technology can change in finance and business, but since the technology is somewhat new, there are little to no study on the exact implications of it. We see that there is a lack of an empirical scrutiny on the theories of how blockchain will revolutionize IB. Mendling, et al. (2018) states in their paper that due to the implications blockchain could bring, parts of business management and networking will subsequently change. They state that further research is to be done on the blockchain concerning business processes/operations. As stated, there are many areas in which blockchain sheds new light for scholars to research. By further expanding the work of researchers such as Mendling, et al. (2018) and Zalan (2017) a stronger connection to IB can be done.

The research gap originates from the lack of studies done in the area of blockchain concerning International Entrepreneurship and IB (Miau and Yang, 2018), and the lack of empirical scrutiny. A deductive approach to the theory of blockchain would give us answers on how the business ecosystem of blockchain born globals looks like. Knight and Cavusgil (2004) optimistically stress the importance born globals as they are emerging in substantial numbers and could potentially become leading species in the business ecosystem. The authors believe “future research should aim
at deepening the understanding of early adopters of internationalisation, which represent a widespread, ongoing trend” (Knight and Cavusgil 2004, p.137). Originating from the work on Born Globals (Madsen and Servais, 1997; Hennart, 2014) this thesis wants to deepen the understanding of the role technology plays as a driver for internationalisation and on the other hand use Hennart’s (2014) business model to explain rapid internationalisation of digital start-ups.

1.3 Problem definition
This thesis concludes that a connection between blockchain and internationalisation needs to be established. Due to the lack of research, international business researchers should be alerted to this new phenomenon to get a better understanding of blockchain technology and possibly prepare for it. Hence, the empirical data could further the possibilities of managing and capitalizing on the blockchain. By empirically investigating recent theories of internationalisation combined with the empirical data of blockchain we believe a modernized framework can be conducted.

1.4 Research question
After a discussion and definition of the problem, the following research question has been developed:

**How does blockchain technology affect the process of internationalisation in Swedish Born Global companies?**

1.5 Purpose
The purpose of this thesis is to acquire a deeper understanding of how blockchain technology affects the process of internationalisation in Swedish blockchain BG’s. The thesis will be conducted in an exploratory nature and will be acquired by investigating Swedish start-ups’ ecosystem to understand their internationalisation. Furthermore, the thesis aims to further alert scholars in International Business and Swedish companies of the blockchain technology.

1.6 Delimitations
The study is limited to only investigate how blockchain affects the internationalisation of Swedish companies, and to understand their ecosystem. The empirical data will therefore only derive from Swedish companies, where the implementation of blockchain technology is fresh as compared to countries where the technology is more deeply embedded in the start-up community, ex: Asia and USA. As previously mentioned, there are varieties of ways companies can apply blockchain technology in their business model. However, this thesis will only focus on companies who have implemented blockchain technology as a part of its core offering.
1.7 Outline

- **Section 1. Introduction**
  - In the section a basis of the thesis is outlined. The introduction gives a presentation to the topic, combined with a research gap, problem discussion, problem definition, and a research question to follow.

- **Section 2. Literature review**
  - In this section, relevant literature and theory is researched in connection with the research question. This is done to later analyse the theory in correlation to the empirical findings.

- **Section 3. Methodology**
  - In the methodology section, the method of research and motives for the decided research structure presented.

- **Section 4. Empirical findings**
  - In this section, the results of the empirical findings are presented. The findings are structured in line with the relevance for the analysis.

- **Section 5. Analysis**
  - At this stage, the literature and the empirical findings are analysed. Here, our own thoughts and discussion concerning the subject are presented.

- **Section 6. Conclusion**
  - The conclusion gives the reader a summary of the empirical data, the theory, and the analysis. At this stage, an answer to our research question in accordance with our findings and analysis is discussed. Furthermore, future research areas and recommendations are suggested.
2 Literature review

This section provides the theoretical framework which will serve as the foundation for this thesis. Firstly, an introduction of the concept of internationalisation in the business context will be presented, where an explanation of its roots are discussed and then, diving deeper in the IB theory, the network and born global models are presented. Continuing on the born global model, the authors problematise the spectrum of core concepts on born globals presented by various researchers. Moreover, the authors continue with a discussion on the medium in which digital born globals live in today; the cyberspace, and present the disruptive technology that is blockchain. Lastly, the theoretical framework which aims to conceptualize the theories is presented.

2.1 Internationalisation

Internationalisation, in the context of business, can best be described as a process of a firm’s entry into international markets (Bilkey and Tesar, 1997). Globalisation has pushed the world economy into a state of internationalisation, where economies from all over the world have become highly interconnected due to the accelerating cross-border flow of products, services, capital, ideas, and technology. Consequently, markets have become highly sensible in the way that their activities and economic well-being impact each other (Cavusgil, Riesenberger, Rammal and Rose, 2015).

Most of the traditional internationalisation process models have emphasized the gradual and incremental nature of the firm’s internationalisation. As previously mentioned, the works of Johanson and Vahlne, 1977; Johanson and Wiedersheim-Paul, 1975, are regarded as one of the most commonly cited when referring to the internationalisation of traditionally larger companies. The Uppsala Model focused on understanding the internationalisation process of larger manufacturing companies. These were seen to expand incrementally to geographically close markets with small psychic distances by a learning-by-doing process. The entry modes of these companies were characterized as slow but with few marginal risks, as they committed large resources to gain market knowledge and reduce uncertainty. The Uppsala Model suggested that firms acted independently of each other throughout their expansion as they focused on acquiring knowledge through a “trial and error” method, not relying on other sources of knowledge.

2.1.1 Network Model

Due to changes in business activity and theoretical advances within internationalisation, it required for these theorists to revisit the model (Johanson and Vahlne, 2009). In the revisited model, the business environment is viewed as a web of relationships, a network, rather than as a market with many independent suppliers and customers, as they previously suggested. Here, the exclusion of relevant networks is seen as the primary source of uncertainty rather than the
psychic distance (ibid). The characteristics in the revised model are essentially the same as those in the original version, although trust building and knowledge creation have been added to recognize that knowledge is primarily developed through relationships. Becoming a part of these networks is therefore crucial in order for a successful internationalisation (ibid). The network approach implies a move away from the firm as the unit of analysis, towards the firm’s embeddedness in larger networks and these firms’ relationship as the main object of study. The main statement of Johanson and Vahlne’s (2009) network model is that the individual firm is dependent on resources controlled by other firms.

Going more into detail, Johanson and Vahlne’s (2009) assumption can be described as hierarchical, as companies’ access to valuable external resources are defined by their positions in the network they exist in. Therefore, to acquire valuable resources, companies will need to develop their positions and accumulate resources to establish themselves in the network. Entering a network from outside is just as resource demanding as it is strengthening a position in an already existing one. This requires the firm to engage in interaction and may result in the firms on the inside to alter their way of doing business. Consequently, foreign network/market entry may be the result of interaction initiatives taken by other firms that are insiders in the network in the specific country. It is more likely for an insider to be the subject of such an initiative. Johanson and Vahlne (2009) further explain how entering a network will often facilitate and speed up the internationalisation process of the firms. This is particularly the case for small-medium sized enterprises (SME) in high-tech industries, who will often find themselves internationalise rapidly. Johanson and Vahlne (2009) explain that parts of this rapid internationalisation emerge from the companies’ entrepreneurs having a “network of colleagues” dealing with the new technology. Internationalisations, in these cases, is therefore seen as exploitation of the network these companies exist in, arising from micro processes of the firms such as managerial exploitation (Kirzner, 1973).

Kirzner (1973) sheds further light into the theory on the entrepreneurial discovery of opportunities and market process by stating that opportunities exist because markets are in disequilibrium, and entrepreneurs will find ways to balance the market with resources they possess. This implies that opportunity recognition is a result of the resources a firm has gained through ongoing business activities (Johanson and Vahlne, 2009). Kirzner (1973) also suggests that the discovery of opportunities is an outcome of serendipity, meaning that the opportunity-seeking activity was unplanned from its nature and a result of the business activity the firm has been part of. This supports Johanson and Vahlne’s (2009) claim that rapid internationalisation can be viewed as an exploitation of network contacts.

As Roininen and Ylinenpää, (2009) state, many modern researchers in the field of entrepreneurship understand these two frameworks as “two sides of the same coin”. They continue their argument, stating that their theories involve fundamental differences: The Schumpeterian view focuses on the role of innovations while
Kirznerian view focuses on the entrepreneur and its role of exploiting gaps in the markets, creating balance in a previously imbalanced market. In conclusion, both theorists pinpoint how entrepreneurs will gain a “market monopoly” once their offering is introduced to the market, strengthening Posner’s (1961) claim that firms who fill technological gaps in the market will enjoy a first mover advantage.

2.1.2 Born Global
From the late 1980's on, researchers increasingly addressed small firms that operated internationally early in their existence despite having limited resources and capabilities (Oviatt and McDougall 1994; Madsen and Servais 1997). Knight and Cavusgil (1997), argue that this was possible due to technological advancements such as the Internet, which allowed for rapid and low-cost cross-border communication. This breed of firms was labelled as BGs. A BG can be defined as a firm that from its birth has a vision of gaining global market shares and enter the global market without any long-term domestic or internationalisation period (Oviatt and McDougall, 1994; Gabrielsson and Kirpalani, 2004).

These firms certainly do not follow the traditional incremental stages pattern of the Uppsala Model in their internationalisation process. Theoretical explanations emphasized the increasing importance of network relations, industrial conditions, manager/entrepreneur's capabilities and mindset, and, perhaps, most important technological change (Oviatt and McDougall 1999, Knight and Cavusgil 1997). This is interesting as Johanson and Vahlne (2009) and Kirzner (1973) stress the importance of network relations and managerial influences in opportunity emergence. So far, the BG model has been modelled in terms of unique firm-specific resources and capabilities (Knight and Cavusgil, 2004), the use of non-equity modes of entry into foreign markets (Madsen and Servais 1997), dramatic decrease in transportation and communication costs (Oviatt and McDougall, 1994) and the business model (Hennart, 2014).

2.1.2.1 Emergence of Born Global theory
The first type of perspective that accounts for rapid internationalisation is the possession of unique firm-specific resources, which allows competition in the global market (Knight and Cavusgil, 2004). The resource-based view is the theoretical basis for this argument, according to which a firm’s performance depends on whether it has ownership of valuable, rare, non-imitable and non-substitutable resources (Barney, 1991). Rialp, Rialp, and Knight (2005) further define these resources as technological, organisational and human. Knight and Cavusgil (2004) argue that BGs are inherently entrepreneurial and innovative firms that possess these types of characteristics have superior technological resources, which they exploit by selling knowledge-intensive products. Furthermore, they explain how these types of businesses display a specific pattern of knowledge and capabilities that allow for early internationalisation and sustainable, superior performance in foreign markets. Knight and Cavusgil (2004) also stress the importance of international entrepreneurial orientation and international marketing.
orientation of BGs as these traits were linked to the global success of the firm and were seen to internationalise early on in their existence. Managers begin with a global vision and devise a collection of capabilities in the organisational-culture levels of the firm, which in turn gives rise to the early adoption of global success. This perspective suggests the formula of a successful rapid internationalisation boils down to three main ingredients; the degree of innovation, knowledge, and capabilities a firm possesses (Knight and Cavusgil, 2004).

The second perspective is the one shared by Madsen and Servais (1997). They pinpoint that quick internationalisation of BGs is possible due to use of non-equity modes of entry. This means that network relationships play an important role as they influence the speed at which firms will internationalise. Madsen and Servais’ (1997) view on network roles in internationalisation is essentially the same as the one previously discussed by Johanson and Vahlne (1977) and so will not be repeated here.

The third main perspective emphasized the role technologies, e.g. the Internet, have on the internationalisation process of BGs (Oviatt and McDougall, 1994). They highlight the dramatic decrease in transportation and communication costs that have enabled for rapid internationalisation. They argue that the reason the breed of born globals, who often have limited resources, can discover and take advantage of business opportunities abroad, is because of technologies such as the Internet. Moreover, on an operational level the increase in speed, quality, and efficiency of providing services through technologies, such as the Internet, has reduced the transaction cost considerably (Porter, 1990). This has acted as a driver for many companies to expand operations to new markets. The conditions of the business ecosystem technological changes have brought has enabled our markets to link more efficiently and made the global market more homogenous (Oviatt and McDougall, 1994).

The last and fourth main perspective on BG emergence is the one put forward by Hennart (2014). He insisted that the factors mentioned above were not entirely satisfactory and did not paint a complete picture of BGs. He builds on the existing theory and suggests that it is not the technology per se that allows for rapid internationalisation but rather the business model a firm has implemented in its core. His claim stems from empirical data, from previous studies (Hagen and Zucchella, 2013; Luostarinen and Gabrielsson, 2006; Rasmussen, Madsen and Evangelista, 2001) who identified BGs selling low-tech products such as furniture and food and having found little connection between network roles and rapid internationalisation. He claims that it is the sale of niche products to geographically dispersed customers, though low-cost communication, transportation, and adaptation that makes selling to foreign customers effortless, in contrast to firms described by the Uppsala model. This perceptive on BG theory was only slightly touched by researchers above (Knight and Cavusgil, 2004; Madsen and Servais, 1997), who discussed the role of niche products and innovation in BGs
internationalisation process. According to Hennart (2014), the distinctive characteristics of BGs are the following:

A) They sell niche products and services sought by internationally dispersed customers.

B) They sell products and services for which they do not need to make international marketing mix adaptations.

C) They use low-cost means of communication and delivery.

D) They are based in a country with a small home market for the product or service.

Furthermore, Hennart (2014) doubts whether the concept of psychic distance applies to markets for niche products. He builds on the phrase brought forward by Fan and Phan (2007): “domain specific familiarity”, which emphasizes how shared knowledge between buyers and sellers allows for the psychic distance to be trumped.

However, the learning-by-doing previously mentioned by Johanson and Vahlne (2009) can be “complemented with other ways of knowledge development”. (Johanson and Vahlne, 2009, p. 141). As Knight and Cavusgil (2004) mention, during the past couple of decades the volume of global business, activity has increased dramatically and is associated with the emergence of mechanisms and infrastructures that are facilitating the internationalisation of countless smaller, entrepreneurial firms. Like many other authors (e.g. Oviatt and McDougall, 2005) Knight and Cavusgil (2004) pinpoint that this trend has been enabled by the development of technologies that allow companies to internationalise and conduct global business much more efficiently. Electronic interconnectedness, in particular, is driving the emergence of BG economy. Information technology and the internet are liberating forces, permanently altering the landscape of international trade (Knight and Cavusgil, 2004). This may be of particular relevance in cyberspace, where internationalisation can be done without the establishment of a physical unit in foreign markets.

In this context, perhaps most significantly, technological change may be the foundation of a refined theory of internationalisation (Oviatt and McDougall 1999). For example, new communication technologies such as the Internet allows small firms to become international via a website, and communication costs are reduced in international operations (Knight and Cavusgil, 1997). Internet technology makes new forms of business possible such as the provision of digital information goods the focal concern of this paper. For example, web technology allows auctions to be done in ways that are impossible in the physical world. Oviatt and McDougall
(1999), state that “changing technology, while serving as a foundation, cannot by itself explain accelerated internationalisation” (Oviatt and McDougall, 1999, p. 12).

Building on the work of Zalan (2015) on digital goods providers, the article suggests establishing a theoretical link between digital information good characteristics and the pace and entry modes of the internationally expanding firm by stressing the relevance of product characteristics in general.

2.2 Business ecosystems
The networks play an important role in the theory surrounding internationalisation. They are the ties that build up an ecosystem (Moore, 1996). Iansiti and Levien (2004) draw an analogy with the biological ecosystem to explain that, just like the biological ecosystem, the business ecosystem is composed of a large number of loosely interconnected participants who depend on each other for their mutual effectiveness and survival. The business ecosystems main characteristics include fragmentation, interconnectedness, cooperation, and competition (Iansiti and Levien, 2004). The market as an ecosystem is further developed by Moore (2006) that ecosystems as an organizational structure are the next revolution in the modern world. Moore (2006) explains how ecosystems allow for the creative individual to join the contributions of others and subsequently co-evolve. This means that together with others that share a common vision of the future companies can grow in a symbiosis. The companies that are involved in an ecosystem often focus on technological solutions. Furthermore, the co-evolving ecosystems utilise a combination of different markets and firms. An ecosystem is also characterised by having an allied group of entrepreneurs that functions as ecosystem leaders (Moore, 2006).

However, it is argued that Moore (1996:2006) only addresses a section of the business ecosystem domain and its strategies (Rong, et al. 2015). With fast development in the technology industry, the “internet of things” (IoT), previously mentioned by Zalan (2017), has brought more opportunities to businesses. This has enabled for a research gap in the topic since new rules have altered the ecosystem. Rong et al. (2015) attempts to explain the IoT business ecosystem and how IoT connects various objects around us that can interact with each other. This also means that IoT technologies not only connect a specific industrial system or supply chain but also stakeholders who connect with that IoT. This leads to an increase of complexity of the phenomenon, with many players and complicated interactions. Their research suggests looking at the phenomenon through the lens of the business ecosystem rather than through that of the supply chain. Understanding a business ecosystem is a complex task, as understanding any type of ecosystem requires an identifying of forces, its components and how they interact (Moore, 1996). The IoT business ecosystem draws many parallel similarities to the phenomenon which is the cyberspace.
2.2.1 Cyberspace
In a broad perspective, the cyberspace can be defined as the adaptation of computer technology in society and henceforth our everyday life. A prime example of the cyberspace is the internet (Lepawsky and Park, 2006). Gates (1999) argued and imagined that the geographies of the world will be overruled by the developments in computer technologies and would transform into a platform where economic relations would be established. Lepawsky and Park (2006) concur with this view and reinforce the statement that indeed economic activity is managed in the cyberspace/computer networks. They also state that the technological advancements also result in a frictionless capitalism meaning that technology can lower the barriers between markets such as distance and uncertainty. Since the emergence of the internet/cyberspace, many business applications have been made in this specific domain (Baim, 2006). By operating in a virtual world or the cyberspace the usage of technology enables the business to reach a broad customer base at a low-cost. Furthermore, she implies that the technological advancements have offered opportunities in business communications and has facilitated the business environment.

Authors such as Cavusgil and Knight (1997) have established the role of the cyberspace/internet in IB by emphasizing how the accessibility of technology has enabled small size companies to reach consumers beyond their borders. In a study by Tesar (1977), the researcher found that firms with advanced technology were more likely to export cross borders compared to companies lacking technological advancements. Davis and Havertston (2000) draw a strong connection between technological advancements and internationalisation, stating that e.g. the Internet has provided rich opportunities for companies to expand across borders. When utilizing technology businesses can outcompete other firms in other regions by possessing a unique technological advancement (Hymer, 1976). Posner (1961) sheds further light on this by stating that competitive advantage a can be achieved due to technological advancements. According to the theory, the competitive advantage that comes with technological development subsequently leads to international trade since other firms cannot imitate it and will have to acquire knowledge through business activity (Posner, 1961). Furthermore, Davis and Haverton (2000) imply that firms that have more use of technology (internet) are more likely to expand into foreign markets. Moreover, several studies done on new ventures have shown that they could overcome boundaries through technology, henceforth experienced rapid internationalisation. Onetti, Zucchella, Jones, and McDougall (2010) state in their research that companies involved in technological environments are subsequently more prone to globalize due to developments in innovation and external pressure of competition.
2.3 Blockchain

The blockchain is a decentralised platform that is said to transform the economic trade. Blockchain functions in a way that adds a new aspect of economy to the internet. Blockchain technology is said to aid economic procedures such as exchange, transactions and even contracting. The applications of blockchain are divided into three different categories: blockchain 1.0, 2.0 and 3.0. The blockchain 1.0 involves the cryptocurrencies that involve digital payments and currency transfer. 2.0 is the aspect of contracts’ and blockchain technology, this is beyond regular transactions and includes more complex exchanges of bonds, stocks, and loans. The 3.0 and final application of the blockchain circles around aspects that strive away from the economic ones, e.g. governments, science, and healthcare (Swan, 2015). Christidis and Devetsikiotis (2016) argue that the popularity of the blockchain technology lies in the eradication of intermediates and the aspect of decentralisation. With decentralisation actors can work without a need of central authority e.g. banks but still achieve transaction certainty.

The popularity also stems from the technology’s ability to create a trustworthy network meaning that actors can complete transactions without establishing trust building formalities. Blockchain technology is stated to possess the revolutionary components that the internet ensured. However, Swan (2015) claim that the blockchain will have a greater effect on both economy and society when compared to the internet. The technology of blockchain is said to be more adaptive and easier deployed since it can already work on the global network that the internet has provided. With the current technological developments combined with the blockchain, a new economic aspect comes alive. Since microtransactions on the internet are a part of the current world e.g. pay-pal, blockchain becomes the perfect facilitator (Swan, 2015). Furthermore, in contrast to the hype, Michelman (2017) state that the excitement surrounding the technology is not always justified when it comes to the practical implications. Firstly, the utopia that the blockchain could bring would not happen overnight, it is rather an incremental process that might take years. Secondly, when applying blockchain to your business model, factors such as costs needs to be taken into consideration. If the technology cannot bring any real cost reductions it should not be justified to implement (Michelman, 2017).

Due to the disruptive technology and its effects on global finance, Blockchain has also gained the interest of regulators. Regulating the technology could hinder the development progress but at the same time, the technology could be used for malicious intentions (Yeoh, 2017; Tapscott and Tapscott, 2016)
2.4 Conceptual synthesis
The literature review is presented in the pyramid model which depicts the different stages connected to internationalisation. Furthermore, it outlines the base of the correlation between technology and internationalisation to some degree. The synthesis argues that the four stages in the pyramid that correspond to blockchain and culminate to an accelerated internationalisation, thus presenting the effects of the technology. The first factor (1) contributing to accelerated internationalisation are the criteria of Hennart’s (2014) business model mixed with managers initial global vision who devises a collection of capabilities in the organisational level of the firm, which in turn gives rise to the early adoption of global success. The second factor (2) highlights the role of the cyberspace in the business ecosystem that enables a dramatic decrease in transportation and communication costs and instant access to information that has enabled for firms who have limited resources, to discover and take advantage of business opportunities abroad. By utilising the cyberspace companies can exploit the network contacts instantly for internationalisation purposes. (3) The usage of blockchain, which can be seen as a superior technological offering, can enable firms to reach foreign markets and enable them to have superior performance in said markets. (4) The factors portrayed culminate to an accelerated internationalisation.

Figure 2: Conceptual framework
3 Methodology

This section presents the methodological framework used to conduct this thesis. The authors start by presenting the choice of methodological research approach and why it was suitable for the thesis. Moreover, an introduction of the cases are presented while discussing the type of data collected and the techniques used. This chapter will be concluded with an overall discussion concerning reliability, validity, ethical considerations and the overall quality of the study.

3.1 Deductive approach

A deductive research method works on the basis of an assumed rule and affirms that the rule explains a specific case (Alvesson and Sköldberg, 2009). Bryman (2004) describes the deductive approach as the correlation between theory and practice. In a deductive-scientific approach, the theory is tested with an empirical scrutiny to determine whether the hypothesis can be affirmed or rejected, the theory is then rephrased. In practice, the deductive science is linear, meaning that the process follows steps in a waterfall approach. However, this is not always the case depending on the researcher’s way of method and observation area (Bryman, 2004). Alvesson and Sköldberg (2009) state that the deductive approach is a less risky procedure but could be regarded as all too presuppose in its aim, meaning that the general rule always holds the truth.

In contrast to the deductive way, in the inductive approach, a generalised conclusion is drawn from the observation (Bryman, 2004). The inductive approach is in contrary to deductive flexible in the sense that it is less restrained to a structure (Thomas, 2006). However, the inductive method runs a critical risk according to Alvesson and Sköldberg (2009), since the observation of single data to general theory. If the observation is flawed the development of the theoretical framework could also suffer imperfections (Alvesson, M and Sköldberg, 2009). Copi and Cohen (2011) summarise both theories: inductive approach reasoning is from precise to a broad perspective and deductive is speculations on the future hypothesis. Graziano and Raulin (2013) argue that a combined approach of both inductive and deductive is the rational method often most used by scientists and gives the best results empirically. Alvesson and Sköldberg (2009) describes this method as the abductive approach and argues that the method is not just a combination of inductive and deductive but rather a method that adds new elements to the research.

The deductive approach is more commonly used in the experimental scientific areas. The method stands on the structure of previous theoretical frameworks and utilises it for an explanation of a certain phenomenon (DePoy and Gitlin, 2016). In this thesis, the outline is to explain the phenomena of blockchain in connection to internationalisation through a deductive approach. The topic is new to the world of academia and we believe changes in the technology could alter the empirical results.
This is because blockchain is in its early forms, and continuous developments are made to better fit the business world. Therefore, by grounding our research on foundations of others we believe that the delicate subject of blockchain runs less risk of being misinterpreted. Even though Alvesson and Sköldberg (2009) state that the deductive approach is shallow, the method still provides the experimental elements that the subject requires. Since little to no research has been done in this area, the multitude of implications blockchain can deliver is still uncertain. Therefore, the theoretical frameworks of other researchers can help to get a deeper understanding.

3.2 Qualitative research

The outline of a qualitative study works on the premise of theoretical frameworks and how individuals and groups refer to e.g. a certain social or human problem (Creswell, 2007). The qualitative researchers observe certain environments in their natural setting to interpret a phenomenon (Denzin and Lincoln, 2011). The output of a qualitative research brings an understanding through the voices of participants in relation to the researcher’s reflection (Creswell, 2013). Lapan, Quartaroli, and Reimer (2012) define the qualitative research method as a tool that enables understanding of organisational or individual behaviour. In accordance with Creswell (2013), Lapan et al. (2012) affirm that data collection is done face to face via in-depth interviews. Creswell (2013) further describes four characteristics of a qualitative research: The natural setting is the place where the data is collected and is often in the environment where the researched phenomenon is taking place. This involves studying the subject by talking to the participants inside their natural setting. Researchers as a key instrument: When a study is being conducted, the researchers gather the information by themselves through analysing documents, behaviour, and participants. Multiple methods: The researcher will not rely on a single strain of data but rather different sources. Complex reasoning through inductive and deductive logic: meaning that the study is structured from the so-called “bottom-up process”, using both inductive reasoning and deductive (Creswell, 2013). Furthermore, Creswell (2013) describes that the qualitative research method is best used in an exploratory manner, meaning that the certain phenomenon that is being observed is hard to measure through variables. The research method is also applicable when the study reaches a level of complexity that requires an understanding that is detailed.

A quantitative method proceeds according to Bryman (1992) through large-scale surveys on for example groups of population, often for the purpose of explaining a hypothesis. The research method is more closely related to the technics used in a scientific approach. The premise of a quantitative approach is often to establish a generalisation that can be applied in different scenarios with the same outcome (Bryman, 1992). In a quantitative research, the information is to be collected in
relevance to the question that is asked (Davies, 2007) and is according to Selltiz (1959) the method that produces the least biased and irrelevant data output. The two methods of qualitative and quantitative research fundamentally differ from each other in terms of terminology and objectives and are in the world of academia widely disputed (Davies, 2007). The decision on whether qualitative or quantitative methods could be applicable is often outlined by the researcher’s question and limited time frames (Davies, 2007). In the case of this thesis, the qualitative research method fits the preferences of the subject.

Blockchain technology is a phenomenon that is to be researched in an exploratory manner. The research is to be conducted to get a better understanding of the technology by studying it in its natural environment. An in-depth analysis of the topic through interviews could give the thesis the required empirical data to get the so-called “understanding” that the paper is aiming for. The topic of blockchain is also in a stage of development, variable measurements would, therefore, be problematic to conduct since the technology is unrefined. However, the quantitative research is said to be the most accurate by authors such as Selltiz (1959). However, in this case, even though a qualitative research could be more accurate it would be based on data that has not yet reached a preferred level of maturity. By maturity, we mean that the topic would be preferably studied quantitatively in the aftermath of its implication for increased accuracy. Blockchain is also a phenomenon riddled with complexity and therefore fits the requirements of qualitatively research that (Creswell, 2013) outline, regarding that complex topics require detailed observation. According to Lapan et al. (2012) a qualitative method is to choose when you want to achieve an understanding by interviewing experts in the subject relevant to the study. Blockchain being that complex of a topic would require the experts in the field. Therefore, by utilizing the experts in our thesis the empirical data would give a deep and nuanced outlook.

3.3 Research design

The research design is the overall structure of the thesis and how the research will be conducted. The structure is derived from the research question and clearly outlines the objectives of the thesis (Saunders, Lewis and Thornhill, 2007). In the establishment of a research design aim, there are structures to follow. Saunders et al. (2007) describe three different aims/purposes as the; descriptive, exploratory and explanatory. In the exploratory study, the aim is to observe an area where little research has been done (Kumar, 2014). Robson (2002) state that the exploratory study aims to assess a phenomenon by seeking new insight by asking a question. The research aim is also favourable to use when the subject reaches a level of uncertainty around its implications (Saunders et al. 2007). After establishing a research aim/purpose, the research strategy emerges. The research strategy is applicable to the three structures of explanatory, exploratory and descriptive (Yin, 2003). Furthermore, there are different types of strategies; experimental, survey, case study and grounded theory (Saunders et al. 2007). The case study is described as the
process of doing an empirical observation on a phenomenon in its natural setting by using different sources of information Robson (2002). Sounders et al. (2007) portray the case study strategy as the method for achieving a deep and rich understanding. Kumar (2014) emphasizes the importance of the treating the case study sample as a single body sample.

As stated, we argued for the qualitative research approach being suitable for this thesis, since it would give us the in-depth understanding we were aiming for. In correlation to the qualitative approach, we believe the exploratory and case study strategy would structure the thesis with the nuanced knowledge we require. We further argue that the case study is applicable since it aims to answer questions such as “how” and “what” (Saunders et al. 2007). The study method is also relevant since the research area of blockchain could be considered as unexplored and by relying on cases where the technology is being used representative data can be collected. Furthermore, there are four different types of case studies; single, multiple, holistic and embedded (Saunders et al. 2007).

3.3.1 Multicase study design
The multiple case study design and the single case is to be treated as parts of the same methodological framework. However, they offer both disadvantages and advantages in comparison to each other (Yin, 2014). Harriot and Firestone (1983, cited in Yin 2014, p. 57) argue that the multiple-case study offers a notable superiority in regards to robustness. By observing multiple cases the research is also diversified and thus less vulnerable, it is also in a sense more powerful in terms of empiric data analysis (Yin, 2014). In terms of contrast, the multi-case study offers different situations regarding the topic. When using a variety of sources, a contrast could also bring a nuanced outlook to the research since cases could differ from each other (Yin, 2014). Yin (2014) further argues that the multicase design gets less penetrable for scepticism and criticism in general. Lapan et al. (2012) state that the multicase study is comparative in its nature which means that even though the cases differ they still share similar characteristics. Since blockchain technology is not being used in a single case the multi-case design is more applicable for deeper understanding.

3.3.2 Purposive sampling
In the sampling of the cases, the establishment of characteristics is important. The researcher is therefore required to state these criteria’s of how the cases are identified and why they are relevant as a source (Denscombe, 2002). The criteria’s outline the basis of which of the cases that will be researched in this thesis. Denscombe (2002) argues that the motivations surrounding the choices of the sample and how the samples where to be contacted are important to present since they correlates to the empirical data. In general, there are two major sample “strategies” non-purposive and purposive (Kumar, 2014). Although there are several variants, the non-purposive sampling is correlated to convenience and accidental sampling. This has much to do with proximity and accessibility to the
cases. In a convenience, sampling you could for example collect data that is closer to you geographically. In the accidental sampling, the search for data in potential areas where the researched phenomena are happening (Kumar, 2014). Kumar (2014) argues that when describing or researching a phenomenon the purposive sampling is a relevant method since you can control the sampling to fit the preferences of the research question. The method is also more common in qualitative studies. For us to conduct a successful research, certain criteria are needed in concern to our research question. However, since we aim to focus on Swedish blockchain companies and their internationalisation the following criteria for the cases have been made:

The companies must be:
1. Swedish
2. Active in the global market with 25% export within 3 years
3. Using blockchain in their core offering

The interviewees need to have:
1. A managerial position
2. Knowledge about blockchain
3. Involvement in international operations
4. Involvement in the start-up process of the company

The company Deloitte Stockholm, is an exception to the purposive sampling. Deloitte has professional experience in consulting Swedish blockchain born globals, and their view on the subject is insightful to the thesis. However, it is important to note that the thesis will emphasize on answers provided by the case companies and use empirical data by other companies a supporting evidence.

3.3.3 Cases
Based on the criteria that have previously been established the following companies have been selected for empirical findings:

**Bitrefill**
Bitrefill is a Stockholm based company that lets people top up their mobile phone credit with cryptocurrencies such as bitcoin, altcoin, etherum, etc. in more than 150 countries around the world. Bitrefill's website lets users punch in a mobile number, select the amount of credit they wish to add and then pay with the cryptocurrency. The interviewee is one of the Co-founders and will remain anonymous throughout the thesis.
**ChromaWay**
Henrik Hjelte is the CEO and Co-founder of ChromaWay, a blockchain technology company based in Stockholm since 2014. ChromaWay has a blockchain “smart contract” platform and works mainly with the public and private sector to build and support applications on their platform. They mainly work around real estate and finance.

**AIAR**
Rufus Lidman is the CEO and founder of AIAR, a Swedish based tech start-up that is revolutionising the education system and is developing skills through their EdTech-platform that uses AI to personalize the education process and AR technology to teach its students. Through AIAR's leading micro learning approach, the learning process is fully democratized and is available to theoretically anyone around the globe with a computer and internet.

**Deloitte**
Oscar Chrosti is a manager in management consulting at Monitor Deloitte, Stockholm. They specialise in addressing a variety of management areas, including Corporate and Business Unit Strategy, Customer and Marketing Strategy, Digital Strategy, Innovation and Pricing Strategy and Profitability Management.

3.4 Data collection
The data collection section is summarized as the techniques and tools the researcher utilises to gather the data. It is also a clarification of how the researcher disposes of the data in terms of analysis and procurements (Saunders et al. 2007). Examples of these techniques are; in-depth interviews, narratives and oral history. In a quantitative data collection, the techniques require forms of standardization, which means that the survey follows a rigid structure throughout the entirety of the observation. However, in the qualitative design the procedure is more flexible (Kumar, 2014). Kumar (2014) categorised the data collection in the qualitative design into three techniques; unstructured interviews, observations and structured interviews. However, in general, there are two different approaches to data collection, primary and secondary data (Kumar, 2014). For this thesis, we aim to focus on the primary data that we receive from the interviews.

3.4.1 Primary data
Primary data can be described as the data you collect from e.g. interviews or observations, in conclusion, it can be described as the first-hand information (Kumar, 2014). Sounders et al. (2017) states that there are three major techniques for gathering primary data; observations, semi-structured/in-depth interviews and questionnaires. This thesis will mainly consist of primary data collected from interviews. The interviews have been conducted via skype or telephone depending on the choice of the respondent.
3.4.2 Secondary data
Secondary data is defined as the data collected from second-hand sources. Documents that are directly linked to your cases are examples of secondary data; this could be e.g. financial statements of the companies (Kumar, 2014). However, when retrieving data from secondary sources problems such as validity and reliability may affect the results of the study. These problems tend to become more apparent when using secondary data since the researcher’s personal bias could inflict non-objective empirical results (Kumar, 2014). The secondary data used in this thesis only consist of information gathered from the case company websites.

3.4.3 Structure of interviews
The outline of the interview often follows two different structures; unstructured and structured interviews. The unstructured interview offers greater freedom and flexibility and is useful when exploring a certain phenomenon. Even though the structure provides in-depth information, it requires a high level of skill when conducting them. On the other hand, the structured interview follows a pre-set of standardised questions, meaning that you use the same questions and wording in every case. This structure provides a comparative data and requires fewer interview skills (Kumar, 2014). Denscombe (2014) argue that when using a structured interview, the researcher has more control over the questions. The semi-structured interview is closely related to the structured interview but is more flexible with regard to the subject sequence. In the semi-structured interview, you let the respondent developed his or her ideas/answers and speak more freely. The authors, therefore, argue that the interviews would follow a semi-structured format. An unstructured interview would be far too extensive since we are not experts in the area that we research, and have little knowledge in regard to conducting an interview. A semi-structured interview would give the standardised structure we require but at the same time offer flexibility and hence giving more nuanced data. The aim of this thesis is to explore the phenomena of blockchain through interviewing experts in the subject. Thus, by giving the interviewees more freedom and control we could get a deeper understanding of the subject. Since time is scarce, some interviewees have requested the question to be sent in forehand. We have therefore decided to make it an option but only on request. The interviews are preferably conducted face-to-face, but due to geographical and logistical reasons, telephone and Skype are optional depending on the case.
3.5 Operationalisation

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<tr>
<th>Background</th>
<th>Bullet points</th>
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<tbody>
<tr>
<td><strong>Internationalisation</strong></td>
<td>1-11</td>
<td>To get an understanding of the case company’s foreign establishment we ask questions about their internationalisation process and operations. This is to determine whether blockchain has any effects on their international process.</td>
<td></td>
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<tr>
<td><strong>Born global theory</strong></td>
<td>12-22</td>
<td>At this stage, we ask questions related to the traits of born global companies that influence internationalisation. This is to comprehend the external and internal driving internationalisation forces of case company and investigate if blockchain influences them.</td>
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<tr>
<td><strong>Cyberspace/blockchain</strong></td>
<td>23-28</td>
<td>Here we ask questions in regards to blockchain technology and its influences on the case-company. These questions are more specifically related to blockchain and how the technology can suffice for internationalisation.</td>
<td></td>
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<tr>
<td><strong>Conclusion</strong></td>
<td>29-30</td>
<td>In this section, we ask general questions that are connected to our theoretical framework and research question.</td>
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3.6 Method of data analysis
Qualitative data requires specific analytical skills in comparison to quantitative data since quantitative data derives from arithmetical values and require less extensive interpretation (Ghauri and Grønhaug, 2010). On the other hand, an objective view of the gathered qualitative data is necessary in order to make sense of it (Merriam, 2009). Ghauri and Grønhaug (2010) further state that in order to analyse the qualitative data successfully, a fragmentation of the collected data is necessary. Miles and Huberman (1994) gone on to divide the data analysis into three different phases, as to get the best analysis: data reduction, data display and verifying conclusion. Data reduction is best described as “[…] the process of selecting, focusing, simplifying, abstracting, and transforming the data that appear in written field notes or transcription” (Miles and Huberman, 1994:10). In the

The semi-structured interviews have allowed the interviewees to give their subjective view on the matter, with a certain freedom. We have followed the structure of Miles and Huberman (1994) by segmenting the interview questions into categories in order to answer the research question. These were categorized into internationalisation and Born Global theory, whereas blockchain and cyberspace integrate with the born global theory and internationalisation.

3.7 Quality of research

3.7.1 Validity
Saunders et al. (2007) describe validity as to whether the findings depict reality and are relevant to the study. The degree of validity a set of data has in a thesis, therefore, depends on its closeness to the subject and if it has been measured correctly (Denscombe, 2014). Despite the common risks of misinterpretation that exist, there are many strategies to increase the reader’s perception of the qualitative study’s data (Bryman and Bell, 2011). One strategy is a respondent validation where the authors return the interviewees with the gathered data, ensuring that the collected data has been correctly interpreted (Denscombe, 2014). In this thesis, we have assessed triangulation, which is a process where the authors separately interpret and analyse the collected data before discussing it collectively. This allows for different perspectives and understandings of the content, as a check on the thesis, confirming the data and testing its completeness. This, in turn, will help to mitigate the risk of misinterpretation, which increases the accuracy of the collected data (Yin, 2003).

3.7.2 Reliability
The main objective of a research project is to become reliable. By reliability we mean that; by using the same method of data collection and cases, the same results, findings and conclusions should be delivered every single time. The goal of reliability is to minimize errors and biases (Yin, 2014). This is done by clearly documenting the research so that every step can be repeated. If external
investigators can replicate your work and find the same results the study reaches a level of reliability, but this can only be done by documenting the way in which the study was conducted. A general theme of reliability is to work like someone is watching over your shoulder (Yin, 2014). Creswell (2013) further states that reliability can be reached through transparency, meaning that the researcher transcribes the interviews conducted and that they are recorded. However there are always different ways of experiencing a case study due to the subjectivity and human behaviour, these factors can affect results to an extent that limits the possibilities of replication (Kumar, 2014).

In this thesis, we have outlined the way of method analysis and data collection in the method chapter. The empirical data that was collected from the interviews are available recorded and transcribed. To grasp our study we have also followed a systematic process when designing our method so that the reader can achieve an understanding.

3.7.3 Ethical considerations
When conducting a qualitative study certain ethical issues need to be taken into consideration. The ethical considerations of a study arise and expand during the entirety of the research process. What you need reflect upon is if the interviewees feel, comfortable with e.g. labels and definitions that you use in your research, this is essential for building a supportive and respectful relationship (Creswell, 2013). When conducting the interview Denscombe (2014, p 169) outline the ethical a stance to consider:

- “voluntary cooperation”
- “Information on given about the way that the data will be used”
- “respondent’s identity not disclosed”
- “Protection of sensitive data”

In this thesis, we have followed the ethical stance of Denscombe (2014), by giving the respondents the possibility to be anonymous and giving them full transparency in the way that the data will be handled. We also allow the respondents to get an understanding of our research purpose to deflect any miscommunications. Our aim is to assert that the professional integrity of our respondents remains solid throughout the entire thesis.
4 Empirical findings

In this chapter, we present all the empirical findings collected from each case. The chapter starts with a short presentation of each company that contributed to the thesis. Furthermore, the empirical data will be presented in connection with each topic of the theoretical framework, thus giving an organised structure to the reader.

4.1 Case companies

Bitrefil
Bitrefill is a Stockholm based firm founded in 2014 that offers services in connection to cryptocurrencies and uses the technology of blockchain. The company focuses on services that are connected to non-physical products, such as, prepaid cards, vouchers, gift certificates, computer traffic cards and other services that you can pay by using cryptocurrencies. Co-founder X said Bitrefill is connected to many third-party service distributors to process transactions. These distributors are in turn connected to various telecommunication companies around the world. Bitrefill has coverage with more than 1000 operators in over 165 countries, according to Co-founder X. They currently employ 15 people. Bitrefill has been active on the international market since its inception and they possess a broad knowledge of both blockchain technology and cryptocurrencies.

ChromaWay
ChromaWay is a company founded in 2014 in Stockholm, Sweden. Their main service consists of implementing blockchain technology in companies and government organisations e.g. the Swedish land registry. They are also constructing a blockchain platform for customers to use. ChromaWay have approximately 20 employees, operate in more than seven countries, and are currently entering the Chinese market. CEO Henrik Hjelte started the company with Or Perelman and Alex Mizrahi. Mr Hjelte has professional experience in both IT and finance and has an MSc in Business and Economics from Uppsala University.

AIAR
AIAR is a Stockholm based company founded in 2015. They provide a digital learning platform, focused on emerging markets but open for all. Three pillars that enhances the learning process sustain AIARs platform; advanced AI, to personalise the learning process; cryptocurrencies, to fund your education; and blockchain technology, to ensure a bulletproof certification process. AIAR are active in 165 countries worldwide. They currently employ 15 people. Rufus Lidman, CEO, and founder of the company has a BSC in Business and Administration and a Degree of Licentiate of Social Science. He has previous international work experience and in Asia and in the US.
**Deloitte**

Deloitte is a multinational professional services network, based in the UK. They are one of the “Big Four” accounting organisations and the largest by revenue. Deloitte provides audit, tax, consulting, risk management, and financial advisory services worldwide. Deloitte currently has 263,900 employees. Oscar Chröisty, Managing consultant at Monitor Deloitte has a degree in Business and administration from Holy Names University, Oakland. He has a strong international background having previously worked as a consultant in the US.

### 4.2 Internationalisation

**Bitrefill**

Co-founder X states that Bitrefills internationalisation process from its start, in 2014 and that they actively sought to enter the global market from the beginning with 100 % of the revenue being from foreign export. This was mainly due to the Swedish market being saturated and that the demand for their service being extremely small in Sweden. When it comes to their internationalisation process, the market that they were operating in required little physical presence. However, Co-founder X states that they have personnel placed in foreign markets such as Canada, South Africa, even though the company is managed from their headquarters in Stockholm in a decentralised manner. When expanding internationally Bitrefill establish a contact with a foreign distributor, which enables them to enter the market directly. Co-founder X states that this can be done from Stockholm via the internet and since the service that they offer is standardised reaching a new market becomes very easy. The same goes for leaving a market.

“We can enter a market at the click of a button; all we need is a contract with the local telecom distributor”.

Barriers in the market that they enter consist mainly of the already existing local disrupters of top-up cards and the level of crypto adaptation the market has. By crypto adaptation, Co-founder X means the level of cryptocurrency usage of the market/country.

**ChromaWay**

Mr Hjelte at ChromaWay states that when the company was founded in 2014 they had contact with the international market and had actively sought to enter it. Over 35% of ChromaWay’s turnovers stems from foreign exports and Mr Hjelte states that the number will grow to 95 % later this year. The company is currently operating in markets such as Estonia (being their first) and later Thailand, USA, Australia, Japan, India and now they are planning to enter the Chinese market. The way ChromaWay expand internationally is dependent on the clients and the market. Mr Hjelte states that they have an externally financed subsidiary called ChromaWay aid pack that functions as a licensor. However, this is not always used since they can still provide their service remotely from their Stockholm headquarter. In other
words, the need of local presence is not always a requirement. However, when in the USA, they are required to have employees in place and when pitching their idea, they want to have a local presence to aid communications. When it comes to barriers to enter the foreign market Mr Hjelte states that cultural and administrative barriers have been noticeable, this is mainly due to the lack of English speaking clients in countries such as Japan.

**AIAR**

Mr Lidman explains how they are “born global” and have actively sought the global market since AIARs birth. They are predominately active in Asia, with the exception of Iran and North Korea. India is their biggest market in Asia, followed by Malaysia, Pakistan, Bangladesh and South Korea. The second most lucrative continent is Latin America, where they are especially focused on Brazil, Mexico, and Colombia. The third most lucrative markets are the Anglo-Saxon countries; USA, UK, and African countries. Mr Lidman states that they have no operations in the Swedish market, thus having 100% of their revenue from foreign exports. Since AIAR are still young to their nature, market expansion is currently more in an experimental phase, meaning that AIAR test different versions of their platform in different markets, and build on the version with the most successful impressions.

“As opposed to companies who spend a year on market research before entering, we tested twenty versions of our products in e.g. the Asian market and built on the best performer.”

Mr Lidman explains how their different versions mainly are for marketing adaptations purposes. The two most important adaptations they make are language based ones and design based ones, resorting to types of avatars. Efficiency is a central key to AIARs marketing adaptations. He starts by explaining how speculating on marketing theories without testing those in real life will not get you anywhere, resorting to the more traditional way of market analysis. AIAR, on the other hand, uses 20 different versions, which they test on the market directly, to go from theoretical estimation to actual reality. Time is of the essence. When it comes to barriers AIAR has faced, there are many. Probably the biggest one is the credibility that currently exists within the digital learning industry.

“It is all about customer retention when we enter a market. Our innovative digital learning platform has attracted the market. However, keeping them is our main barrier”.

AIAR can provide their service remotely from their central office in Stockholm. The need for local physical presence is not needed.
**Deloitte**

Mr Chröisty explains how there often is a strong will to seek the global market from blockchain start-ups. Furthermore, he mentions that the technology can decrease the barriers to entry because the technology is not land-based, meaning the product can be provided remotely to customers. However, one of the main barriers that exist is related to the legal and policy aspects of internationalising. This is where Deloitte usually consult their customers. He says that in theory the products usually do not need any major marketing adaptations, meaning the service is standardised, but countries want to be able to keep track of the economic activities that take place in their countries, and this is where companies often find themselves stalling.

Authorities have different regulations and laws, governments do not have the same level of maturity throughout the world. Another example is the finance inspectorate, which only has a controlling role in Sweden while for example, the finance inspectorate in the UK has a very different role. In conclusion, the network in which they must embed themselves in is different from market to market. He explains that it, therefore, is important to distinguish from theoretical to the practical use of blockchain solutions. Minimising risks and ensuring a smooth market entry is what Deloitte helps their customers with. He mentions that companies should not come to Deloitte thinking they will skyrocket their internationalisation process. In other words, Deloitte will take their time studying the market the company in question wants to enter to minimize the risk of loss. Mr Chröisty emphasizes the importance that Deloitte in Stockholm has not yet consulted blockchain companies in market entry analyses, to his knowledge at least. What was stated above is, however, a general approach to market entry analyses.

4.3 Born global

**Bitrefill**

Bitrefill started with Sergej the CEO and CTO of the company, who gained interest in Bitcoin and blockchain early in 2010. Mr Mizrahi designed the blockchain system that runs the company and saw the opportunity in the pre-paid mobile phone credit market, which is very vulnerable to fraud. They believed the blockchain technology could eradicate the uncertainty and that customer would top up their card on the internet. They believed this would facilitate the traditional way of topping up your prepaid card; going to your local store and physically loading the credits. Co-founder X state that this is where they saw the opportunity that blockchain technology could deliver to the telecommunication market. Since Bitrefill finds their B2C customer via a local provider, networking becomes a vital part of their internationalisation process, Co-founder X also emphasizes on the important role trust building play due to networking being a key component in their expansion. Co-founder X states an example of a website that enable users to top up steam credits and that Bitrefill saw an opportunity of providing their service to this website partly due to networking. Co-founder X mentions that networking is
important due to cryptocurrencies being new to the market and that many customers
are unaware or hesitant about the product in the network. Therefore, eliminating the
reluctances that exist towards cryptocurrencies is important to promote their
service.

When asked about resources that are needed in the market co-founder X states that
Bitrefill has an in-house culture meaning that they perform all the tasks alone when
expanding to a new market. They use the in-house culture because they want to
have a clear picture and control of what the local distributor’s crypto-involvement
is and what the terms of the agreement are. Co-founder X state that this is also due
to the required sales volume that they need to turn a profit. X argues that they do
not make “one million SEK on a single transaction” but rather “one SEK on 1
million transactions”. The service that Bitrefill delivers is to a certain point
standardised. Co-founder X states that they do adapt to languages on the website to
gain recognition. To deliver a service the costs are the same anywhere on the globe
and since much can be done from the HQ in Stockholm, they are generally low.
Bitrefill work in a niche market due to them being the only suppliers of this service
in the early years. Furthermore, blockchain is said to be the driver when creating
the offer. Without blockchain, Bitrefill would not be able to deliver and create their
service with efficiency.

Blockchain gives the company a niche and without it, they would probably have to
compete with the already existing competitors. X argues that most customers in the
market actively seek contact with Bitrefill depending on how familiar they are with
the technology. Customers already involved in cryptocurrencies tend to seek
contact with Bitrefill and other clients are gained that have no experience with the
technology on beforehand. X argues that the blockchain technologies ability to
handle transactions help to gain B2B customers with high traffic volumes. The
customers generally need some education on the service that Bitrefill deliver but
this is mainly on contractual agreements not on blockchain technology, X states
that they generally no what they are buying. X state that the other Co-founder Y
have broad experience from blockchain technology, have worked in previous start-
ups throughout his years and could be considered a serial entrepreneur

**ChromaWay**
The CTO Mr Mizrahi of ChromaWay created the first blockchain protocol called
coloured coins in 2012, which was the first time you could purchase bonds and
securities by using bitcoin cryptocurrencies. Mr Hjelte and the Co-founder Mr
Perleman later joined this open source project. In the beginning, they were unsure
if the project had any business opportunities but found a client bank in 2014 and
founded ChromaWay. They had from start interest in creating a company but
hesitated due to uncertainties in terms of blockchain interest in the world. When the
company was founded it was originally four founders, but Mr Hjelte bought out the
fourth investor and now Mr Mizrahi, Mr Hjelte, and Mr Perleman remain as the top
of the management team that is operated from their HQ in Stockholm. ChromaWay
chose Stockholm as HQ mainly due to legal and administrative reasons. Due to the digital service that ChromaWay provide, Mr Hjelte states that the HQ can be operated from any place in the world. When expanding internationally Mr Hjelte states that, he is unsure whether network contacts play a vital role. He argues that it is hard to distinguish if international clients contacted them through networks or simply because of the attraction to their great team and product. However, consequently, when the clients are acquired they become a part of the ChromaWay network.

When entering a new market, the resources required are human assets and the software platform. Nevertheless, as mentioned the software part can be operated from Stockholm. When meeting a client it often requires a physical meeting to close the deal. Mr Hjelte states that the product/service ChromaWay deliver requires little adaptation the markets. Some adaptations are done in terms of language and there are slight differences in the marketing process when working with e.g. the host market public sector. Although there are minor changes, the main product that ChromaWay deliver undergoes no adaptations. Mr Hjelte further states that customers are actively seeking to contact them much more when compared to the efforts made by ChromaWay to seek new customers. In terms of costs when delivering the product, it all depends on the project size and that the hourly cost is standardised.

Mr Hjelte argues that the industry that they are currently in is niched due to there being few competitors. The driver for entering this industry is due to blockchain technology and that they wanted to test their own platform (Post-chain) in the market. Mr Hjelte then states that blockchain is a product that requires customer education and that at the beginning from 2014-2015 much time was spent on educating the clients. Today and in the future, ChromaWay will spend little to no time on educating their clients about the technology but rather on their unique selling point. Mr Hjelte states that the time educating clients on blockchain lead to time spillage and free knowledge. Before ChromaWay, Mr Hjelte had no experience with blockchain technology, he got into the technology due to Mr Mizrahi inviting him to the open source project of 2012. Since the birth of the technology, Mr Hjelte has always felt compelled to start a business with blockchain as the core product. Mr Hjelte had before the founding of ChromaWay experience from operating internationally due to a web start-up.

**AIAR**

Mr Lidman explains how AIAR started with a company that provided education in the digital marketing industry where Mr Lidman was given the role of certifying. Mr Lidman draws an analogy on how they naively entered an unknown market (the digital learning industry). Mr Lidman continues by stating that they had no previous experience on how to build a digital learning platform and had to be very creative in building their platform, using AI and blockchain as an underlying technology to make the platform cutting edge. Once they had implemented the technology, they
noticed other players in the market did not use blockchain in their platform. They were now having a competitive advantage in the market and Mr Lidman explains how from this point they decided not only to limit themselves to learning in digital marketing but to broaden it to all type of learning. He emphasizes that the team of developers drew a lot from their knowledge on digital marketing into the making of the digital learning platform.

“We have created the Spotify of learning”.

When it comes to the role of networks when internationalising, Mr Lidman says they are not very important. He highlights that they live in a global market, and they can centralise their production, their distribution, and their communication. This means delivery of their service requires little effort, highlighting the role cyberspace plays in the business ecosystem. He does mention that he has pitched AIARs product to e.g. Korean contacts, meaning explicitly using his network contacts, but mentions that it was not the driver to going to just that market. As previously mentioned, the intention of being global has been there since the beginning, and Mr Lidmans intentions to reach these markets are through any act of opportunity that presents itself. However, when it comes to the creation of AIAR, Mr Lidman implies that networks are everything.

“If I had been a beginner in the market, meaning no previous entrepreneurial experience and have a small network base, it would have taken me 5 years to do what we achieved in 1 year here at AIAR. Or worse, not succeeding at all”.

When it comes to customer education, their customer usually knows what they are buying. However, Mr Lidman mentions that they are an own breed and need to teach customers about what makes them stand out from the rest. When asked if they operate in a niche market, Mr Lidman answers that their product is, but r3not the market.

**Deloitte**

In the case of a ”known” blockchain industry, the players have an advantage, in such a niche market, because customers will often find them through the hype compared to another industry where it is not apparent that you are a blockchain “player”.

“Buyers alert other buyers”.

Mr Chröisty uses the example if a company finds a new area of use for the blockchain, that there is a bigger need for these companies to reach out to the market and inform them on this new product that you have created. Not only customers but the whole world. It is more a question about what a known blockchain industry is
and what is not. The known blockchain niche, or area of implementation, will grow faster and it will attract customers faster. Mr Chröisty believes that another factor contributing to this acceleration is the existing material related to blockchain in the cyberspace. When it comes to customer attention, potential buyers will already have an idea of what it is they are selling and their advantages.

“Blockchain has enabled start-ups to expand into foreign markets much quicker”.

However, Mr Chröisty mentions this is very dependent on the aim of the blockchain technology implementation. He explains how the markets Deloitte work with are often heavily regulated. The companies that have a fast-growing and quick internationalisation often operate on a market that is not heavily regulated. He believes their fast internationalisation should be accredited to the level of regulation of their market. Some companies take the big risk of one day being reminded that they do indeed operate in a heavily regulated market, and will suffer losses. This, however, is a strategic choice that can sometimes be taken if the company is big enough to afford a loss. Deloitte in its essence has a very risk-averse way of doing business, stemming from accounting and correct business attitudes. However, Mr Chröisty mentions that risk averseness and risk-taking traits are two forces that need to exist to develop our market

4.4 Blockchain/Cyberspace

**Bitrefill**

Co-founder X argue for the opportunities that the blockchain technology has given to the company. X states that the technology is a central part of their service and without it, the core offering would not work. The customer’s attitude towards blockchain is very promising due to the technology being suitable for facilitating making transactions smoother. Co-founder X who had deep knowledge of the technology saw that it was going to disrupt central parts of business activities, therefore Co-founder Y felt a pressure to be a first on the market to gain first mover advantage. Barriers to entering the market has been lowered and a competitive advantage has been gained due to blockchain, mainly due to the technology being able to fit the preferences of the company. X also concurs that blockchain has pushed the company to the global market and that the technology has influenced major parts of their internationalisation and made it faster. X claims that without blockchain, it would have been extremely difficult to gain global market shares and by applying it from the beginning has made them stand out from the rest. Being first on the market has also made Bitrefill more trustworthy since they have had time to build long-term relationships with the customers. X claims that Bitrefill also saw from the beginning, that major parts of the global ecosystems will be built on blockchain. Thus, they saw an opportunity to become part of it.
**ChromaWay**

Mr Hjelte at ChromaWay, believe that cryptocurrencies will have a bright future in the world of IB. He argues that when the world can use the same currency it could ease the way we make business, however, there is still a hindrance to bureaucracy and legal question. Many blockchain companies are naïve in the way they see the implications of the technology, the aspects of different laws in other countries make the technology hard to implement. Mr Hjelte states that the theory of blockchain is sometimes very different from the reality. This brings us into the hype that surrounds blockchain; Mr Hjelte argues that customers are very excited in the way you can use the technology and this has definitely driven the company’s international expansion. Right now, companies can capitalize on technological trends such as AI or nanotechnology and therefore a lot “comes for free” when compared to non-trendy start-ups. Blockchain has a lot of potential but it is not the technology per se that drives international expansion but, rather the hype surrounding it inside the business ecosystem. Mr Hjelte states that the hype has definitely helped in the international process opposed to traditional technology and payment solutions. Mr Hjelte also concurs that the technology has pushed ChromaWay to the global market and that just like the internet in the 90’s aided internationalisation so has blockchain. When asked about blockchain and internationalisation, Mr Hjelte states that the terms of the start-up phase have changed a lot, mainly due to the blockchain technology. The technology has changed the way companies handle their funding. By using ICO’s start-ups are able to skip the traditional steps in a funding process which could enable rapid internationalisation. ICO is when compared to crowdfunding much more efficient since the investors are more niched in blockchain technology, expect high returns and have a lot of capital.

**AIAR**

Mr Lidman firmly believes the blockchain technology has enabled business opportunities. He believes he can get the 7% completion rate to match universities’ 70% completion rate.

“We have gone from the Internet of information to the Internet of transactions”.

Blockchain is relatively new to the market and could be applied in virtually any sector. Mr Lidman explains how he felt the pressure of being the first in the market. Of the thousand ICOs that was done last year, none were done in the educational area. From January to March, roughly 30 blockchain businesses have gone to label themselves in the digital learning category. However, Mr Lidman says they do not quite offer the same level of innovation as AIAR. He says the digital learning market worth 1-2 billion SEK is currently untouched and there is definitely a race on who gets their first and will gain monopolistic advantages.
Mr Lidman believes blockchain has not been the driver for them to find international markets. They would have wanted to be global even if they did not have blockchain technology. However, relating to global management, Mr Lidman explains that being part of a trend will smooth your internationalisation process. He insists that a trend can also be the reason for your downfall if the trend evolves something negative. For example, some ICOs have been scams, and this has hurt the credibility of investing in ICOs since they are very volatile in their nature. “It’s easier to bring something down than it is to bring something up”.

**Deloitte**

Mr Chröisty explains how Deloitte only ”work with the best”. In the cases of blockchain start-ups he has worked with, he explains that the main managerial differences are their ideologies behind a decentralized world. He continues by explaining how managers who understand the realities of blockchain are more mature in a business perspective as compared to those who believe blockchain will fundamentally change the world. He uses the term “an anarchistic world change”.

> “Looking at the European market, the naivety that exists is starting to fade, and the market is becoming more mature. The more authorities, institutions and the society in general gain interest in such topics, the faster the subject will reach a maturing state, free from speculative hype.”

Mr Chröisty describes blockchain as a buzzword that exists in the start-up world. From his experience, he believes that blockchain eases the funding process of these start-ups and that implementing blockchain technology as a part of your core offering will increase the company’s value. Thus, implementing a blockchain solution in a specific area is attractive to the investors’ eyes. He continues by explaining how this attraction, in consequence, will attract money, and money attracts other actors. He believes more entrepreneurs work with blockchain because it is “hot”, as compared to other companies with technologies that have less innovative solutions in their core offering.
5 Analysis

In this section, we analyse all the case companies in relation to the empirical findings and the theoretical frameworks. The analysis will be conducted in a cross-case method meaning that we will not analyse each case company separately. At this stage, we will also discuss similarities and differences between the case companies and lead the discussion towards the final chapter that concerns the conclusion.

5.1 Internationalisation

As Bilkey and Tesar, (1997) argue in their early definition of internationalisation, it can be described as the process of a company’s entry into a foreign market. Johanson and Vahlne (1977) further ads to the research with the Uppsala stage model that depicts the incremental process of expanding to geographically close markets. Since the manufacturing companies that contributed to the model committed large resources to gain market knowledge the entry modes where characterised as slow and risk-averse. The case-companies that contributed to this thesis do all somewhat differ to the internationalisation process Johanson and Vahlne (1977) describe in their model.

Mr Hjelte at ChromaWay states that 35 % of their turnovers originates from the global market and that it is said to increase to 95 % at the end of 2018. Mr Hjelte also claims that the company was active in foreign markets from day one. Since ChromaWay was founded in 2014 and have reached the Asian, American and the Australian market their approach to internationalisation rather diverts from the geographically close incremental approach, with the exception of Estonia being their first customer. Even though Estonia is close to Sweden geographically and arguably, culturally, one country exception is not sufficient to draw a parallel that ChromaWay followed an incremental approach. When researching the other case companies Bitrefill and AIAR we can see similarities in their characterised foreign expansion. However, both Bitrefill and AIAR showed to be more drastic in their expansion when compared to ChromaWay. From day one 100% of both AIAR and Bitrefill’s turnovers came from the global market, both companies are currently active in 165 countries and were founded in 2016 and 2014 respectively. By comparing the companies, we can comprehend that they all differed from the traditional approach to internationalisation in terms of foreign market choice and pace. However, the concept of internationalisation is much more complex since barriers and entry modes play a vital role in determining expansion pace and choice of market.

When asked about how the case-companies expand to a foreign market and what barrier they faced the results slightly differ. Co-founder X at Bitrefill argues that the barriers for entry mainly consisted of the already existing competition in the market and the level of crypto adaptation, by this Bitrefill mean that the level of cryptocurrencies usage in the market. Mr Hjelte at ChromaWay on the other hand,
state that the difficulties when interacting due to language and culture become a barrier. Why the definition of barriers differs to an extent could lie in their own interpretation of the problem. The competition barriers that Co-founder X argue for can be detected on a meso-level whereas Mr Hjelte perceives it from a micro level. Nevertheless, it is debatable that the differences stem from the dissimilar services that they offer. Both ChromaWay and Bitrefill are actively involved in blockchain technology; however, ChromaWay is more involved in implementing the technology rather than capitalizing on it as Bitrefill do. The differences in usage of the technology could, therefore, change the perspective of the internationalisation process, as Mr Chröisty mentions. Mr Lidman argues that the main barrier for AIAR is the customer retention meaning the problem of keeping the customer. Furthermore, he states that by having high exit barriers and utilizing their unique selling point, their three pillars, AIAR would be able to capture and hold the customer without them switching to other methods of learning. It becomes apparent that the companies have a different outlook on what their entry barriers are; nevertheless, they share that view of reflecting on barriers that are closely related to their specific service.

To characterise a foreign expansion Mr Lidman at AIAR describe that they do not follow the traditional way of doing an extensive market research, like Deloitte would, before entering a foreign country. The process is rather characterised by trial and error. Through experimenting in different markets AIAR can develop a version of their idea that is the most successful. The quote from Mr Lidman captures the essence of their expansion strategy: “As opposed to companies who spend a year on market research before entering, we tested twenty versions of our products in e.g. the Asian market and built on the best performer”. The expansion of AIAR is driven from the central office in Stockholm, which is a similarity that we can indicate in the other case-companies Bitrefill and ChromaWay. By citing Co-founder X at Bitrefill it becomes apparent how the process of entry looks like “we can enter a market with the click of a button; all we need is a contact with the local distributor”. This is interesting as it highlights the role of cyberspace in digital start-ups who can operate remotely with a standardised product at a very low-cost.

It becomes interesting however to hear Mr Chröisty argue that the rate of speed in which blockchain start-ups will grow, depends on two factors; how known the area of blockchain implementation is to markets and how regulated the market in question is. This draws a clearer picture of the central differences between AIAR and both Bitrefill and ChromaWay; AIAR were the first ones to implement blockchain in the digital learning industry, and the importance of attracting and alerting their market is much higher, compared to Bitrefill and ChromaWay who have blockchain solutions in areas which are known to the market. They, on the other hand, do not need to spend as much time persuading customers on their product since customers are already aware of the usage and benefits their products.
In the case of Bitrefill this means that entering a market only becomes a question of contact with a local distributor e.g. a telecommunication company, this means that there is no need for personal or a local subsidiary at place. The same goes for ChromaWay, Mr Hjelte states that all foreign operations can be done from the HQ in Stockholm, however, there are some exceptions. ChromaWay is the only company that utilises a subsidiary that works as a licencing agreement, which is used in some cases to protect ChromaWay. They could be classified as blockchain consultants; this would subsequently mean that a closer connection with the client is needed. A subsidiary is, therefore, something ChromaWay can utilise for increased presence and control in the market. Furthermore, the other companies also state that they have personnel placed across the globe, but this is mainly due to marketing and wanting to meet their clients face-to-face. The pattern that emerges is that the companies contributing to the thesis tend not to expand in accordance to Joahnsson and Vahlne’s (1977) theory of incrementally starting an expansion to the foreign market via e.g. export. The reasons behind could arguably be due to their products being intangible. This brings us to Born Global theory developed to grasp this new form of companies diverting from the traditional ways of internationalisation.

5.2 Born Global
The Born Global theory has received much attention in the past decade due to its increasing complexity and magnitude (Madsen and Servais, 1997). It is mainly due to the technological advancements that have changed the rules of how start-ups internationalise (Knight and Cavusgil, 2004; Oviatt and McDougall, 1994). A lot of this thesis empirical findings have a high correlation to Hennart’s (2014) distinctive characteristics of BGs. Moreover, he scratches the surface of the role “domain specific familiarity” (DSF) has in the internationalisation process, emphasizing how shared knowledge between buyers and sellers allow for the psychic distance to be trumped. However, Hennart (2014) does not shed further light on the topic.

The empirical findings have exposed a much greater importance of DSF than what Hennart (2014) originally had emphasized. In the case of ChromaWay, Mr Hjelte mentions that customers actively seeking to contact them outweighs the efforts made by ChromaWay to seek new customers. Mr Chröisty confirms this by stating that blockchain players, referring to companies implementing blockchain in their core offering, that operate in a knowledge filled industry between buyers and sellers have an advantage, compared to other industries where the use of blockchain is new and have different aims. Here the “blockchain players” need to interact much more with their potential customers, not only informing the market of their product but the whole world. This statement is further strengthened by the CEO of AIAR, Mr Lidman, who explains how they commit to actively seek customers to gain market attention since they were the first ones to implement blockchain in a new industry; the digital learning industry. However, this relation is roughly 50/50 for Bitrefill,
who also were the first market movers in their respective; blockchain in the prepaid card industry. In their early years, they spent most of their time and resources to gain customers and address the uncertainties the local telecommunication companies still have today towards the blockchain technology, thus building relationships with their B2B customers. However, Bitrefill has gained a lot of market attention since their birth in 2014 and today firms actively seek them.

When it comes to Hennart’s (2014) four criteria of a BG firm, the empirical findings fit but requires deepened analysis. The main criteria which require debate is b) *They sell products and services for which they do not need to make any international marketing mix adaptations.* Most of the respondents have mentioned that the main marketing adaptations are related to the culture and language. From our empirical findings, it seems almost inevitable that companies will adapt to at least the local language and their markets regulations. In all company case interviews, the respondents have admitted committing resources to adapt their marketing locally in their biggest markets. AIAR have invested heavily in the Asian market for example as they have the highest return on investment. The same goes for Bitrefill who have adapted their website to the regulations and culture of their biggest market; Northern America. While Hennart’s (2014) claim is true to some extent, it seems somewhat concealing of the fact that companies will opt for the highest ROI, and therefore adapt at least some parts of their product to gain a competitive advantage, or compete with local companies, as Bitrefill does. As Co-founder X mentions, one of the many barriers they face is the already existing local top-up card shops in the markets they enter.

Hennart’s (2014) c) and a) criteria fit with the empirical findings of this thesis. All the respondents have mentioned that their product is offered at a standardised cost, no matter the distance of the market, and delivered at a low-cost means of communication. To add to the latter, the digital solutions in these cases are delivered remotely from their respective headquarters. Interestingly, the borderless world that Zalan (2017) paints, becomes more apparent as the co-founders in all the start-ups live in different places in the world. Bitrefill has co-founders living in the US and Sweden, ChromaWays CEO Mr Hjelte lives in Stockholm, the CTO Alex Mizrahi lives in Ukraine and Or Perelman lives in Israel. Furthermore, more than half of AIARs employees live abroad.

Building on Knight and Cavusgil (2004) statement that BGs offer knowledge-intensive products is true to these cases. They have shown to possess superior technological resources to their competitors, which they exploit by selling knowledge-intensive products. In the case of Bitrefill, Co-founder X explains that the only reason they were able to internationalise and compete globally, was because they offered a service technologically superior to their competitors, which in turn allowed for early internationalisation and sustainable, superior performance in foreign markets. Co-founder X state that this is where they saw the opportunity...
that blockchain technology could deliver to the telecommunication market and seized it.

“Not using blockchain and competing with the already existing competitors would have been very difficult or even impossible.”

The role of networks has changed in the internationalisation of a firm, as they are now embedded in the cyberspace and accessed with a click. These can be accessed without a previous relationship. Internationalising through networks is, therefore, easier than before, relating to the traditional network approach brought forward by Madsen and Servais (1997), where time and resources were invested in relationship building. Mr Lidman says that networks do not play a central part of the internationalisation since they live in a global market where production, distribution, and communication is centralised. This statement coincides with the statements brought forward by Hennart (2014); that BGs use low-cost means of communication and delivery. Mr Lidman’s statement might seem true, but it is important to note that the network’s ecosystem has changed because of the internet, into what is called the cyberspace. This is what Mr Lidman characterises as the globalised world we live in, and that the cyberspace has allowed for networks to be tied without any previous relationship. The trust-building process is done much faster today than what it did before the cyberspace. We would argue that rapid internationalisation can no longer be accredited to the knowledge-gain from networks, without the central role of cyberspace, which Oviatt and McDougall (1994) emphasize on. Since the networks are now deeply embedded in the cyberspace, accessing new network contacts and gaining knowledge has been facilitated. It has made our market more homogenous.

5.3 Blockchain/Cyberspace

Cavusgil and Knight (1997) argue how the usage of technology has enabled small companies to access and reach the global market. Davis and Haverston (2000) further ads to the argument, stating that a technology such as the internet has aided the internationalisation of many firms. It becomes apparent that technology has certainly played a vital part in the internationalisation of the economy. The companies that contributed to this thesis have also possibly utilised the technology of blockchain to suffice for their foreign expansion arguably like the internet did in the 90’s, just as Mr Hjelte at ChromaWay states in his interview. However, it is important to draw a distinction between the hype and the actual benefits of the technology itself. Mr. Hjelte claims that the technology has changed the way companies acquire their funding. With an ICO, companies are able to skip certain steps in their launch which leads to a rapid expansion and subsequently an accelerated internationalisation. This is an example of how the actual technology contributes to foreign expansion. However, it is debatable if rapid funding correlates to internationalisation. Accelerated funding processes can give the
company a head start, but it is not necessarily in the company’s interest to move to the international market due to quick funding. It could rather be seen as an enabler for internationalisation but not an incentive. Furthermore, Co-founder X at Bitrefill reasons that blockchain’s ability to facilitating transactions and make them smoother is a key contributor to business in general. In the case of Bitrefill it becomes apparent that without the technology it would be impossible to have their business idea. The aspect of transparency and security that blockchain brings makes it perfect for the top up card industry, which is riddled in scams. This is what Co-founder X states as one of the main reasons behind utilizing the blockchain. Once again the example of Bitrefill gives a clear definition of how the technology can be used to discover business opportunities. The company AIAR also states that blockchain gives them the security aspect that they needed in the market but also an edge. As all of the companies believe that they operate in a niche market they also state that blockchain gives them a niche/competitive advantage in exception to ChromaWay. The exception of ChromaWay is mainly due to blockchain being their core service not that the technology is implemented in another service or product.

As Swan (2015) state, the implications of blockchain are many and due to its features, it can facilitate economy. Thus, by adding it to a business plan certain factors can give a company the edge that they require. Co-founder X states that without the technology it would be extremely difficult to gain global market shares, the same goes for ChromaWay who states that the actual interest in the technology has sufficed their business. The technology of blockchain is relatively new to the world of business and thus bringing it to the market early can give you a first mover advantage. Posner (1961) claim that the principle of possessing a valuable technology is a driver for international trade, since companies that cannot imitate it will demand it. This process will generate a technological gap which companies can capitalize on by bringing a unique product or service to the market at the right time.

When asked about the “first mover advantage”, Co-founder X at Bitrefill clearly understood from the beginning that the technology would bring extreme benefits to the economic environment, and therefore being first obviously had its advantages. By looking at the company ChromaWay the technological gap theory by Posner (1961) becomes more suitable. Mr Hjelte states that little effort is needed to gain international clients, the client’s interest in the technology is one force that drives ChromaWay’s international venture. Even though the theory of Posner is somewhat outdated since it refers to countries, not companies it still gives an aspect of how demand play a role in internationalisation. By looking at the companies in this thesis we can see that blockchain gives them a competitive edge but not only due to the technology itself but also due to the hype.

The hype surrounding blockchain was first mentioned by Mr Hjelte at ChromaWay he discussed how companies can capitalize on technological trends such as AI or nanotechnology. Swan (2015) states that the interest of blockchain lies in its ability to give an economic layer to the internet. Blockchains ability to handle transactions eg cutting out the middlemen suits the current business environment of e-
commerce. However, this is only due to blockchains technical ability, which Mr Hjelte states to be somewhat overestimated. He argues that many companies capitalizing on the trend are to a certain level naïve. Blockchain’s capacity to manage finance in a centralized manner still needs to be adapted in accordance with state laws and accounting systems. What he claims is that the theory is very different from the reality. Nevertheless, even though theory differs from reality being part of a technological trend or ecosystem can accelerate your expansion.
6 Conclusion

In this section, we will summarize the answer to the research question as well as conclude the practical and theoretical implications discussed throughout the thesis. Furthermore, we will present the limitations of the thesis and finally provide suggestions for future research, to address the increasing complexity of born globals and their ecosystem.

The new breed of digital start-ups which are blockchain BGs have demonstrated their exploration of the cyberspace and how it allows for their rapid internationalisation. Therefore, this thesis considers further development of Hennart’s (2014) business model focusing on the traits provided by Knight and Cavusgil (2004), Oviatt and McDougal (1994) Madsen and Servais (1997). It has become apparent that as the complexity of BG theory has increased the last two decades and the technological changes have altered the rules in which they operate, the phenomena must be understood as an evolving ecosystem. By assessing the internationalisation process of Swedish blockchain BGs and their ecosystem, the authors were able to identify key aspects, which allowed them to better understand the phenomena in the Swedish case companies, as well as provide final answers to the research question of this thesis.

6.1 Answering the research question

The study aimed to answer the following research question (RQ): How does blockchain technology affect the process of internationalisation in Swedish Born Global companies? The result of this thesis depicts a BG stage of deep complexity reflecting the advancements of technology in the business world. Furthermore, it is eminent that blockchain technology has had a substantial effect on the case company’s internationalisation. The authors have concluded the major implications of how blockchain has shown to influence and lead to an accelerated internationalisation. Firstly, it is important to acknowledge the actual usage of blockchain in the core offering and how it correlates to internationalisation. Blockchain technology has shown to aid the companies on the global market by giving them a competitive advantage. The competitive advantage is later a factor that the companies utilise for further global expansion. By researching the motives for using the technology and applying it to the market, it can be indicated that the companies have also felt compelled to move to the international market due to a first mover advantage. Moreover, it becomes apparent that blockchain possesses the traits of Hennart’s (2014) domain specific familiarity (DSF), which the authors have indicated as one of the more substantial effects of the technology. Blockchain as a (DSF) has shown to accelerate the internationalisation of the blockchain BG’s. Due to global customers having an interest in the technology a lot of the internationalisation process has “come for free”. This means that the companies are not required to market them self internationally in a traditional manner since most of the global customers are contacting them. Another effect of blockchain in BG is
the usage of the technology as a resource for funding. Companies that use ICO’s can accelerate their funding and therefore skip the traditional steps when financing a company. This means that companies can expand their operations faster, thus enabling a faster internationalisation.

Furthermore, the empirical findings have shown that the role of business hype, spread through the cyberspace, around a technology will accelerate the internationalisation even more. This hype has to do with new technological innovations and to which extent it has solved a problem in the market, in this case, the blockchain. The blockchain system has not only allowed for a practically impermeable system of transactions but is also more cost-effective than alternative systems because of the lack of intermediary. Here the knowledge consequently will spread between buyers and sellers once a firm possesses superior technological resources. The hype surrounding the technology proves to be familiar to Hennart’s (2014) DSF. From an external perspective, the authors can indicate how a disruptive technology such as blockchain can be exploited by “riding the hype” which has shown to be similar to the hype internet experienced in the 90’s.

Furthermore, it is obvious that the companies can use the already present technology of internet (cyberspace) combined with blockchain to easily access global markets. Moreover, the empirical data has also shown that the blockchain cyberspace has created a new ecosystem which further has shown to aid global expansion. Researching internationalisation from a network perspective, the authors can see that the results were dispersed, however, when anchoring in the more impersonal theory of the blockchain ecosystems it highlights how becoming part of a trend/hype can suffice for a rapid foreign expansion. Furthermore, the authors can see that the integration of a company in a global ecosystem can influence the internationalisation process. When becoming part of a global ecosystem, companies can benefit from actors that are already using the technology or are interested in it to further developing their internationalisation process.

In regards to Blockchain and its effects on internationalisation, the thesis has also analysed the BG traits of the companies. The blockchain BG phenomenon cannot be described from one set traits put forward by a specific author. It is rather a combination of several traits put forward by different scholars about the matter that play different roles depending on the familiarity of the product between buyers and sellers. This thesis has indicated that the blockchain BG’s that contributed to the study follow the characteristics described in the BG theory. It is not certain that all of the traits are affected or possible only due to blockchain technology. Nevertheless, it can be indicated that blockchain has made its mark on the BG’s business models connected to internationalisation.

The empirical findings show us that implementing blockchain in a business area not known to the sellers, will result in more time and investment being spent from buyers, gaining knowledge about the product and sellers, gaining knowledge about
the market. Moreover, the findings have not shown that the degree to which a company implements blockchain technology in its core offering has affected its internationalisation. In the case of AIAR, the company had partly implemented blockchain technology in its core offering but their slower internationalisation in regard to Bitrefill and ChromaWay is due to the fact that AIAR uses the blockchain technology in a completely new area, and therefore need to spend time and resources on informing the market about their product.

From the results we have added three new criteria to Hennart’s (2014) business model, highlighting the role of disruptive technology and cyberspace on blockchain BGs internationalisation.

a) They sell niche products and services sought by internationally dispersed customers.
b) They sell products and services for which they need to make little international marketing mix adaptations.
c) They use low-cost means of communication and delivery
d) They are based in a country with a small home market for the product or service
e) Their distribution requires no local presence and can be provided remotely.
f) “disruptive technology” that push them to the global market.

In conclusion the thesis can pinpoint that the Blockchain BG internationalisation process is characterised as accelerated due to the effects of blockchain technology through the medium of cyberspace. It is, however, complex since it is the not only the technology per se that has affected the internationalisation but rather a symbiosis of different elements connected to blockchain. The conceptual framework of this thesis displays an aerial view of figure. 2 with the criterias 1-3 in the center. However, in the remodelled version we highlight the importance of interactions, and more specifically the shared knowledge, between network actors (NA), building the DSF. The connection between the core concepts surrounding blockchain technology, which has proven to visualize how the concepts contribute to an accelerated internationalisation.
6.2 Theoretical Implications

Research trying to understand blockchain BGs and their ecosystem has up to this point been very limited, and a research gap has consequently been identified. As the aim of the thesis was to gain a deeper understanding of how blockchain has affected the internationalisation, we conducted research regarding how blockchain affects the internationalisation process of Swedish BGs. The outcome of this thesis demonstrated that what we refer to as the “disruptive technology” can affect and accelerate the internationalisation process of Swedish born global firms. By providing services of disruptive technology through the cyberspace, firms have little to no boundaries and can have instant access to new markets. By contributing to the research gap other companies can understand the contributions that blockchain can bring to internationalisation and how to capitalize on it. The previous research done on internet and internationalisation proves to follow the phenomena of blockchain. The technology of blockchain possesses capabilities of problem-solving in international business such as the internet did in the 1990’s. When studying the technology in its present state the authors conclude that a better understanding can be made on how a disruptive technology like blockchain can change the business environment. This information can contribute to the interest in technological trends and how they correlate to internationalisation. A key factor when entering the blockchain ecosystem proves to be that companies can exploit the DSF (domain specific familiarity) which enables international growth and expansion.
6.3 Practical implications

Blockchain technology brings both security and transparency to previously fraud-ridden industries. This proves that blockchain can bring new opportunities in uncharted areas of business. However, when observing the empirical findings the theory of blockchain technology is sometimes very different from reality. The current zeitgeist of the blockchain community borders on an almost cult behaviour which sometimes can evoke a tunnel-perspective. Blockchain is said to bring prosperity to the business world in a revolutionary manner but, companies need to acknowledge the already existing structures of laws and regulations. Fighting the naivety can, therefore, become a great asset for future blockchain businesses. Companies and entrepreneurs that are interested in the blockchain technology are encouraged to understand the broader picture of blockchain since it is not only the technology per se that drives foreign expansion but rather a usage of ecosystem contacts through the cyberspace and having a prominent business model.

6.4 Limitations

Over the progression of the thesis, certain limitations were encountered, and we believe they had influence, to some degree, on the quality of the empirical findings and consequently the ability to answer the research question. This thesis had originally planned to interview four blockchain born globals, but only included three with the fourth being an experienced manager at Deloitte. Although his expertise and professionalism did contribute a lot to the subject of matter, the fact that he provided with third perspective empirical findings, may have influenced our own subjective view on the matter, and altered the view we would have had if we had interviewed four blockchain born globals. It can, therefore, be debated if it broadened our view on the subject or made our conclusion more biased.

6.5 Recommendation for future research

The authors of this thesis recommend and urge that future research is to be done on the subject of blockchain and internationalisation. In line with the findings and suggestion to a remodelled conceptual framework of the blockchain born global, some research directions need to be addressed to clarify to what extent the blockchain BGs internationalisation is influenced by the specific characteristics that we have proposed. This is especially the case in different areas that blockchain can be implemented in. Comparing fast and slow firms within the digital start-up community. To increase the conclusive validity, it would be necessary to test the frameworks by conducting the same research in other countries and firms, where the technology is deeply rooted in the culture; e.g. the Asian market and the North American market. Furthermore, existing theoretical frameworks explaining BGs’ behaviour are grounded in economic research on tangible goods. These frameworks have contributed tremendously to advances in the International Business field, and future BG research should emphasize the realities of the digital world and
cyberspace. The implications of the technology seem endless and the exploration of blockchain can, therefore, give both innovation and input to the world of international business. The areas of research recommendations are hence the following:

a) The implications of blockchain in traditional companies are vital since the technology is reaching its maturity state. The use of “smart-contracts” in IB can aid the management of international trade in terms of contracts.

b) Since blockchain can eradicate the usage of middle-men in international trade a substantial proportion of companies could be affected. In regards to these companies, further research is to be done on what the implications would be for international business and trade.
7 References


8 Appendix

Interview questions
If you wish to read the thesis after, we are happy to send it to you.

Background questions
Company:
1. Brief information about yourself, (what is your position and how long have you worked for the company?)

Information about the company
2. What services do you provide?
3. How many employees do you have?
4. When was the company founded?
5. Do you wish to be anonymous?

Internationalization
6. Which international markets are you currently operating in?
7. How many percentages (approx.) of your turnover comes from foreign operations (specify Europe or global market)
8. How long have you operated internationally?
9. How did you acquire international clients?
10. Did you actively seek to enter the global market from the beginning?
11. How does a foreign market expansion look like?
12. What barriers have you faced, if any?
   How have you dealt with these barriers?
13. Would you say that you were well prepared, in terms of knowledge and /or experience at the companies early years?
14. Does an international expansion require the presence of tangible assets/ physical goods in that market?

Born Global traits (four main theories)
15. How did you get started with the company?
16. What roles do network contacts play when entering a new market?
   Why?
17. Did network contacts influence play when creating the business idea?
   Why?

18. How did the funding process look like?
   If there are external investors, how did they approach you?
Where you part of a start-up hub? What role did the hub play in terms of network contacts, and how important where they for you?

19. What resources do you need to enter a market?
   Why these specific resources? (Human and financial resources, tangible/intangible)

20. How would you characterize the foreign market expansion process? (Gain customers in a foreign market)

21. Do you need to make any international marketing adaptations? (4ps -- price, place, promotion, and product)

22. What are the costs to deliver the service to a customer? And how effective is it (reach and time relation)?

23. How many domestic customers do you have in relation to foreign customers?

24. Would you consider that you operate in a highly niche market?
   What was the driver for creating the offering?
   Would you have been able to offer the same service (to the same extent) if blockchain hadn’t excited?
   How do you think the situation would have looked like, in terms of finding new customers and expanding in to new markets?

25. How does your communication and delivery method look like?

26. How do you find customers? Do customers call you to inquire or do you actively seek customers?

27. Would you say customers need education on the product or do they already know what they’re buying, relating to blockchain?

28. Have you had previous involvements with blockchain technology?

29. Have you had any international work experience prior to this company?

30. What do you think blockchain bring to the future of international business?

**Blockchain/cyberspace**

31. Does the technology enable business opportunities?

32. What is the attitude towards blockchain from the customers?

33. Has the blockchain technology lowered possible barriers to entry?

34. Does the blockchain give you a competitive advantage when operating in foreign markets? In what way?

35. Since blockchain is relatively new to the market and can be applied in virtually any sector, did you feel there was a “first mover advantage” or “first one wins” pressure to come out with new innovative services?

36. Would you state that blockchain technology has pushed you towards the global market or made it easier to find customers?
Conclusion

37. In your opinion, how has the technology of blockchain influenced your internationalization?

38. All considered in regards to the process of internationalization. Do you believe that the technology of blockchain has enabled a rapid internationalization to the global market?

39. Do you believe the ecosystem around blockchain, (the hype around it, how it is set to change business, how tech companies all are informed on it) has enabled you to grow quickly?