

DOOR ANTICIPATOR,
LOCATOR AND OPENER,
BUT ONLY FOR THOSE
WHO KNOW ABOUT IT

EVALUATION OF THE MARKET
OPPORTUNITIES SERVICE

Olli Oosi, Marika Koramo, Nita Korhonen and
Mikko Wennberg



The authors and their organization:

Olli Oosi, Marika Koramo, Nita Korhonen and
Mikko Wennberg, Owl Group Oy

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ISSN 1797-7347

ISBN 978-952-457-640-4

Cover photo: Shutterstock

Graphic design: Maria Singh

Page layout: DTPage Oy

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FOREWORD

Team Finland Market opportunities (TFMO) network actively seeks sales opportunities and gathers market information for the business development needs of Finnish SMEs. It provides insights on new market opportunities and help companies take action by offering advice and building activities that connect Finnish companies to market opportunities, and help companies also to evaluate their know-how and development needs with a view to the future. Therefore, market know-how is turned into services of which 1) Sales leads offer information about foreign companies' need to find a supplier for a particular product or service. Service helps Finnish companies to initiate discussion with a view to establishing cooperation; 2) Business opportunities offer information about wider opportunities for business opened by market changes in different markets; 3) Future Watch offers information on possible changes in the business environment reshaping the future demand over a 2–5 year time span.

In this study, the purpose was to produce an evaluation analysis what is the impact of TFMO service on the companies in the short and long term? Moreover, it compared the value added and effectiveness of TFMO service to other services of market information and activities, and finally how the TFMO service should be improved?

The study took several perspectives on measuring impacts of the service. First, there was an analysis about similar services in other countries (Sweden, Denmark, the Netherlands and the UK). Evaluation analysis was based on a survey of companies, business interviews, and staff interviews and surveys. It was found that main benefits in Sales leads and Business opportunities relate to receiving contacts, increasing awareness and internal knowledge of the companies on matters relating to exports. In case of Future Watch, the insight and foresight improves companies' understanding of the potential future business areas.

This impact study was carried out by the evaluation team of Owl Group Ltd. Business Finland wishes to thank the evaluators for their thorough and systematic approach. Business Finland expresses its gratitude to steering group and all others that have contributed to the study.

Helsinki, May 2018

Business Finland

TFMO-ARVIOINNIN TIIVISTELMÄ

ARVIOINNIN KOHDE JA TAVOITTEET

Arvioinnin kohteena on Marketopportunities-palvelu. Palvelu kokoaa markkinaoivalluksia kansainvälistä kasvua hakeville pk-yrityksille. Palvelussa on tarjolla suomalaisen pk-yrityksen liiketoiminnalle olennaista,

Arvioinnilla on neljä tavoitetta: 1) TFMO-arviointikehikon uudistaminen 2) Asiakashyödyn mittaaminen 3) Toiminnan tuloksellisuuden arviointi 2016–2017 ja 4) Suositukset palvelun kehittämiseksi. Alla olevaan taulukkoon on merkitty arviointikysymykset.

SALES LEADS JA BUSINESS OPPORTUNITIES:

Miten yritysten aktivointi on onnistunut?

Miten caset eroavat toimialoittain (case- ja yrityskoko ja suurin hyöty per case)?

Miksi tietyt yritykset eivät ole aktivoinnista huolimatta lähteneet mukaan?

Onko toimintatavassa (liikkeellepanon nopeus, valmistelu) ja aktivoinnin mittaamisessa (keskiarvo) kehittämistarpeita?

FUTURE WATCH:

Mikä on ennakointitiedosta saatu välitön ja pitemmän aikavälin hyöty kohdejoukon yrityksille (kasvuhakuiset ja -kykyiset yritykset)

Mikä on verkottumisesta saatu välitön ja pitemmän aikavälin hyöty (uudet kontaktit, kontaktien relevanttius) yrityksille?

Mikä on ennakointitiedosta saatu hyöty muille toimijoille (Team Finland toimijat ja muut ennakointitahot)

Mikä on palvelun lisäarvo ja tehokkuus suhteessa muuhun yritysten käytössä olevaan ennakointitietoon ja -toimintaan?

markkinakohtaista tietoa niin konkreettisista kysyntä-tarpeista kuin pidemmän aikavälin markkinoiden muutostilanteista. Palvelun käyttäminen on maksutonta. Market Opportunities -palvelu tarjoaa 1) myyntiliidejä (sales leads); 2) tietoa liiketoimintamahdollisuuksista (Business opportunities); 3) tulevia kasvumarkkinoita tunnustelevia Future Watch -selvityksiä ja niihin liittyviä tilaisuuksia; sekä 4) maakohtaista toimintaympäristötietoa (Country outlook, jotka eivät kuulu arviointiin).

Arvioinnin tulokset perustuvat yrityskyselyyn, yritys-haastatteluihin ja henkilöstön haastatteluihin sekä henkilöstökyselyyn. Arvioinnissa tehtiin myös kansainvälinen benchmarking-katsaus vastaavista palveluista verrokkimaissa (Ruotsi, Tanska, Alankomaat ja Yhdistynyt kuningaskunta).

ARVIOITA SALES LEADS- JA BUSINESS OPPORTUNITIES -PALVELUJEN HYÖDYISTÄ

Aktivoitujen yritysten kokonaismäärä on ollut vuosittain (2016–2017) noin 2 000. Myyntiliidejä saaneista yrityksistä kaikkiaan 40 prosenttia arvioi liidit melko tai erittäin relevanteiksi ja yli 55 prosenttia liiketoimintamahdollisuuksien kohteena olleista yrityksistä arvioi liiketoimintamahdollisuudet melko tai erittäin hyödyllisiksi. Arvioinnin tulokset osoittavat, että tärkeimmät

yritysten kokemat hyödyt liittyvät uusien potentiaalisten asiakaskontaktien saamiseen ja yritysten vientiliiketoimintaan liittyvän tietoisuuden lisääntymiseen. Noin 75 % yrityksistä tunnistaa nämä hyödyt. Suurin osa aktivoinnin kohteena olleista yrityksistä oli tavannut potentiaalisia yhteistyökumppaneita tai saaneet uusia kontakteja, mutta kansainvälinen kauppa itsessään ei ollut vielä toteutunut tai myyntiprosessi oli vielä kesken. Palvelu näyttää saavuttavan parempia tuloksia niillä liiketoiminta-aloilla, joilla se liittyy läheisesti Business Finlandin muuhun ohjelmatoimintaa esimerkiksi kasvuhjelmiin.

Arvioinnissa saatiin vähäisesti näyttöä siitä, että myyntiliidit tai liiketoimintamahdollisuudet olisivat tuottaneet yrityksille todellista kansainvälistä vientiliiketoimintaa. Aktivointityötä tekevillä asiantuntijoilla on hyvin vähän työkaluja tai resursseja (aikaa) seurata aktivointityön todellista vaikutusta yritysten liiketoimintaan. Myyntiliidien ja liiketoimintamahdollisuuksien taustalla olevat prosessit näyttävät sisäisesti toimivan varsin hyvin.

ARVIOITA FUTURE WATCH -PALVELUN HYÖDYISTÄ

Ne yritykset, jotka ovat osallistuneet Future Watch -työpajoihin tai ovat hyödyntäneet Future Watch -raportteja omassa työssään, arvioivat että ennakointityö on parantanut niiden ymmärrystä mahdollisista tulevista liiketoiminta-alueista. Future Watch -palvelun tärkein hyöty näyttäisi olevan Team Finlandin sisäiselle verkostolle,

joka hyödyntävät ennakointia osana yritysten aktivoiminta ja/tai asiakaspalvelua. Future Watchin merkitystä yrityksille ei voida arvioida täysin, koska suhteellisen harvat organisaatiot ovat osallistuneet toimintaan tai pystyvät erottamaan Future Watch -työn muista Business Finlandin palveluista..

KEHITTÄMISKOhteITA JA SUOSITUKSIA PALVELUN KEHITTÄMISELLE

Tulokset osoittavat, että Market Opportunities -palvelulla on varsin suuri lisäarvo niille yrityksille, jotka palvelu on saavuttanut. Suurin osa pk-yrityksistä, jotka ovat hyödyntäneet palvelua, eivät pysty kuitenkaan erottamaan, mihin Business Finlandin palveluun he ovat osallistuneet.

Kehittämiskohteet:

- **Palvelun tunnettavuus ja saavutettavuus:** Palvelun yksi keskeinen haaste liittyy kohderyhmän saavuttamiseen. Tämä johtuu osittain siitä, että tällä hetkellä palvelu toimii enemmän "sisäisenä CRM- tai prosessityökaluna" palveluverkossa kuin pk-yritysten yleisenä alustana.
- **"From take-up to follow-up":** Toinen keskeinen haaste palvelun vaikuttavuuden kannalta liittyy palvelun todellisten vaikutusten seurantaan. Aktivointityön vaikutuksia yritysten vientiliiketoimintaan tulisi seurata säännöllisesti ja reaaliaikaisesti. Niillä liiketoiminta-alueilla, joissa Market Opportunities palvelu liittyy läheisesti muihin Business Finlandin

toimintoihin (erityisesti kasvuohjelmiin) palvelun yleinen vaikuttavuus on suurempi.

- **Prosessissa käytetyt työkalut:** Kehittämiskohteiksi mainittiin myös palveluprosessissa käytettävät työkalut (erityisesti yhteydet kahden eri järjestelmän välillä). Lisäksi viestintä- ja markkinointiprosessit mainittiin kehittämiskohteiksi.

Suosituks:

- **TFMO-palvelun (ja kunkin keskeisen osakokonaisuuden) tavoitteet olisi määriteltävä selkeämmin.** Palvelun jokaisen osakokonaisuuden keskeisiä tavoitteita koskevat näkemykset vaihtelevat. Näitä tulisi jatkuvasti selkeyttää ja artikuloida palvelun parempaa mittaamista varten.
- **Seuranta-vaiheen tulisi olla tiukemmin toteutettu ja seuranta tulisi kohdentaa palvelun todellisiin vaikutuksiin:** Tämän arvioinnin tulokset osoittavat, että aktivointityön tuloksia seurataan tällä hetkellä hyvin rajoitetusti. Arvioinnissa oli vaikeuksia löytää todisteita uuteen vientiliiketoimintaan johtaneista onnistuneista yritysaktivoinneista.
- **Palvelun tiiviimpi linkittäminen Business Finlandin muuhun ohjelmatoimintaan lisää palvelun vaikuttavuutta.** Market Opportunities -palvelujen toimintoja kannattaa vielä selkeämmin yhdistää Business Finland -ohjelmiin, erityisesti kasvuohjelmiin.
- **Palvelun markkinoinnin ja viestinnän tehostaminen tunnettavuuden lisäämiseksi.** Market Opportunities -palvelua ja verkkosivustoa tulisi markkinoida nykyistä enemmän kohderyhmille. Markkinointia ja viestintää on hyvä toteuttaa muiden palveluiden yhteydessä sekä yhteistyössä keskeisten sidosryhmien kuten Suomen yrittäjien tai Elinkeinoelämän keskusliiton kanssa.

1 INTRODUCTION

The focus of the evaluation is Team Finland's Market Opportunities service.

The Market Opportunities service provides:

- 1) Sales Leads
- 2) Business Opportunities
- 3) Future Watch surveys and related events exploring future growth markets; and
- 4) Country outlooks that are not part of the assessment.

The evaluation has four objectives: firstly, the Reform of the TFMO Assessment Framework, which is presented in the chapter 2. The second objective was the measuring of the customer benefit, for which the main findings are presented in Chapter 4. Thirdly, the objective was to review the effectiveness of the services in 2016 and 2017. These findings are presented in chapter 3. Finally, chapter 4 summarises the key conclusions from the evaluation and some recommendations for further service development.

2 MARKET OPPORTUNITIES SERVICE AND EVALUATION FRAMEWORK

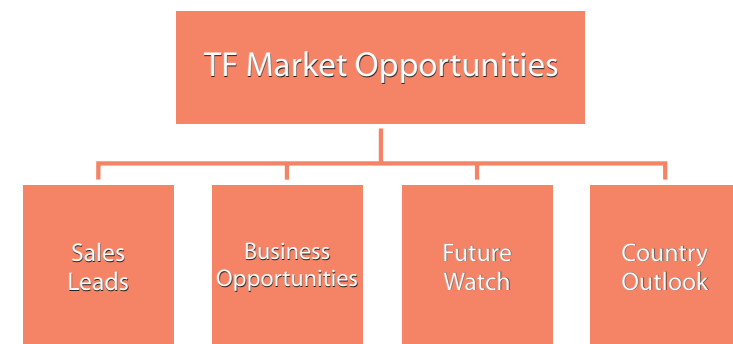
2.1 MARKET OPPORTUNITIES CONCEPT AND EVALUATION QUESTIONS

The focus of this evaluation is on Market Opportunities and its three service offerings. The service brings together market insights for SMEs seeking international growth. The service provides relevant, market-specific information on tangible demand needs for the Finnish SME's business as well as longer-term market change phenomena. Finpro, Tekes and the Ministry of Foreign Affairs together bring the content of the service. The use of the service is free of charge.

The content on the web service is based on the international networks of the Team Finland organisations and their market knowledge, expert and client interviews and expert surveys.

The Market Opportunities service provides: 1) sales leads 2) Business Opportunities 3) Future Watch surveys and related events exploring future growth markets; and 4) country outlooks that are not part of the assessment. (see figure 1 below)

FIGURE 1. Market Opportunities service.



The goal and purpose of the service is to turn market insight into business. The service produces business-relevant information tailored to Finnish SME's. Team Finland supports in building business cases: advice, funding, networking. Impact is created through the whole process from spotting to activities that link companies to business.

2.2 EVALUATION QUESTIONS

2.2.1 OBJECTIVE OF EVALUATION

The focus of the evaluation is therefore the service provided by Team Finland's organisations, based on knowledge and services, consisting of activation and a supportive web service. The evaluation has four objectives:

1. Reform of the TFMO Assessment Framework
2. Measuring Customer Benefit
3. Evaluation of operational performance 2016–2017
4. Recommendations for developing a service

The evaluation will revise the assessment framework developed by Business Finland in 2015. The evaluation framework consists of general indicators of performance, indicators of effectiveness. Evaluation of the performance of the service in 2016–2017 and recommendations for service development will also require consulting key actors and involvement in evaluation.

2.2.2 EVALUATION QUESTIONS

Evaluation questions are created on a service-specific level. The evaluation questions are as follows:

1. Evaluation questions regarding Sales leads and Business opportunities

- How has business activation been successful?
- Is there a case for activation? → Would it have been left without the company without activation?

- How do cases differ by industry (case and business size and greatest benefit per case)?
- Is there a need for development in the mode of operation (speed of movement, preparation) and measurement of activation (mean)?

2. Evaluation questions regarding Future Watch

- What is the foresight information of immediate and longer-term benefits for target group companies (growth-seeking and high-performing companies)?
- What is the immediate and longer-term benefit of networking (new contacts etc.)?
- What is the benefit of foresight information for other actors (Team Finland actors and other foresight forecasts)?
- What is the relevance of benefits and service outcomes in relation to other foresight information and activities?
- What is the added value and efficiency of the service in relation to other foresight information and activities used by companies?

The next chapter examines the evaluation framework and methods used in the evaluation more closely.

2.3 EVALUATION FRAMEWORK

One of the tasks of the assignment was the development of the Evaluation Framework for the services. As the first phase of the evaluation, the service team representatives and directors of the reacted services were interviewed to gain understanding of the expected outcomes and impacts. In addition, the background presentation and internal memos were studied together with a sample of five global opportunity leader interviews to gain an understanding of how the services are organised and what kind of results and impacts are to be expected.

The service has been implemented since the year 2016 and different stakeholders have varied opinions on what it is about. Thus the Evaluation Framework should be seen as a preliminary logic model and it could be further developed as part of the service development.

The Evaluation Framework consists of the following elements:

- Inputs = organising the services
- Outputs = key outputs from the different activities at the aggregated level
- Outcomes or results which are split between internal benefits for Business Finland and SMEs and and reflect also short term benefits
- Impacts = both internal and customer benefits, from which some are short-term (especially business impact) and longer term

It should be noted, that in many case the realisation of impacts is depended upon the activities done by the

SMEs themselves and could be continued to be developed by other actors, rather than business Finland.

The overall logic model is presented in Figure 2. It should be noted that logic model is empirical (based on the expected and to some extent perceived benefits) rather than theoretical or summative (which would be based on theoretical modelling or based on other research literature considering export-driven innovation services).

Key information sources for each item are described in the following table (Table 1).

The customer survey carried out in this evaluation provides a holistic survey question package to further measure the benefits based on this logic model. In some cases the understanding of the target market and issues the company need to develop in order to get the market entry is a crucial benefit from the service. This also includes practical contacts and relationships gained through the participation in the services, which establish further layer for potential export opportunities.

It should be noted, that this evaluation had relatively little time to actually design the Evaluation framework. This framework was developed by the evaluator and from the findings you can see that there is quite strong variation how key personnel within the service network even see the expected results and impacts from the service. This framework can be used in wider scale of assessing the benefits of these service, but still the internal discussion and clarification of the goals of the service is need, as recommended later in this evaluation.

FIGURE 2. Framework for the Evaluation (the Logic Model for the services).

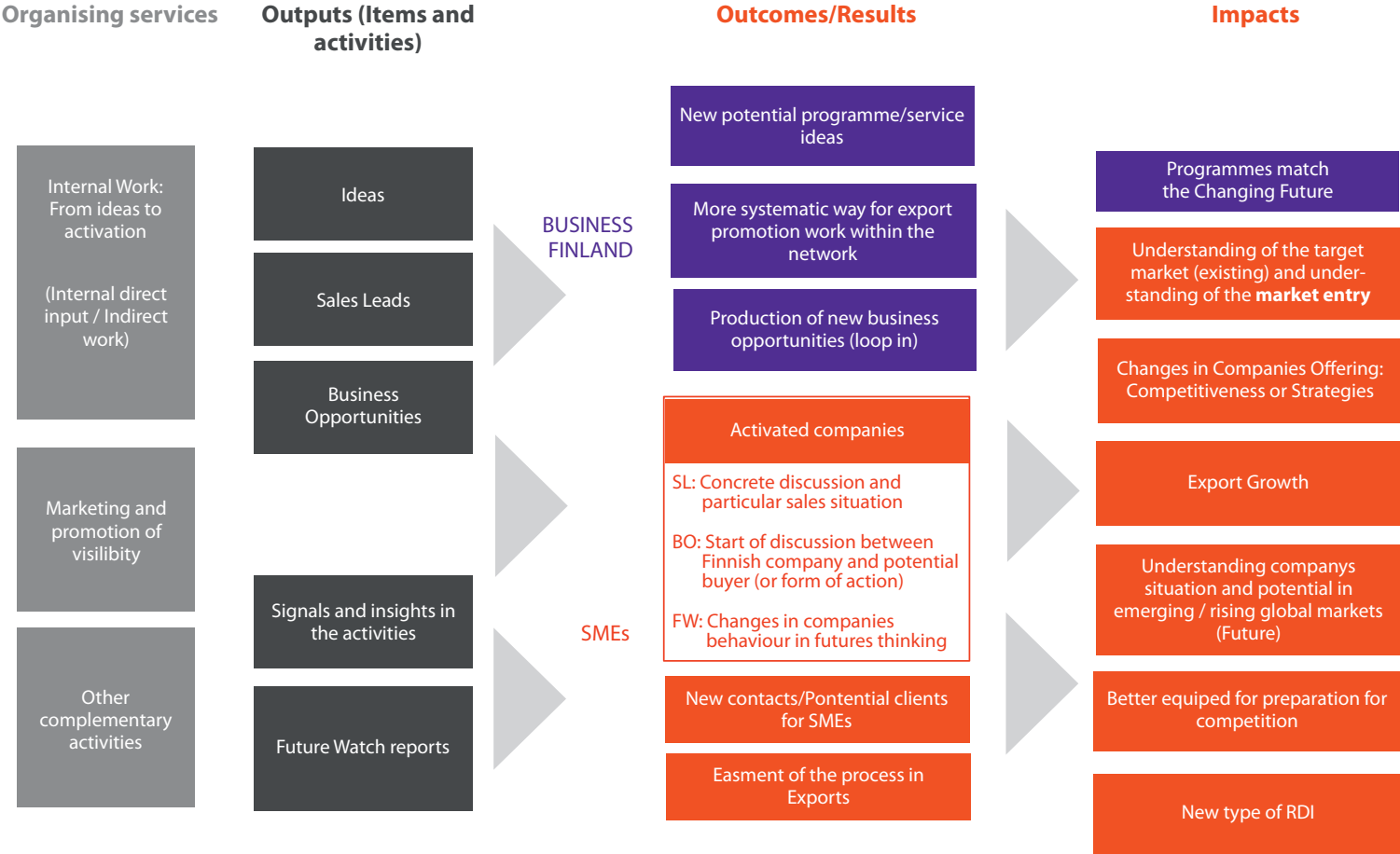


TABLE 1. Information sources for the model.

ORGANISING SERVICES		
Unit of analysis	Data Source (general)	In this evaluation
Internal Work: From Ideas to activation	Estimation of working input (personnel)	Survey to personnel Estimation based on Business Finland Data
Marketing and promotion of visibility	Annual costs	Estimation
Other activities connecting Finnish SMEs to potential customers or other actors	Amount of seminars, webinars and events This can also lead to additional outputs such as market reports, value chain analysis or other relevant publications This also includes work, where companies can start carrying out activities by themselves or with other actors, rather than Business Finland	Monitorin data
OUTPUTS		
Ideas	Number of ideas per industry sector and target area	Opspace
Sales Leads	Number of Sales Leads per Industry sector and target market	Opspace
Business Opportunities	Number of Business Opportunities per Industry sector and target market	Opspace
Signals and insights	Number of Signal and insights within Future Watch process	Opspace
Future Watch reports	Number of Future watch reports	Opspace
OUTCOMES		
New potential programme/service ideas (Internal)	Assessment of the amount of relevant insight / ideas from internal Business Finland Experts	Interviews with selected programmes / experts
More systematic way for export promotion work within the network (Internal)	Assessment of the personnel if the service helps systematising internal work	Interviews + questionnaire to personnel

...TABLE 1.

OUTCOMES		
Production of new business opportunities (loop in)	Number of business opportunities and sales leads generated from the activities organised based on other sales lead, business opportunity or Future Watch.	Estimated in interviews
Activated companies	Number of activated companies in Sales Leads and Business Opportunities as measured currently Changes in companies behaviour in futures thinking	Opspace + reporting Qualitative interviews
New customers / contacts	Number and quality of contacts received during activation	Key result emerged during evaluation data collection (not in the original hypothesis)
Easment of the process in Exports	Customer feedback whether the work overall eased them in executing needed actions to increase exports	Customer survey + interviews
IMPACTS		
Programmes match the Changing Future (Internal)	Assessment in other evaluations.	Interviews with programme managers
Understanding of the target market (existing) and understanding of the market entry capabilities (short term)	Customer assessment	Customer surveys and interviews
Changes in Companies Offering, Competitiveness or Strategies	Customer assessment	Customer surveys and interviews
Export growth	Customer assessment	Customer surveys and interviews
Understanding company's situation and potential in emerging / rising global markets (Future)	Customer assessment	Customer surveys and interviews
Better equipped for preparation for competition	Customer assessment	Customer surveys and interviews
New Type of R&D&I	Customer assessment	Customer surveys and interviews

Second thing to consider is, that the service is in itself part of the “internal working” of the network. To further develop the evaluation framework the working time of personnel should be measured or estimated separately to better distinguish the costs for the actual service.

Also it should be noted, that to some extent whether it is this service or some other service of Business Finland, is same to the client if they have positive outcomes. Thus even if this framework would be used in sending automated follow-up -questionnaires to particular companies, they might have difficulties to demarcate between the results of a particular sales lead, opportunity or webinar, from other services they have had with Business Finland.

2.4 SERVICES IN COMPARATIVE PERSPECTIVE

In this chapter, we take a closer look at similar services in other countries (Sweden, Denmark, the Netherlands and the UK). The services that are offered in these countries have different orientations regarding a few features. The first is the scope of services. Some countries such as Denmark and Sweden offer services which are often tailored to individual companies’ needs. The second one is the operating model meaning if the services are offered at market prices, subsidised prices or free of charge. From the service descriptions below it can be seen that the more tailored offered services are, the

more often they are available for a fee. A third difference is the orientation of services in terms of reactivity and proactiveness. In the comparative countries, companies are often expected to be active in seeking advice and services and the services a quite reactive whereas in Finland services are proactive and companies are activated to participate.

In the following, we give an overview of the context of export promotion in each country and after that we summarise the main characteristics of each export promotion activity in table format.

2.4.1 SWEDEN

In Sweden, the so-called Export strategy (2015) is the central document that steers all the tasks around export promotion. In addition to the general Export strategy, there are also sector-specific plans for the core export areas. These sector-specific strategies are to be drafted especially for industries that have unfulfilled export potential. Out of the many players in the field of business and export promotion, Business Sweden is one of the most central. Business Sweden was established in 2013 when Exportrådet and Invest Sweden merged. The operations of Business Sweden, thus, focus both on export promotion and on investments to Sweden. In addition, Business Sweden has responsibilities in relation to networking and building relations internationally, nationally, regionally and locally. Business Sweden operates in nearly 50 countries. It has around 500 employees, of which 100 work in Sweden.

Business Sweden has a “service promise”, which crucially steers its operations. According to the service promise, Business Sweden always responds to all advice requests within 24 hours. Business Sweden is part of a wider Team Sweden entity, which promotes Swedish exports as a public-sector umbrella. Team Sweden’s operations have been divided both to target country and industry-specific working groups. Business Sweden has services both for free and for charge. Usually the services are tailored out of company-specific needs. In practice, the target country and industry-specific information is usually free, but more personal advice services and tailored country and industry reports require registration as a (paying) customer.

One of the charged services is also a so-called Connect service, where the Business Sweden advisers help the company find suitable partners in the target country. There is also a business opportunity project (Affärschans), in which Business Sweden and the client company together perform a market analysis, a strategy for next steps and a business promotion trip to the target market. After the trip, Business Sweden will give the company its notes and tips for the next steps. Both Connect and Affärschans are subsidised services offered against a lower payment. Business Sweden also has a Steps to Export programme, in which the companies are given guidance in making an export strategy.

According to Business Sweden’s annual report 2016, in that year twelve deals were prioritised with the objective of helping Swedish companies to win contracts. The total value of these projects was estimated at SEK 30

billion (EUR 2.9 billion). Swedish companies won deals totalling SEK 660 million (EUR 65.8 million) on the priority projects. In 2016, about 11,500 direct enquiries from interested entrepreneurs were answered concerning market information and export techniques and 1,600 unique companies met regional export advisors for at least one hour and were given advice. 537 companies completed all or parts of “steps-to-export”. The Connect service sold 435 projects. Between 2015 and 2016, the number of private corporate customers and the size of private assignments rose by 10%.

In general, the coordination of different parties in identifying and activating companies to export promotion has been low in Sweden. In recent years this coordination has been acknowledged as an aspect to develop. There have now been initiatives to establish regional export centres that gather together regional parties in the field. In general, there are also large differences between areas in terms of what public services are available for companies. Tillväxtverket also has a Verksam.se site, in which it offers export related information to companies. There have been efforts to develop the site during the last few years. The site has information about e.g. business cultures in different countries and about risks and possibilities in them (“Få koll på olika marknader” map). The main difference between Tillväxtverket and Business Sweden is that Tillväxtverket mainly offers advice in digital form. The main characteristics of promotion of exports and internationalisation are summarised in the table below (Table 2).

TABLE 2. Summary of Sweden.

BASIC INFORMATION		OPERATING MODEL
Sales leads	<ul style="list-style-type: none"> • Business Sweden helps the companies individually in finding leads and potential business partners (e.g. Connect service). The starting point is the existing needs and interests of Swedish companies. • Since the logic is opposite to TFMO, leads coming from the side of the target market are not systematically published. 	The finding of Sales Leads starts from the expressed needs of a Swedish company and is organised case-by-case. Contact service is subsidised. Other services for finding leads are usually offered at market prices.
Business Opportunities	<ul style="list-style-type: none"> • The website of Business Sweden has a Market Outlook part, which contains country and industry-specific “Möjligheter” reports. • The website also has a Kalendarium part, which contains information on upcoming seminars, training sessions, export promotion trips etc. • Business Sweden also offers an Affärschans service for a charge. In the service, an advisor from Business Sweden seeks business opportunities together with the client company in areas that interest the company. 	<p>The majority of the content on the Business Sweden site is available to all, but the company can get more information by registering as a (paying) customer. More “complicated” needs are addressed in personal contact between Business Sweden and the customer company and Business Sweden also offers help in choosing a suitable target market.</p> <p>The Affärschans service is subsidised. The companies can also get very specific market reports related to their needs, if they pay Business Sweden.</p>
Future Watch	<ul style="list-style-type: none"> • The Market Outlook part includes country specific reports on future trends and perspectives. • There is also a separate “Trendrapporter” part, which includes wider global and country specific reports of trends. • The Business Sweden website also includes a large amount of information about approximately 50 target markets and export rules and guides related to them (e.g. Skeppningshandboken and Exportguiden). • In addition, the Verksam.se site offers information about business cultures in specific countries. 	The majority of the content on the Business Sweden site is available to all, but the company can get more information by registering as a (paying) customer.
Other Market information	<ul style="list-style-type: none"> • Business Sweden also publishes examples of customer cases in which its information has been used. • Business Sweden also offers information about global market perspectives. 	
Follow-up on results and effectiveness	<p>The effectiveness of the Export strategy is followed up by the amount of exports (absolute numbers and share of GDP), monitoring Sweden’s attractiveness in terms of investment, know-how, tourists and following up on the number of companies doing exports as well as the number of Swedish companies which participate in global business. Business Sweden also measures four times a year the temperature of the export industry through the export managers index.</p> <p>On a regional level, the number of meetings with companies and the number of companies seeking paid services from Business Sweden is monitored.</p>	

2.4.2 DENMARK

In Denmark, the steering of export promotion is the task of the Ministry of Foreign Affairs. There are, similarly to Sweden, also export strategies that steer the public tasks around export promotion. These strategies can be industry-specific (e.g. energy technologies, environmental and food industries). The main responsibility of export promotion and investments is held by the Trade Council. The Trade Council employs around 100 people in Denmark and over 300 internationally at Danish embassies, consulates and trade commissions in 80 markets. The Trade Council helps around 6000 Danish companies annually in expanding exports and entering new markets.

There are also so-called innovation centres in seven countries that help Danish companies to find partners for cooperation and business opportunities more widely. The innovation centres are located in Munich, New Delhi, Silicon Valley, São Paulo, Seoul, Shanghai and Tel Aviv.

The Trade Council offers services both for free and for a charge. The services are typically very tailored to companies' specific needs. Due to the high level of company-specific tailoring, services are, more commonly, offered for a charge than for free. The Trade Council provides very little market information that is freely distributed. It works in close cooperation with regional business development companies and regional Trade Council advisors. In general, responsibilities

between the regional and national level are very clearly distinguished. Usually, the customer companies move from the regional level to being a customer of the Trade Council only when concrete export operations exist or internationalisation efforts are about to begin.

The Trade Council offers market reports and other export promotion services for a charge. It also organises affordable trips to Danish companies to target countries for increasing knowledge and gathering information from them. In Denmark, activating companies is not per se a task of the public sector; instead the companies are expected themselves to be active in seeking help. This also explains why most of the services are not offered for free. There is a national public sector wide guideline, which states that resources should not be used on generating general market information. According to the annual report of the Danish Ministry of Foreign Affairs of 2016, 82 per cent of customers of the Trade Council's payable services experienced a high or definitive value from receiving advice (the minimum target was 72%). The satisfaction level was estimated via an external survey with a response rate of about 40 per cent. The Trade Council had also other targets relating to the pipeline of projects, the strategic focus of projects and attracting investment, all of which it exceeded.

An interesting example of a programme that aims at promoting SMEs' exports is VITUS. VITUS programmes focus on export promotion and they are targeted at companies with export potential. The programmes may

be related to, e.g. a specific sector or a specific developing market. VITUS-programmes have been organised since 2010 and they have a very structured implementation process (in the first phase there is a process to create an export strategy and in the second phase is the implementation of the strategy). The services to companies are subsidised with the programme paying around 65% of them. An evaluation of the first phase of VITUS was undertaken in 2015 and, according to the results, companies which participated in the programme have significantly better results than other SMEs in Denmark with respect to turnover and personnel increase. In addition, the programme had significant impacts in accelerating the internationalisation process of SMEs. Most of the companies had started exports within a year of

participating in the programme. A prerequisite for the success is the high level of engagement of SMEs and advisors. The services that companies receive through VITUS are subsidised.

The Danish export strategy mentions the establishment of a Foreign Economic Forum as well as establishing growth advisors to certain markets. The first would have the task of developing market analysing practices in Denmark. However, this would not directly produce market information for companies. The growth advisors, however, would take part in acquiring and delivering market information to Danish companies. The main characteristics of promotion of exports and internationalisation are summarised in the table below (Table 3).

TABLE 3. Summary of Denmark.

BASIC INFORMATION		OPERATING MODEL
Sales leads	<ul style="list-style-type: none"> The Trade Council helps Danish companies e.g. through the innovation centres to find the right cooperation partners in target markets. In addition, there are 17 growth advisors in selected markets which promote market information gathering and distribution to Danish companies and build cooperation between Danish and foreign civil servants. There is basically no freely available information on the websites of the Trade Council. 	The service is a tailored process starting from the interests and needs expressed by the Danish customer company. The services are offered at an hourly rate (EUR 126).
Business Opportunities	<ul style="list-style-type: none"> There are export advisors who provide guidance related to target market areas. In addition to advice, the services usually include concrete "hands on" services such as drafting export plans and supporting their implementation. The VITUS programme helps selected companies with starting international business. There are also regional Export Coaching programmes. The Markedsinformation.um.dk site also contains listings of companies that work in the target market areas as well as sector-specific information about export possibilities. 	<p>The service is a tailored process starting from the interests and needs expressed by the Danish customer company. The services are offered at an hourly rate. The Trade Council may, e.g. organise meetings between the Danish company and advisors in the target countries ("sparring discussions").</p> <p>VITUS services are subsidised.</p>
Future Watch	<ul style="list-style-type: none"> The Markedsinformation.um.dk site offers both country and sector-specific information. The site has export statistics, trade-related magazines and newsletters. These reports are free. The export advisors at the Trade Council or Danish embassies can guide in more detailed questions. Companies can also commission the Trade Council to acquire market information for a fee. The Innovation Centers provide companies with information on target markets and e.g. research and technology development. 	<p>The service is a tailored process starting from the interests and needs expressed by the Danish customer company. The services are offered at an hourly rate.</p> <p>The Markedsinformation.um.dk site, however, includes free basic-level market information.</p>
Other Market information	<ul style="list-style-type: none"> The Trade Council also gives some examples on its website (works under the site of the ministry of foreign affairs) about companies that have benefitted from the help of the Trade Council's services. 	
Follow-up on results and effectiveness	<p>The effectiveness of promotion of exports and internationalisation is followed up through indicators. These apply to geographical areas including all Danish organisations and personnel based there. A common KPI is the income from services and it applies also to ambassadors. The most important indicator is the benefit for the client company. The benefit is followed up for every company served by the Trade Council.</p> <p>In addition, the Trade Council follows up the effectiveness of its employees based abroad through different indicators, e.g. how many companies the experts meet per year, how many companies are provided with an in-depth advisory session and how many of these companies end up using the Trade Council's services abroad.</p>	

2.4.3 THE NETHERLANDS

In the Netherlands, the promotion of exports and internationalisation is defined by the cooperation between the public and private sectors and the country's long history in foreign trade. Another important aspect is the Netherlands' top sector policy, which aims at ensuring that the Netherlands will remain a leading export country in the future. The top sector policy means cross-sectoral cooperation between industry, science and the government. There are nine top sectors (Horticulture and propagation materials, agri-food, water, life-sciences and health, chemicals, high tech, energy, logistics and creative industries). The top sector policy constitutes a significant part of the country's economic policy and is therefore relevant also for export promotion.

The promotion of exports and internationalisation is a joint effort between international, national and local actors. The Ministry of Foreign Affairs is responsible for promoting the Netherlands' interests abroad. The Ministry oversees the coordination of foreign policy and foreign trade on a strategic level but participates also e.g. in planning and executing export promotion trips. The Ministry of Economic Affairs and Climate Policy monitors matters relating to entrepreneurship, particularly regarding international competitiveness and sustainable development.

The Dutch Trade and Investment Board (DTIB) is a council representing both the public and private sectors which operates under the Ministry of Foreign Affairs. The DTIB is responsible for the export and internationalisation promotion on a strategic level by defining the main

export countries and markets for the Netherlands, measures for promoting top sectors, prerequisites for success and the roles of different actors in order to achieve targets relating to promotion of exports and internationalisation.

For companies, an important actor is the Netherlands Enterprise Agency RVO, which provides advisory, training and financing services regarding promotion of exports and internationalisation. The RVO helps companies to promote exports and internationalisation by granting financial assistance and by searching for foreign partners for companies. It organises export promotion trips and fairs and provides sparring to companies on their export strategies. It also has programmes related to promoting exports such as Dutch Good Growth Fund (DGGF), Partners for International Business (PIB), Partners for Water and Starters for International Business (SIB). The services are mainly free of charge or heavily subsidised. Service vouchers are used. RVO collects tenders published by international actors (like the EU, European Investment Bank, Inter-American Development Bank and United Nations) on a [netvibes.com](http://www.netvibes.com) website where companies can access them¹. The RVO has about 3200 employees, of which 60 work directly with export promotion and internationalisation in the Hague. In the 2016 annual report of the Dutch Ministry of Foreign Affairs, it is reported that the RVO helped around 2700 companies to draft a plan for investments, trade or services.

The Starters International Business (SIB) programme provides SMEs that wish to start exports with individual coaching vouchers, which enable them to have 3–5 sessions with an export coach. Topics are motivation and

¹ [http://www.netvibes.com/tio_nlevdinternationaal#Europese_Unie_\(EU\)](http://www.netvibes.com/tio_nlevdinternationaal#Europese_Unie_(EU))

ambition, market information and internal analysis of the company. The SIB programme also provides companies with vouchers that they can use in order to participate in an outbound trade delegation or joint trade fair presentation. The SIB programme is a follow-up programme for Prepare2start. The new programme incorporates experiences gained from its predecessor. Participants of the Prepare2start programme often failed to gain long-term success in internationalisation or they failed to increase their share of exports. This was seen as a consequence of poor planning. This is the reason why in the SIB programme, advice and coaching are emphasised. The implementation of the programme is followed up through customer satisfaction surveys. Every SME is contacted after participating in SIB services. In September–December 2015 the 377 SMEs that took part in SIB made export contracts worth 46.8 million euros.

Chambers of commerce are another important contact point for companies. They provide information and advice in matters relating to internationalisation. On a regional level, different actors (Enterprise Europe Network, Chambers of Commerce and regional development agencies) have organised their operations around regularly scheduled meetings, in which the regional actors discuss matters related to supporting start-ups, finance and promoting innovation and internationalisation activities.

International actors include 150 embassies and consulates as well as the Netherlands Business Support Offices in 18 locations (which operate in growing cities without a Dutch embassy or consulate and are part of the RVO). Furthermore, innovation attachés placed in Dutch embassies and consulates identify trends and possibil-

ities in future markets. The RVO operates in close cooperation with these international actors. The public actors share a client management system, in which information collected by the international network (i.e. embassies) is saved. Dutch public actors on international, national and regional levels have access to the system.

An example of information sharing between Dutch actors and companies is the website internationalondernemen.nl, which contains information on business opportunities and market information. The website is an initiative of the Dutch International Business Network ('Netwerk Internationaal Ondernemen' – NIO), an independent consultative body, consisting of several trade promotion organisations and the Dutch Ministry of Foreign Affairs. Other members besides the Ministry of Foreign Affairs are *evofenedex*, FME, ING (representing ABN-AMRO and Rabobank), Koninklijke Metaalunie, Chamber of Commerce, MKB-Nederland, Rijksdienst voor Ondernemend Nederland (RVO) and VNO-NCW. The website contains business opportunities, factsheets on regions and industries, trends, economic overviews, reports on missions as well as other information related to different regions. All parties of NIO publish items on the website.

Similarly to Denmark, public actors in the Netherlands do not actively seek companies whose internationalisation activities they will support. They inform about their services on different occasions. The companies are expected to contact the relevant actor when they are in need of services regarding internationalisation or export promotion. The main characteristics of promotion of exports and internationalisation are summarised in the table below (Table 4).

TABLE 4. Summary of the Netherlands.

BASIC INFORMATION		OPERATING MODEL
Sales leads	<ul style="list-style-type: none"> • One of the services provided by RVO is a partner scan for international business. The Dutch company is provided with a list of partners in the target market who are willing to cooperate. A prerequisite is that the RVO's expert has scanned the company's internationalisation plan and information needs. • The RVO collects tenders published by international organisations (like EU, EIB, UN) on a website where companies can access them. • The embassies and Dutch Business Support Offices support companies who want to export by being their local partner. The service consists of a mixture of informal support, using the foreign public network and economic diplomacy. 	<p>The partner scan costs 500 euros.</p> <p>The services of embassies are free of charge.</p>
Business Opportunities	<ul style="list-style-type: none"> • Companies can call RVO's experts to discuss e.g. market sectors, legislation, market entry of local business cultures. In addition, companies can assign the RVO with an information package of up to five countries. The information package is delivered within four weeks. The RVO provides country-specific information on its website (e.g. on economic situation, policy, legislation). It also organises export promotion trips and fairs abroad. • Also Chambers of Commerce provide information and advice in matters relating to internationalisation and market information. • The Starters International Business (SIB) programme provides SMEs that wish to start exports with individual coaching vouchers, which enable them to have 3–5 sessions with an export coach. Topics are motivation and ambition, market information and internal analysis of the company. The SIB programme also provides companies with vouchers that they can use in order to participate in an outbound trade delegation or joint trade fair presentation. • The internationaalondernemen.nl website contains information on business opportunities abroad. It is an initiative of Dutch International Business Network NIO, an independent consultative body, consisting of several trade promotion organisations and the Dutch Ministry of Foreign Affairs. 	<p>The Chambers of Commerce provide general information to companies. The RVO is responsible for more tailored services based on the companies' individual needs. These services are free of charge. There is a participation fee for participating in trade delegations.</p> <p>The SIB voucher for coaching is 2400 euros. SME's have to pay 504 euros for the service, but they get the money refunded in their VAT declaration. The SIB voucher compensates 50% of participation costs for companies (up to 1500 euros). The organiser of the trade delegation must be a Dutch private organisation.</p> <p>The internationaalondernemen.nl service is free of charge.</p>
Future Watch	<ul style="list-style-type: none"> • Innovation attachés based at Dutch embassies and consulates identify trends and possibilities in future markets. The RVO works closely together with them. Sometimes the RVO can refer the companies directly to a certain embassy for more information on the target country. • Trend reports are also published on the internationaalondernemen.nl website by NIO-related organisations. 	<p>The market information by the RVO and Chambers of Commerce are free of charge.</p> <p>The market information by NIO is free of charge.</p>
Other Market information	<ul style="list-style-type: none"> • There are multiple public and private actors in the Netherlands who promote exports and internationalisation. • Other relevant public entities in terms of activation of companies are local development companies. • The Entrepreneurs Association Evofenedex also helps companies with information and counselling regarding exports and internationalisation. 	
Follow-up on results and effectiveness	<p>The effectiveness of public promotion of exports and internationalisation is followed up by monitoring services or/and companies' customer satisfaction as well as the benefits of the services for the companies' businesses. RVO follows up on customer satisfaction and benefits through surveys targeted to client companies.</p>	

2.4.4 UNITED KINGDOM

In the UK, the steering of export promotion and international trade and investment is the task of the Department for International Trade. The new government department for international trade was established by Prime Minister Theresa May in July 2016 to support UK businesses to break into overseas markets, promote the UK as a place to do business and trade with, and negotiate and implement new global trading arrangements as the UK leaves the European Union. One of DIT's key tasks is to develop and deliver a new trade policy framework as the UK leaves the EU. DIT took on the responsibilities of the former UK Trade and Investment, as well as responsibility for UK Export Finance. DIT is overseen by the Secretary of State for International Trade, currently Liam Fox.

DIT helps British companies of all sizes to grow their business through international trade by offering expert advice and practical support through a range of programmes. It also connects businesses to the world's commercial opportunities and drives targeted campaigns centred around them. The main responsibilities of DIT include:

- bringing together policy, promotion and financial expertise to break down barriers to trade and investment
- promoting British trade and investment across the world
- building the global interest for British goods and services

The support that DIT provides for companies is often free, or at least highly subsidised, and in some cases, grants can be made available for a particular activity such as attending international trade shows. As DIT took on the responsibilities of the former UK Export Finance, DIT can also offer finance support for companies exporting to a high-risk country if company's bank or insurer won't help. The aim is to ensure that no viable export fails by not getting finance or insurance.

DIT and its partners organise events for companies that are looking for trade opportunities and/or are undergoing periods of transition. This is one of DIT's key services, and DIT's online calendar of events has currently some 400 core events and missions around the world, and 1000 opportunities across TAP "Tradeshaw Access Programme" and the English National Regions. The event calendar can be filtered and searched by sector and/or market.

In addition to events, DIT also organises a range of online services and webinars. Open to Export is DIT's free, online advice service for UK companies looking to grow internationally. It offers free information and support on anything to do with exporting and hosts online discussions via its forum, webinars and social media where businesses can ask export-related questions as well as learn from each other. DIT's webinar service runs hundreds of free hour-long internet events covering topics, sectors and countries around the world, helping companies to shape their export plan. These events allow companies to interact with the experts in specific sectors and countries and allow them to ask questions.

TABLE 5. Summary of the United Kingdom.

BASIC INFORMATION		OPERATING MODEL
Sales leads	<p>DIT Business Opportunities Catalogues service provides sales leads in over 100 markets. The free business opportunities service offers companies access to live opportunities around the world, tailored alerts and support along each stage of exporting.</p> <p>All the catalogues are listed on DIT's website and can be downloaded for free. For further information, companies must register.</p>	<p>Embassy-based trade experts identify and source overseas export leads. Companies can apply for the suitable opportunities and, if they meet the criteria, DIT experts pass company's details to the buyer.</p>
Business Opportunities	<p>Key services:</p> <ul style="list-style-type: none"> • Set up a business in the UK – assistance to help to locate and expand businesses in the UK. • Sourcing products and/or services from the UK – assistance for overseas businesses to source UK products and services and to connect with UK partners. • UK export assistance on each stage of the exporting journey (both the UK and overseas) • Events – events in the UK and abroad to help companies looking to export. 	<p>The support that DIT provides is often free, or at least highly subsidised. DIT also provides funding in the form of grants for eligible businesses to attend overseas trade shows. In some cases, DIT also provides financial support.</p>
Follow-up on results and effectiveness	<p>As the government department responsible for promoting inward investment, DIT has the responsibility to record and report information about all inward investment projects successfully landing in the UK during the financial year.</p> <p>All projects must meet the same standards and criteria to be classified as a success, and there must be sufficient evidence recorded showing that the investment decision has been made, the UK company is fully registered and that the company has started activities on the UK site.</p>	<p>Data and information related to investment projects is recorded on an internal database, which is accessible by teams across the DIT network, e.g. overseas posts, UK regions and local partners.</p>

DIT also offers a sales lead service for its stakeholders. The DIT export opportunities service is a web-based system that allows UK companies to register for 1000's of free sales leads in 42 sectors in over 100 countries. These leads are sourced by the embassy-based DIT advisors around the world.

The Department for International Trade has offices in over 100 UK Embassies, Consulates and High Commissions worldwide that offer access to major buyers, governments and supply chains overseas. Offices around the world offer market research on target markets, customer insight and business planning. Additionally, DIT has a network of 9 regional offices in the UK. They help companies within their areas to export overseas. Moreover, local offices offer e.g. tailored information about overseas markets, market visits and support to participate in selected overseas trade fairs.

3 RESULTS ON EFFECTIVENESS

This chapter evaluates the implementation and success of the activation work for TFMO service. The information in this section is based on a survey of companies, business interviews, and staff interviews and surveys. At the end of the chapter, there are development suggestions for the service.

3.1 ACTIVATION IN NUMBERS

3.1.1 SALES LEADS AND BUSINESS OPPORTUNITIES IN NUMBERS

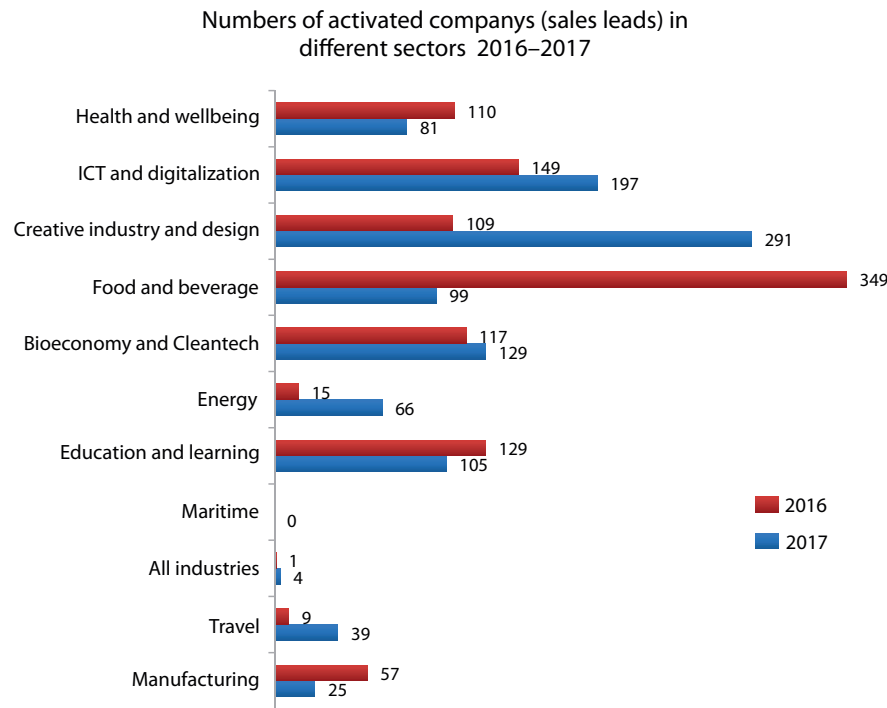
Impact of the sales leads and business opportunities is currently measured by number of activated companies. Business Finland keeps track of the number of activated companies on a regular basis quarterly. The figures below show the numbers of activated companies in different sectors in 2016–2017.

The total number of activated companies was around 2,000 in 2017. Of these, sales leads were about 780

and business opportunities about 1,120. The number of sales leads has grown especially during the year in creative industry and design and ICT and digitalisation. Business opportunities in 2017 were largest in the ICT and digitisation, food and beverage, health and welfare and bioeconomy and cleantech sectors. The number of activations has grown especially in the food and beverage and health and wellbeing sectors since 2016.

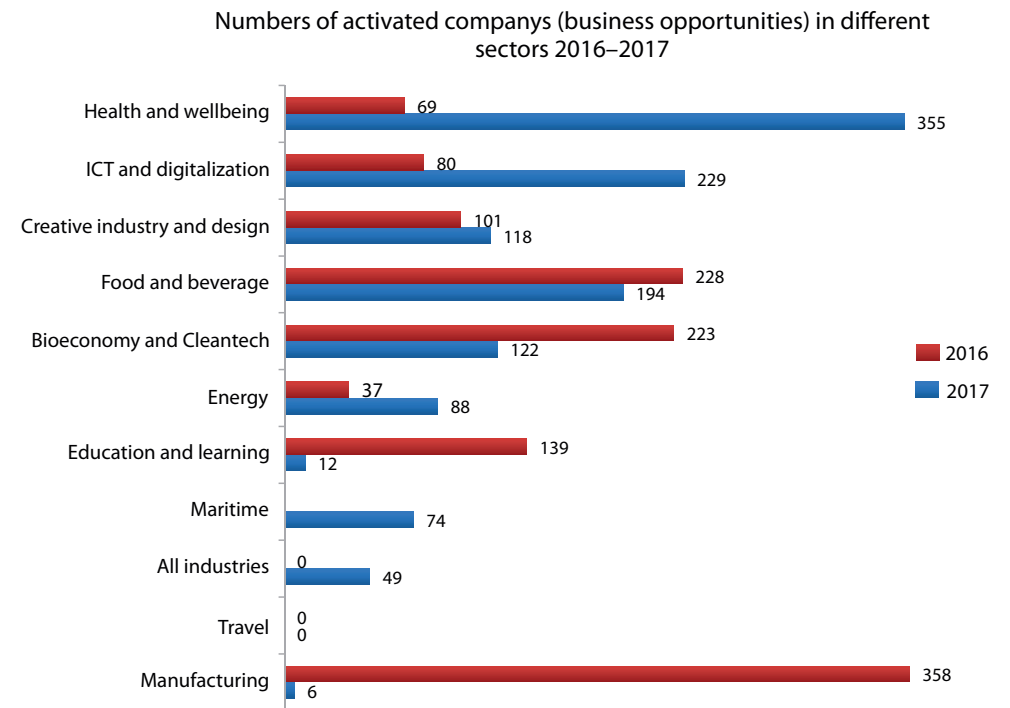
Business Finland's internal monitoring targets in the TFMO service have changed over the years. Initially, the number of ideas produced was monitored. In 2016, the number of publications was monitored and in 2017 the "activations" (under the definitions below) were monitored. The definitions of activated company for sales leads and business opportunities are listed below (in footnote)². The following numbers are based on monitoring reports of Business Finland and they differ to some extent in different presentations. Some of the reporting functions in the system were not working properly when the evaluation was executed.

² Definition of an activated company for Sales leads is: Sales lead has been discussed and the company will offer its products / services to the site.
Definition of an activated company for Business Opportunity is: Business opportunities have been discussed with the company on a company-by-company basis and are linked to a quarterly customer, or met at the end customer even at a matchmaking event.

FIGURE 3. Activated companies, Sales Leads 2016–2017 (Source: Oppspace).

The volume of sales leads and business opportunities has also been examined by geographical area. Sales leads have become the largest in Western Europe, East Asia and Eastern Europe. Business Opportunities have been made in Western Europe, America and India and Asia & Pacific (Apac).

The extent of the service activation can also be viewed through published items. Amounts of published items refer to the number of items published on the website.

FIGURE 4. Activated companies, Business Opportunities (Source: Oppspace).

Most of the published items have also been published on the www.marketopportunities.fi website. The figures below include the number of published sales leads and business opportunities in 2016 and 2017.

Based on the monitoring data, it is also possible to see how many activations are generated on average on a single publication. An average of three (2.9) activations (sales leads) were made in 2017. In 2016, the corresponding number was 3,8. Business opportunities are

FIGURE 5. Published sales leads by industry type.

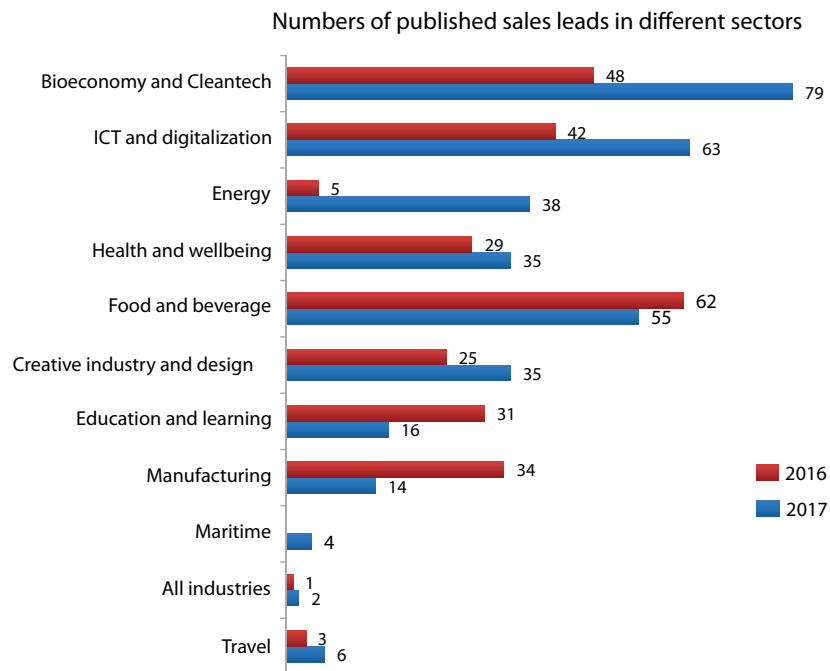
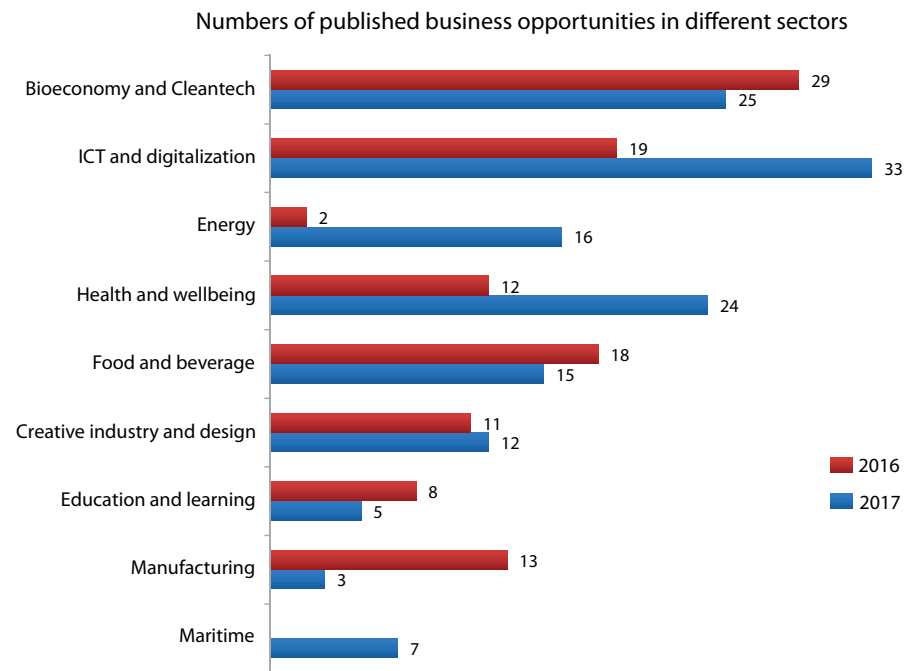


FIGURE 6. Published Business Opportunities by Industry type.



generated a little bit more per published item. An average of 8,6 companies activated per published business opportunity in 2017. There are, however, major differences between the sectors in the number of activations that arise from published items.

SALES LEAD PROCESS

The sales lead process begins with the gathering of ideas. Ideas come from the entire Team Finland network.

An individual client may approach Team Finland with a specific need (product, service or solution) or a similar concrete need and interest towards Finnish offering is recognised otherwise. The ideas are discussed with a relevant sparring partner. The next step will spot the ideas that will be further investigated. At that stage, the Global Opportunity leader (GOL) gets an automatic alert. GOL contacts the marketing team or asks for additional information from the lead owner.

In the publication phase, Marketing communications

finalises the text and plans communications with the case owner (using social media, newsletters etc.) After marketing, the activation work will be started for companies. Activation means contacting relevant Finnish companies directly. The final step of the process is the follow-up step. Impact is created through the whole process from spotting to activities that link companies to business. Business Finland's experts need to know export regulations or other formalities related to the sales so that they can advise potential Finnish companies with the case. (TFMO, 20.11.2017)

BUSINESS OPPORTUNITIES PROCESS

The process of Business Opportunities is much like the process of sales leads. After ideas have been discussed with relevant sparring partners, GOL gets the alert and supports the next steps. Then the business case will be verified, recognising and meeting with potential customers. According to the definition of Business Finland (marketopportunities.fi), business opportunities are verified market demands matching Finnish companies.

In business opportunities, the Finnish offering needs to be defined and market entry support planned. In the publishing phase, marketing communications finalises the text and plans communications with the item owner (using social media, newsletters, press release, seminars/webinars). Then activation work will be started and Business Finland's experts will contact relevant Finnish companies directly. Based on published business opportunities, various activities supported by Business

Finland can be created, such as delegation trips, match-making events etc. (TFMO, 20.11.2017)

INPUTS FOR SALES LEADS AND BUSINESS OPPORTUNITIES

There is no data available for the indirect costs associated with the Sales Leads and Business Opportunities. For the sake of this evaluation we have estimated, based on our personnel survey and its estimation of percentile of time used for this work, that there is around 15 personnel years associated with the working for the service within the network. Service team and Global Opportunity leaders are those, who use more time than the rest and other experts estimate that from 0-15% of their working time is used for the service.

This estimation is crude and to some extent the inputs for this particular service is non-distinguishable from other work the expert network does.

3.1.2 FUTURE WATCH SERVICE IN NUMBERS

The purpose of the Future Watch service is to help Finnish companies and business interest groups to perceive and identify future business opportunities and ecosystems so that Finnish companies can figure out their own place and opportunities in emerging global markets. One goal of the service is to help Finnish companies to prepare for the upcoming global competition and plan their R & D & I activities. (Business Finland: Actionable insight for your future business)

The functions of the service include workshops, thematic sparring events and extensive dissemination of foresight information. The Future Watch service utilises the international Team Finland network and think tank operators in signal collection.

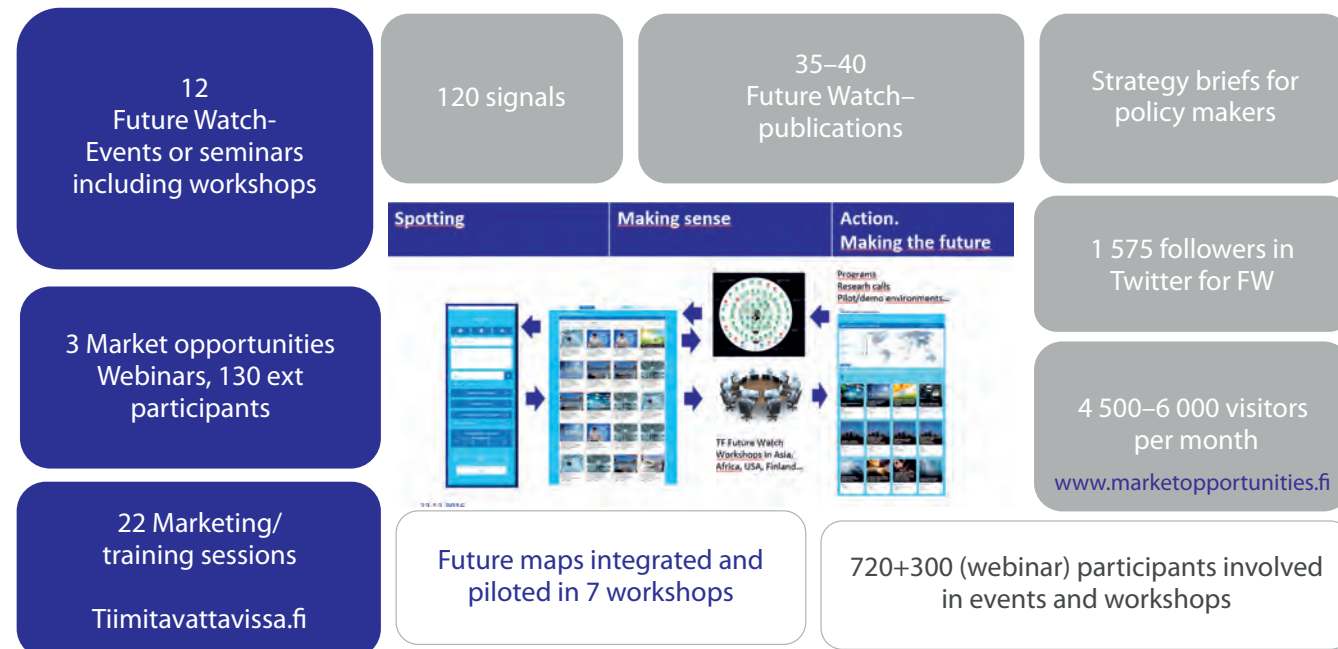
Foresight work is also monitored and documented quantitatively annually. The figure below shows the foresight work in numbers. In 2017, there were 12 Future Watch events or seminars (including workshops) and 3 market opportunities Webinars). A total of 120 signals

were identified during the year and 35–40 Future Watch publications were published.

FUTURE WATCH PROCESS

The Future Watch service’s foresight begins with the identification and spotting of relevant signals. Team Finland Global network and advisors collect signals to Oppspace. The Future Watch service spots the signals together with customers and stakeholders. Work is progressing in or-

FIGURE 7. Future Watch in numbers in 2017 based on presentation data.



ganising Future Watch workshops and webinars on relevant themes. The goal is that collective sense-making leads to deepened understanding of disruptive market opportunities for the companies, programme leaders, advisers and stakeholders. Workshops can result in new programme ideas or identify growth areas for Finnish companies.

INPUTS FOR FUTURE WATCH

The Future Watch process is organised with relatively limited inputs. Future watch work is done by about 3.2 people, but not full-time. There are also some costs related to the Marketopportunities website, some marketing costs and service team and working and those within the Business Finland network. Up to 2 people per year are currently employed in Future Watch work full time.

3.2 FINDINGS ON ACTIVATION WORK FOR SALES LEADS AND BUSINESS OPPORTUNITIES

3.2.1 A SURVEY FOR ACTIVATED COMPANIES

As part of the evaluation, a customer inquiry was conducted for Business Finland's customer companies. The survey was conducted electronically. The survey was sent to all 2017 "Activated Companies" (Excel sheet of Sales leads and business opportunities) in March 2018.

After duplicates (and some public organisations) were removed from the Excel sheet, there was a total of 1,800 contacts in the list (on their own rows). An estimated 1,500 people received the survey by email. A total of 171 responses were received (152 in Finnish and 19 in English). This is about 11–15% of all the companies that were reached by the electronic survey of the evaluation.

The issues presented in the following paragraphs are based on the business survey. The charts below describe the background information of the companies responding to the survey (Figures 8 and 9).

The majority (59%) of the companies responding to the survey were micro enterprises with a turnover of less than 2 million euros. About one third of the respondents were SMEs and the remaining tenth were large companies. A majority of the companies surveyed in the evaluation also had fewer than 49 employees. One tenth of the companies had more than 500 employees.

Slightly less than one-third of the companies responding to the survey are active in the industrial sector. Other general industries were information and communication (12% of respondents), education (9%) and other industries (11% of respondents).

Part of the Business Finland's customers (who have responded to the survey) have a lot of export business. Similarly, there are very few export customers. It would seem that customers' export business is either very small or large. Of the companies, 36 % replied that their export business accounted for more than 71 % of the total turnover. Similarly, about 40% of companies export less than 20% of total turnover.

FIGURE 8. Turnover of the responding companies.

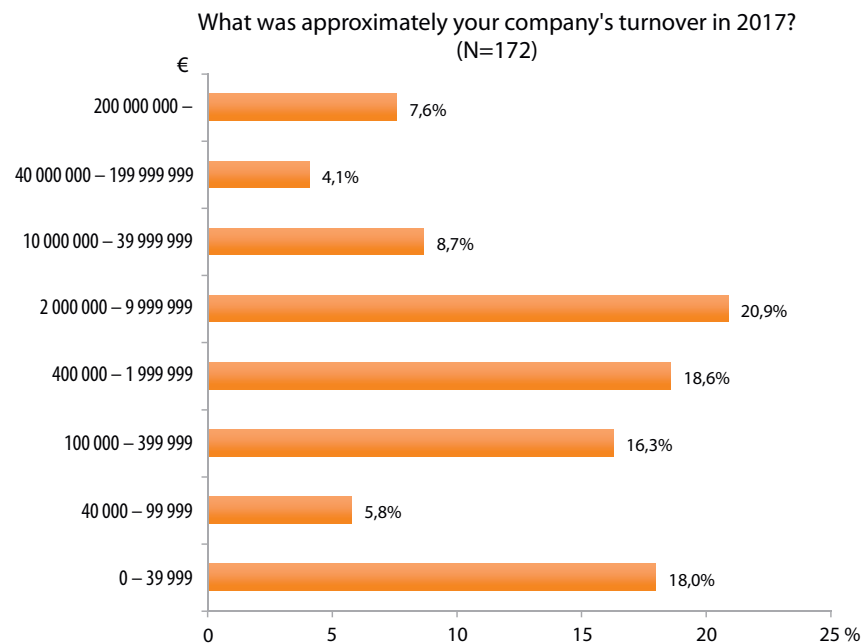


FIGURE 9. Number of employees.

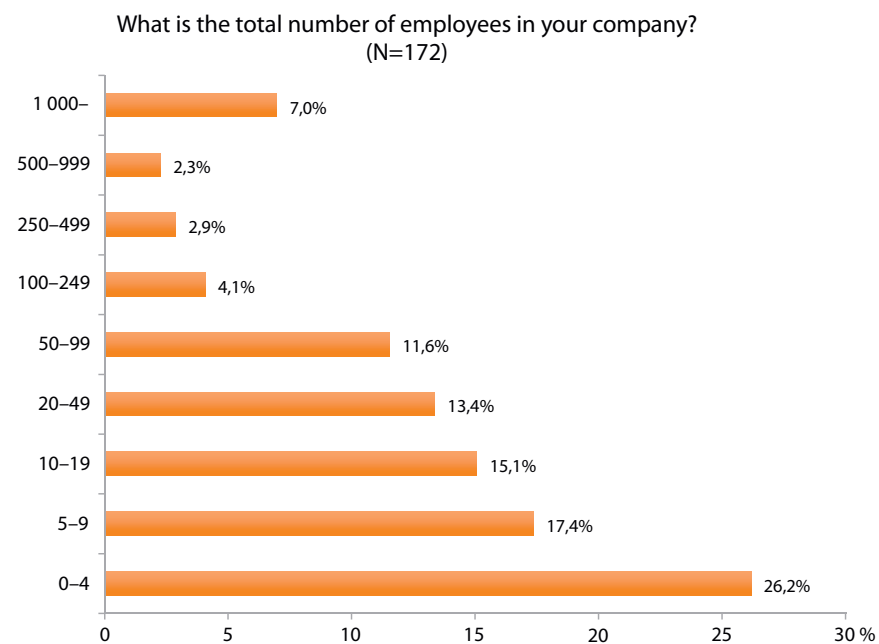


FIGURE 10. Industries of the respondents.

In which industry does your company operate? (N=147)

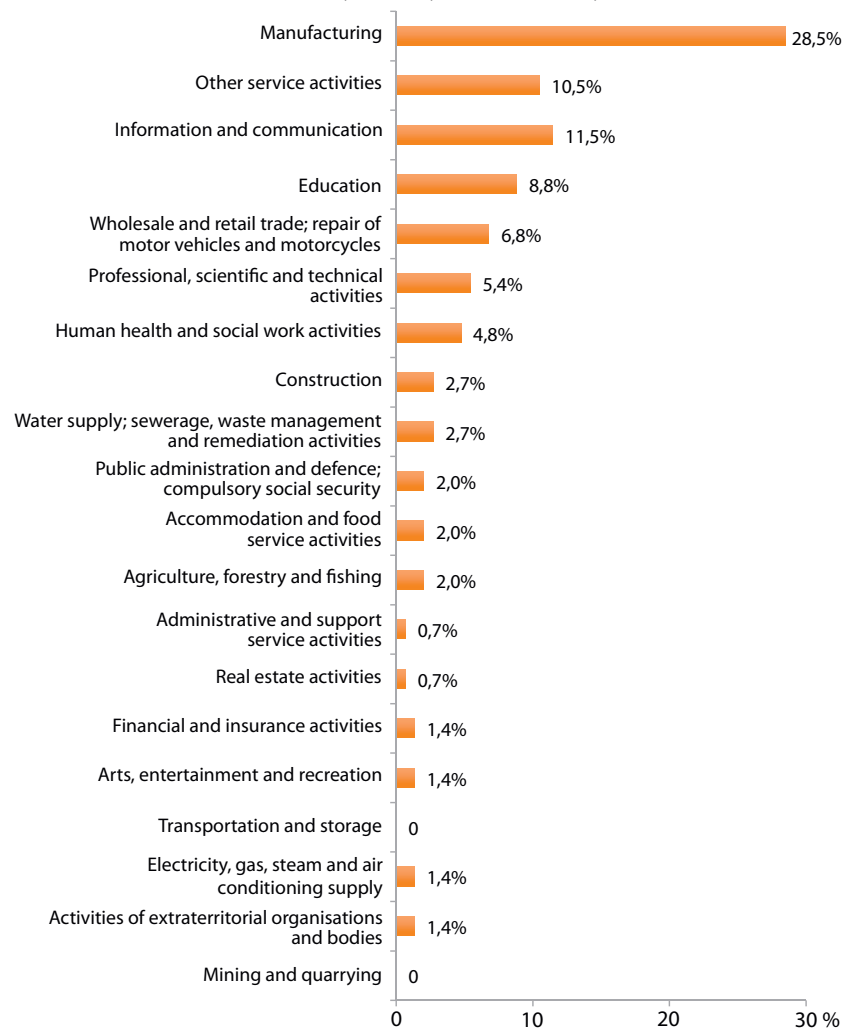
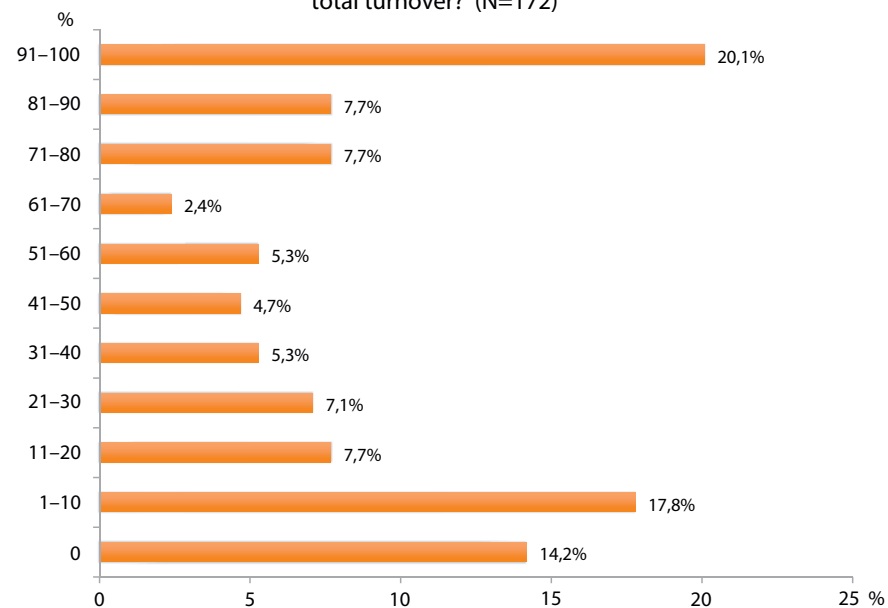


FIGURE 11. The share of exports of respondents.

What is approximately the share of exports of your company's total turnover? (N=172)



COOPERATION WITH BUSINESS FINLAND

Companies responding to the questionnaire mainly have quite a lot of experience in cooperating with Tekes/Finpro. It is likely that respondents have responded more actively than those companies who have previously worked with Tekes or Finpro. Less than half of the respondents reported that they have experience in Market Opportunities and around 40% of respondents have been involved in Finpro growth programmes. This is in line with a finding from the interviews with Business Finland experts, where in many interviews it was pointed out that the link between growth programmes and sales leads and business opportunities is extremely important.

FIGURE 12. Cooperation with Tekes/Finpro (now Business Finland).

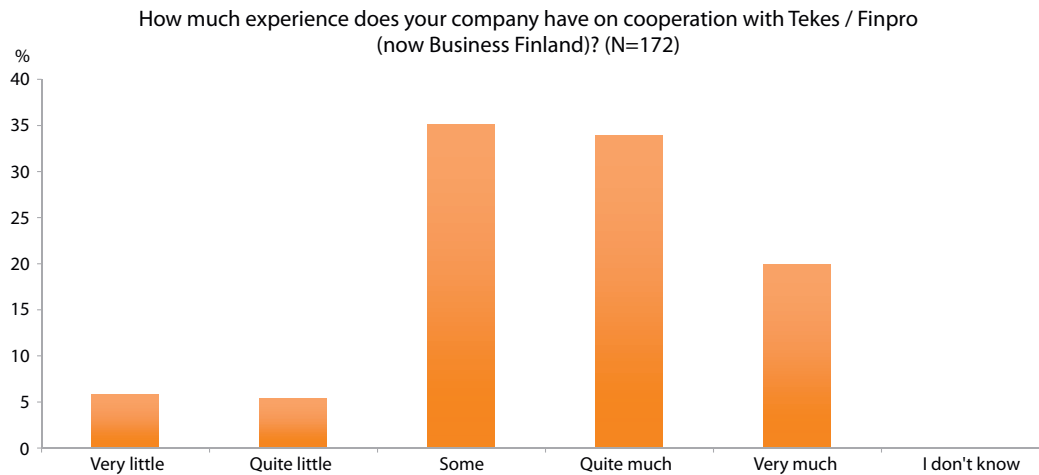
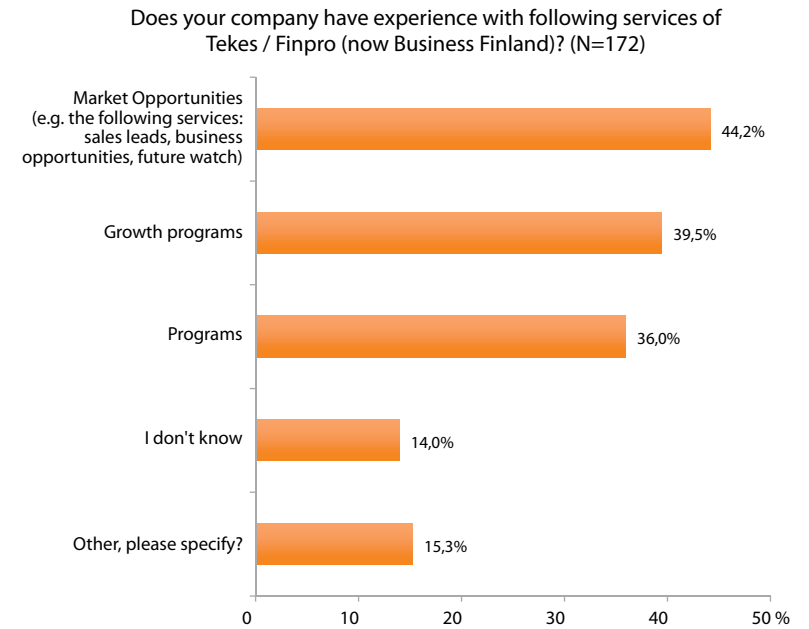


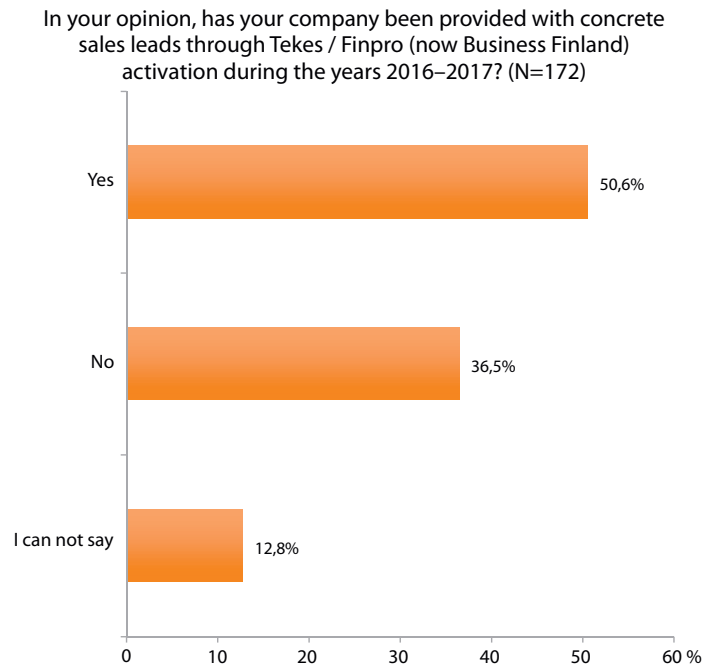
FIGURE 13. Type of cooperation with Tekes/Finpro (now Business Finland).



3.2.2 FUNCTIONING AND RESULTS OF THE SALES LEAD PROCESS

One of the evaluation questions is whether the activation work in the TFMO service has been useful to the companies. This chapter examines the usefulness of activation work from the perspectives of sales leads and business opportunities. One question was to find out whether the successful cases have been generated from activation work. The evaluation of the activation work is done in particular based on a business survey and interviews. In

FIGURE 14. Understanding of sales leads.



addition, the evaluation utilises the views of business Finland experts on the success of the activation work. The benefits of the activation work are reported in more detail in chapter 4 of the report.

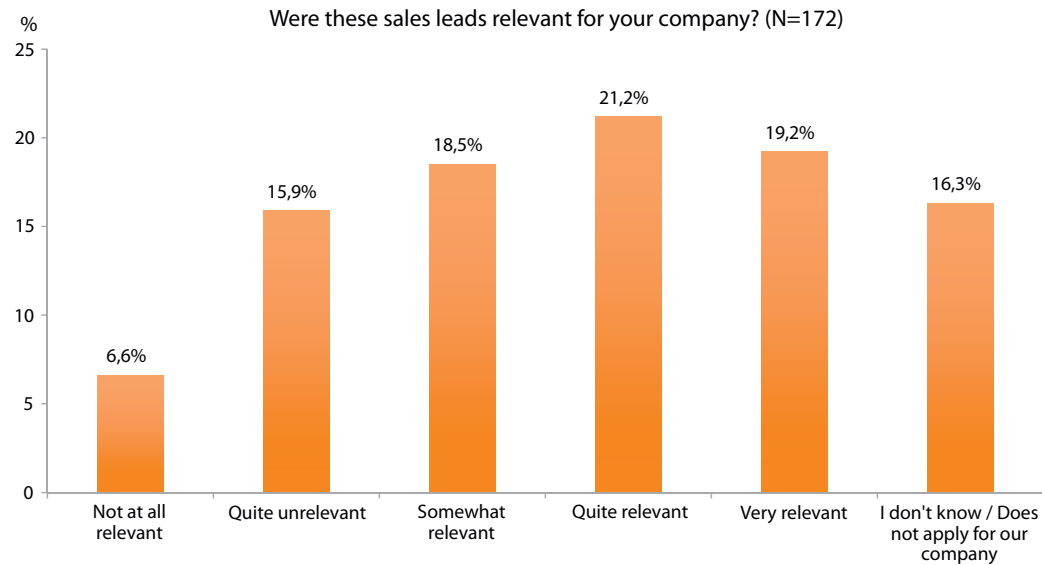
In the questionnaire, companies were asked whether they got sales leads from Tekes/Finpro (now Business Finland). Half of the companies reported that they have received concrete sales leads through Tekes/Finpro (now Business Finland) during the years 2016–2017.

The evaluation also sought to find out how relevant sales leads have been for companies. The results show that around 40% of companies estimate sales leads fairly or highly relevant. Sales leads as relevant estimates involve companies of all sizes from a different industry. On average, half of the companies that have been involved in the growth programmes or Market opportunities service considered sales leads to be fairly relevant or highly relevant. Without baseline or target levels, it is difficult to assess if this is the level that is expected.

Some of the companies report that the sales leads have come in from experts in growth programmes. Interviews with Business Finland's experts raised the view that the leads are more relevant if the company has been involved, for example, in the Finpro growth programme.

Although a fairly large number of companies keep their sales leads at least fairly relevant, it is difficult to estimate how many companies have received international export business through the sales leads. This is mainly due to inadequate monitoring and follow up.

FIGURE 15. Assessment of the relevance of Sales Leads.



Due to weak follow up of the impacts, Business Finland's experts do not have very accurate knowledge of possible positive case examples.

In this evaluation, Business Finland's experts were asked for successful case examples (companies that have benefited from the service) in the evaluation. Experts named a total of 15 companies for interviews. The purpose of the interviews was to find out more about the effects of the activation work on the company's business. Not all of these companies were reached for the interviews, and despite several reminders for the companies and Business Finland's experts, the total of case interviews remained at around 10.

It has been relatively hard to identify potentially successful cases in this interview. This is partly explained by the fact, that the "follow-up" stage for Sales lead and Business Opportunities focuses on activation, not the outcome of this activation. In the interviews of the personnel we can also distinguish two kinds of school of thought on this. Some think that the process after the activation is always "up to the company", but some think that it should be followed through to see the added value of the actual matchmaking. During the evaluation the data in the Opspace were also analysed, but at least using the filter's "Follow-up" in the system provide less than 10 cases in the follow-up phase for each year. For some of these, there is no information about the companies involved.

The majority of the interviewed companies reported that the sales leads they got through the TFMO service have not yet led to international trade. Most of the companies had had potential contacts, met people, or received tangible sales, but the transaction process itself had not been done or was still in progress. Sales processes were reported to be long processes and their success depends on many issues. In the following, a few direct quotes from the companies' responses.

"We got potential partners. No sales yet though this, it is still waiting. We are just starting (Translated comment)

"There has been leads, i.e. from Poland. We had a negotiation there and are now proceeding with on com-

pany. Even though there could be opportunities, in the begging there were lot of talks about the amount of hospitals. We found out that there is not so much money and the situation is catastrophic, not even lightings done properly. (Translated coment)

“Few queries regarding food-sector salesopportunities, witouth any concrete business contacts so far.” (Translated comment)

3.2.3 FUNCTIONING AND RESULTS OF THE BUSINESS OPPORTUNITIES PROCESS

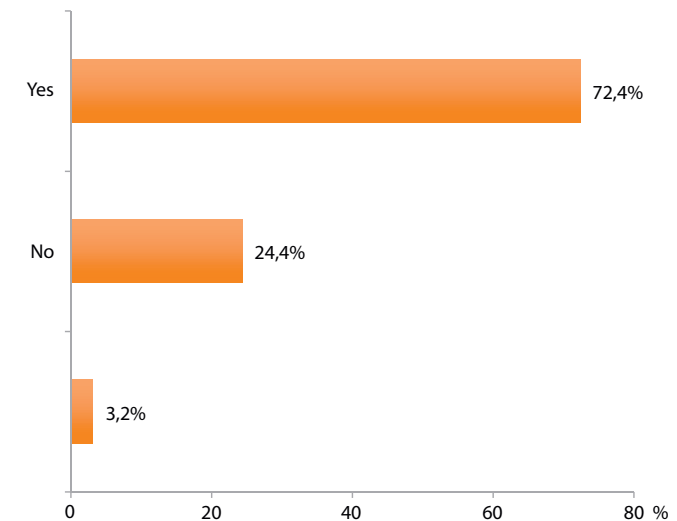
Most of the companies responding to the business survey had received business opportunities through Tekes/Finpro. 72% of the companies had grasped opportunities to present its offering to potential foreign buyers through events organised by Tekes/Finpro. This meant in the survey, for example, delegation tours, exhibitions at trade fairs and other events.

The evaluation looked at the company’s views on the usefulness of these events for the company. Companies evaluate the events organised by Tekes/Finpro mainly fairly well. Over 55% of companies rated the events they participated quite or very useful. Only a few per cent of the companies did not consider the events to be very useful. (see figure below)

The usefulness of these events was often justified in response by new foreign customer contacts. Companies have gained new contacts and some companies have also succeeded in improving export competitiveness. (see

FIGURE 16. Share of respondents participating in Business Opportunity.

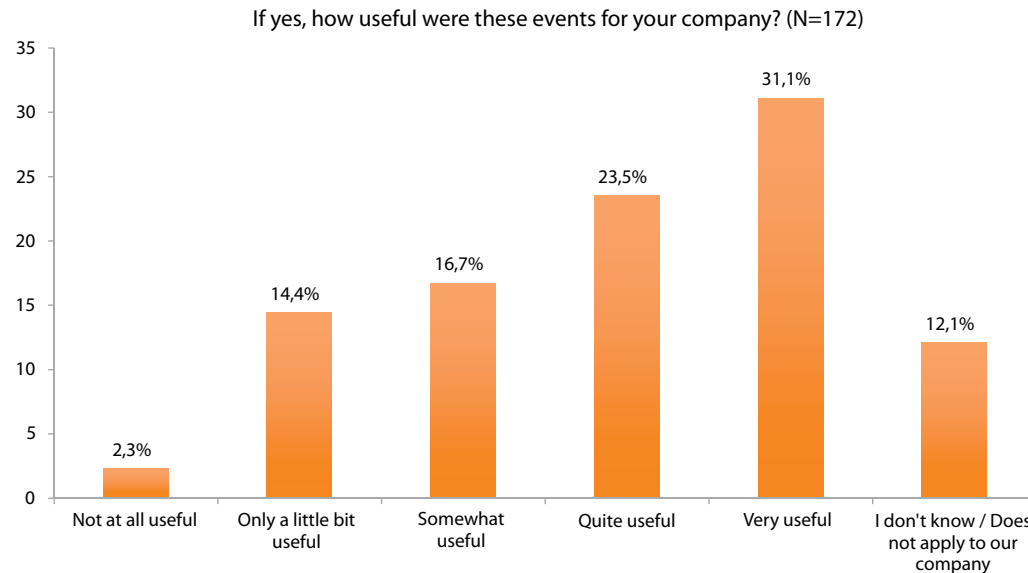
Has your company grasped opportunities to present its offering to potential foreign buyers through events organised by Tekes / Finpro (now Business Finland)? These can have been e.g. delegation trips, presentations at fairs or other events.(N=172)



chapter 4) Companies have benefited from opportunities by acquiring new foreign partners and, for example, one of the interviewed companies had opened a subsidiary abroad after attending and visiting the fair. Some have received direct orders and broader understanding through travel. Local business meetings were generally considered very useful.

For some of the companies, the main purpose of the cooperation has been, for example, to gather information on the markets of different countries instead of

FIGURE 17. Assessment of the relevance of Business Opportunities.



actual sales. Most of the companies that responded to the enterprise survey utilised the market information provided by Business Finland. However, some of the successful case examples were reported in the responses where the activation work had led to useful results. Below are different examples of cases that demonstrate the different types of basic satisfaction or added value.

”Without Finpro and their contact persons in different countries we could not have even got the chance to present ourselves with all relevant companies. Through them we have had several successful deals in Different countries in Maritime Industry” (Translated comment on additionality)

”India team has been extremely helpful and useful! As well as Teke’s Tempo-tem” (Translated comment on general satisfaction)

“Contacts in Japan has been extremely useful.” (Translated comment on contact creation)

“Great benefit regarding Maritime industry; if I would have responded for example relating i.e. my Clean-tech-experience, usefulness would have been zero.” (Translated comment on Industry differences)

The companies that found the activation work inappropriate were justified by the fact that the activation work did not lead to a useful outcome. In some cases there had been no potential customers at the fair or other similar events either. Here are the examples for these companies:

“Most of the activation, especially in China, remains too political. It is almost impossible to get any practical benefit from them”. (Translated comment)

“Quality differs in experiences – typically does not lead to business”. (Translated comment)

3.3 SUGGESTIONS FOR DEVELOPING THE SALES LEADS AND BUSINESS OPPORTUNITIES

DIRECT COMMUNICATION TO SMES AND MORE PUBLICITY

In their responses in the survey and in the interviews, companies hoped for direct-targeted communication of all potential leads and business opportunities. It would be a good idea to have an automatic notification on the content of a web page directly to the email of Finnish companies. Companies also hope for more material on the webpage. A public organisation (like Business Finland) should not assume that companies are actively looking at the Internet website if new information has come to them. The newsletters currently in use are one of the good news channels.

This same issue is reflected in the interviews with personnel and their responses. Many point out that the website is not well known, there is not enough communication regarding new publications or linkages between the website and social media. For Business Opportunities there is the specificity of the life-cycle of the opportunities which might change and should be updated.

FOCUSING ON SMES AND CLOSER COOPERATION WITH COMPANIES

The respondents wished broadly to improve services for SMEs. Some companies found that the sales leads they

received were too large, making it difficult for Finnish companies to estimate how to supply the demand. Some of the companies felt the relevancy was poor. In addition, companies hoped for assistance in the sales process. It was hoped that the civil service culture would be reduced and people with more experience from the business world would be carrying out the actual customer interface work.

Companies emphasised in their responses that the needs and situations of companies are very different. Activation work is expected to be targeted at the needs of companies. “Something for everybody” thinking does not often have very good effects. In other words, Business Finland’s activation functions should be bravely targeted for business needs.

MORE ACCURATE FOLLOW-UP

Business Finland does not measure how the activation of companies affects the companies afterwards. At present, measuring of the service is focused on whether Finnish companies are actively involved in contacting or offering products and services to international companies. In other words, there is no information about the actual impact of sales leads or business opportunities on corporate exports. In order to systematically develop the relevance of the leads, several companies and Business Finland personnel pointed out that Business Finland should follow up the impact of the work annually by collecting feedback data. On the other hand, this requires resources.

CLEAR FOCUS AREAS ON ACTIVATION

Some industry sectors within Business Finland have developed their activation work based on “industry strategy” (target markets, target subsectors and themes), but some industries may not have the same approach, at least with the same level of articulation. Many point out that this could be a worthy discussion in terms of targeting the work of the international network within the target market and sectors. This could also help in the actual activation work, where many personnel outside Finland see that those personnel located in the home offices are crucial in identifying the relevant Finnish companies for the activation process.

In connection to this, some point out that the members of the Ministry of Foreign Affairs, which are stakeholders within the network and also provide data to the system, are not then present in any forums discussing the potential leads or opportunities, which makes it rather difficult to assess the relevance of these inputs.

DEVELOPMENT OF OPPSPACE AND CRM INTEGRATION

Most of the personnel pointed out that, even though the Oppspace works relatively fine and is rather user friendly, the integration between it and current (and future) CRM should be developed. Personnel also pointed out that there might be plenty of ideas to improve usability of the systems. These could also tackle some of the “silent resistance” of some personnel in utilising the systems.

QUALITY VS. QUANTITY ON SALES LEADS AND BUSINESS OPPORTUNITIES

Some interviews see that the quality of leads should be better. This line of thought stems from the fact that the threshold for publishing the lead should be rather high, including already the knowledge of potential Finnish offering. Other interviews point out that the threshold is sometimes too high, and the process (especially for Business Opportunities) takes too long to get published. The latter school of thought includes thinking where it is seen that the Business Finland network cannot have all the knowledge of the Finnish offering. In principle, this finding calls for the discussion of the level quality thresholds.

3.4 FINDINGS ON ACTIVATION WORK FOR FUTURE WATCH

This section is based on the interviews with Business Finland employees, stakeholders and SMEs which have participated in Future Watch events (e.g. sessions or workshops) or have utilised Future Watch reports.

3.4.1 FUNCTIONING OF THE FUTURE WATCH PROCESS

As described above, signals and trends are identified in different ways and the Future Watch service utilises the international Team Finland network and think tank oper-

ators in signal collection. One Business Finland employee described that around 50% of the trends and signals are gathered on specific focus themes, such as governmental priority programmes. The other 50% are gathered regardless of the theme to make sure that important signals are included, which the Finnish companies can follow when they make decisions on market entries etc.

The publishing platform is seen as an important step in signal and trend dissemination by internal and external actors. Through the platform, it is possible to follow up on the volume and results gathered by Business Finland actors from different areas in the world. Also, the platform enables Business Finland and other actors to identify what type of trends are arising in different areas of the world. When reports are published on the marketopportunities.fi website, there are organised dissemination events in different locations around the world. That means that companies are involved in information gathering as well as dissemination. Results are discussed at workshops and other sessions organised by Business Finland. Companies are invited to the workshops.

When new reports are published, there is often also an internal presentation of the papers to programme managers of Business Finland. Therefore, Future Watch provides important information to programmes – what are important topics and what are not. Strategic background information gathered by Future Watch affiliated employees of Business Finland is used also by other public actors such as the Government of Finland and ministries. Another important target group is SMEs.

The employees see that the foresight work that is being done is of high quality. The tools for trend and signal gathering were appreciated internally. Internal and external actors also see that Business Finland is also seen as having high capability personnel doing foresight work.

Stakeholders who have participated in Future Watch workshops found these useful. Some stakeholders have been able to utilise the information by Future Watch in their own work and they have found the information very useful. Some are not aware of all the contents. Section 4 of the report notes the benefits of foresight work more widely from a corporate perspective.

3.5 SUGGESTIONS FOR DEVELOPING FUTURE WATCH

Suggestions for improvement mentioned in the interviews included increasing the utilisation of results internally by Business Finland as well as externally. Promoting the service better was important issue emphasized by all different stakeholders interviewed.

Some interviewees saw that the information provided by Future Watch could be utilised more in the planning phase of Business Finland's programmes and that the information should be used in all strategic foresight by Business Finland. They saw that Future Watch should be used to evaluate and verify the scope of Business Finland's services worldwide.

Also, some employees wished that the ownership of the processes would be defined better. An example mentioned was that employees who put signals into Oppspace do not at the moment get a follow up on what happens with the signals. Synergies with Business Finland's business development unit or relevant programme services should be sought more systemic manner.

Almost all key stakeholders interviewed saw that inputs for marketing should be higher. Making the connection between Team Finland's domestic and international network clearer was seen as important. The useful information gathered by Future Watch should be used to increase the foresight knowledge by all Team Finland members and stakeholders. Some stakeholders saw that

the marketopportunities.fi platform should comprise materials from public actors, on international (EU, Team Finland's international network), national and regional level as well.

Some employees suggested that the external sources for the reports could be evaluated to make sure that the highest quality information is used. They felt that it would be sensible to use multiple external sources for Future watch reports, as at the moment most of the Future Watch material commissioned from third parties are made by too few actors and remain too closed in the system. E.g. universities and research institutions could be activated to provide research results on trends and signals. Also, AI could be used in signal and trend gathering.

4 BENEFITS FOR THE CUSTOMERS

4.1 AWARENESS OF THE SERVICE AND THE CONTEXT IN WHICH IT IS INTERPRETED

This chapter focuses on assessing the benefits of the service.

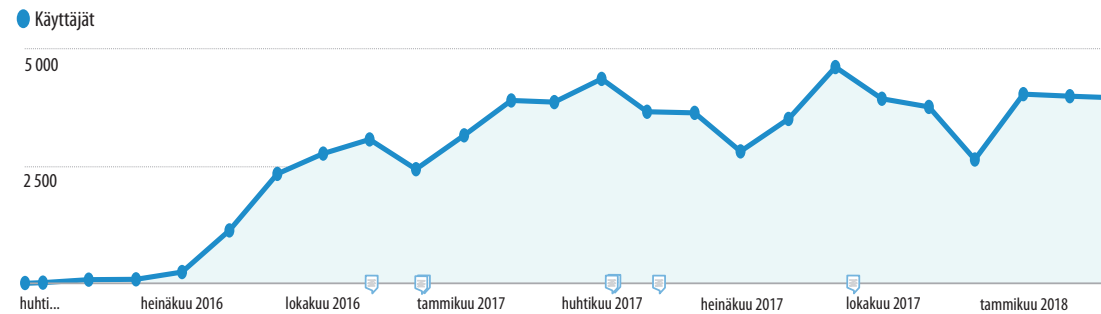
AWARENESS

One of the main challenge of this overall service is, according to almost all interviews, the customer reach. These services has not been branded and the communication efforts have been modest which has been suggested in most of the interviews. This is also reflected in the difficulties to identify successful case companies within the services, and their willingness to evaluate the service.

Marketopportunities.fi -website forms a public platform for the service, even though it is just a tip of an iceberg, when looking at the overall process. Those industries providing most of the activations (such as Food), connect the service closely with the growth programme, and the website might just be mentioned.

The number of visitors ranged for the public website range from 2600 to 4600 in the last month. This year, the monthly number of visitors has stabilized to around 4,000 visitors. Less than a fifth is returning visitors to the website. The average time spent on the site is about 2 minutes. Visitors are watching an average of about 3 pages per session. While overall Business Finland website -usage is somewhere around 10 000 visitors per month, one could argue that there is still room for development. Since the total amount of website visitors is quite limited, more precise google analytics data does not provide much information.

FIGURE 18. User statistics for Marketopportunities.fi -website (source: Google Analytics).



THE CONTEXT OF USING ACTIONABLE INSIGHTS

From those companies responded to the evaluation survey, over 77 % used market information they produced internally within the company and the information provided by Tekes and Finpro was used by around 69 %. The role of other public entities or private market research agencies were smaller. This is partly explained by the fact that the respondents were rather accustomed to work together with Business Finland.

In the interviews the similar type of context of using knowledge were affirmed. While bigger companies from the SME-spectrum could also tap in to internal knowledge or purchase additional market information from private providers, the importance of the type of market and future information provided by Market Opportunities, was seen relevant. It was also questioned, that the same information would be available from the private sector. If looking at more tailored or niche information on particular technology field, service sector or an issue,

the companies would tap more into the private sector information providers. However it is mostly ad hoc -based on particular initiatives or decisions.

4.2 ASSESSMENT OF THE BENEFITS FROM SALES LEADS AND BUSINESS OPPORTUNITIES

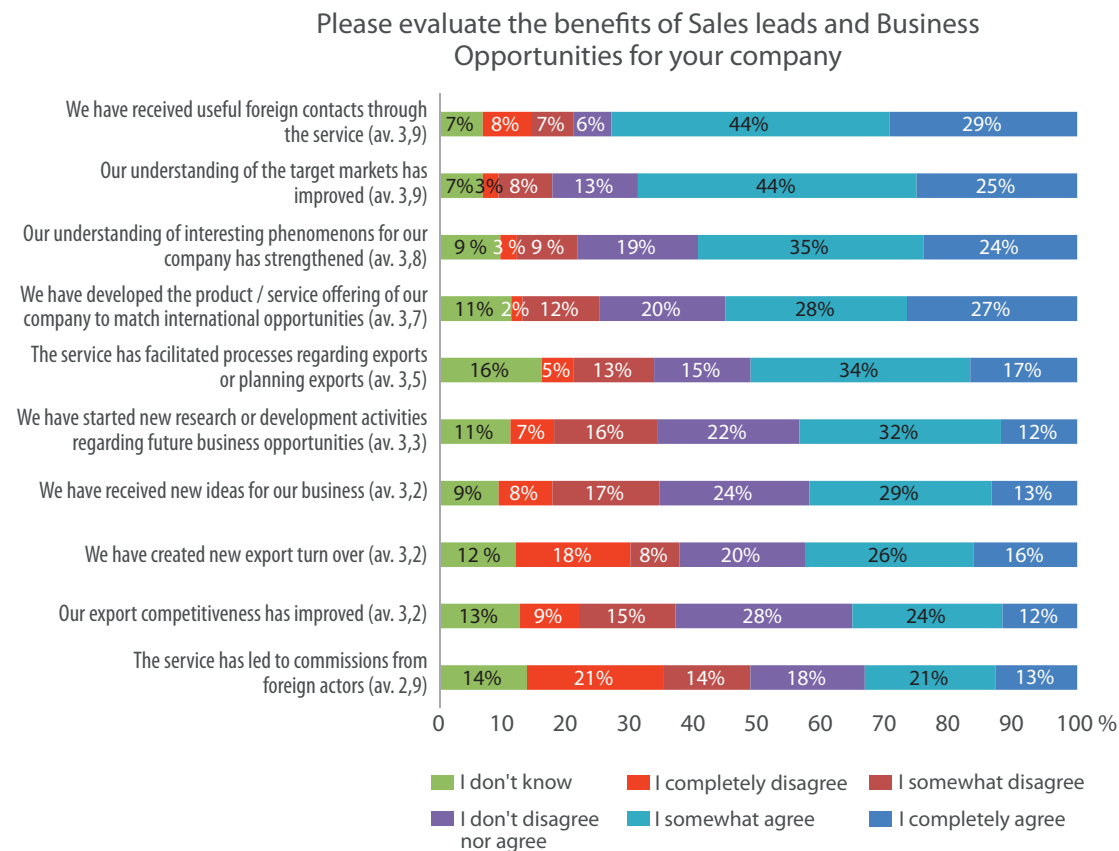
Information on the benefits to SMEs from sales leads and business opportunities was gathered through the survey sent to companies as well as interviews made with selected companies which were named by Business Finland experts (cases which the experts identified as successful ones, meaning that the companies had benefited from the service in some way). Of the 15 cases identified by Business Finland experts, 10 responded to the evaluator's interview request, as mentioned above.

Of the 175 SMEs that filled in the survey, 126 had received sales leads or participated in delegation trips, presentations at fairs or other events (or both). These companies were asked to evaluate the benefits that their company has received from the services. The results are presented in Figure 19 below.

From the results, it is obvious that the main benefits relate to receiving contacts and increasing awareness and internal knowledge of the companies on matters relating to exports. According to companies, they agree best with the statement that they have received useful foreign contacts through the service. Around

75% of the companies agreed somewhat or completely with this statement (average 3.9 on a scale 1–5). 69% agreed somewhat or completely with the statement that their understanding of the target markets has improved (average 3.9). Also, they often agreed with the fact that

FIGURE 19. Assessment of the Benefits for Sales Leads and Business Opportunities.

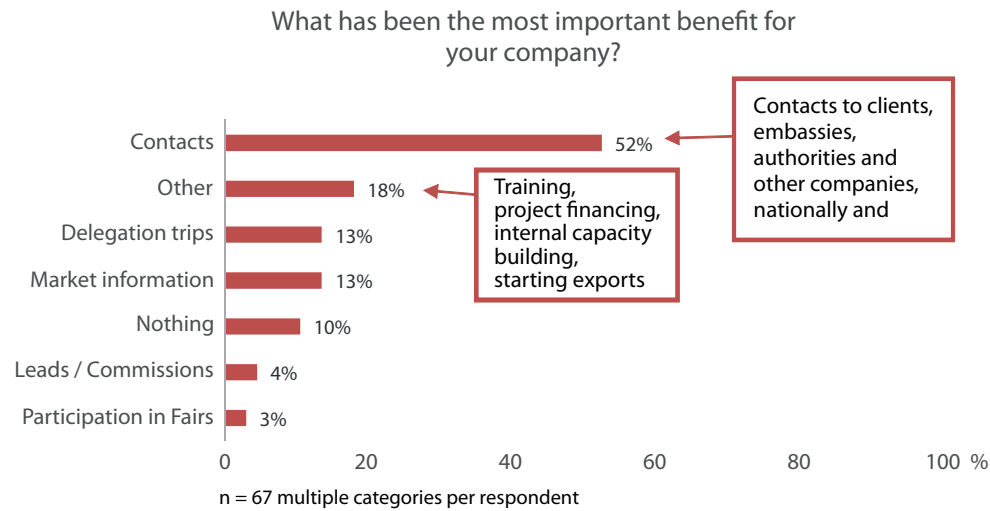


their understanding of interesting phenomena of their company has strengthened (59% of the companies). When the companies were asked what the most important benefit to them was, 52% stated that it was contacts received (see Figure 20). There was no statistical connection between the share of exports and the amount of experience with Business Finland on the results. These results were further validated in case interviews.

As in the survey, also in interviews conducted with companies, networking and market information were common benefits mentioned. Some companies had received concrete leads, which had in some cases led to commissions. Participating in delegation trips or fairs was also seen as an important benefit. However, for the companies it is challenging to separate TFMO services from other services from Business Finland. Both the survey respondents and interviewed companies sometimes referred to Business Finland programmes when they evaluated benefits they had received (e.g. they mentioned funding as a benefit which is not part of the TFMO service portfolio).

The statements that the companies agreed the least with were that the service has led to commissions from foreign actors (34% of the companies agreed somewhat or completely with an average of 2.9) and that their export competitiveness has improved (36% of the companies agreed and an average of 3.2).

FIGURE 20. The most important benefits noted.



VALUE ADDED FROM SALES LEADS AND BUSINESS OPPORTUNITIES

In the survey, companies were also asked to share sources that they use for market information. Most often, they used market information produced internally by their company (76% of companies). Two thirds of the companies used market information provided by Business Finland. Around a half of companies used market information provided by other public actors and half of them used market information provided by private actors. Generally, companies said in the interviews that the benefit of using market information produced internally by the company was that it is tailor-made to the companies' needs.

As reported in chapter 3.2.2, half of the companies reported that they had received concrete sales leads from Business Finland. Of these, 40% estimated the sales leads to be fairly or highly relevant. The sales processes are often long, so numbers on commissions from international clients are not available. Companies had the possibility to give further comments on the matter. The comments concerned mainly companies, which did not see the received sales leads as relevant. The main criticism was that the sales leads were too generic for the companies. Also, to some companies it was unclear how the sales process should work if a relevant sales lead was found. Some also experienced that sales leads were not concrete enough, meaning that after initial talks with potential customers, the Finnish company did not get the impression that the potential buyers were really interested in their offering.

"Finpro Poland sent a lead that (particular company) build 400 appartments in Warsaw. High Performance building roadshow was in Poland and we went through that to meet the company leadership. That case did not fit for us, but still it was valuable information. Concrete investigated lead."

"The challenge was that in some cases Finpro did the client negotiations and not us directly".

"We have not received any concreted lead through Business Finland, despite the lots of discussions".

”Sales Leads are restricted (1 chain for example) and too much ”expert-driven”, companies have the best knowledge about their products”.

”The most relevant sales lead are those we have already by ourselves”

”Small amount of leads, but they have still been useful”

As discussed in chapter 3.2.3, around 70% of the surveyed companies had participated in delegation trips, fairs or other events. 55% of these companies found the events useful. The main benefits, as discussed above, have been networking and contacts both nationally and internationally. However, these types of services are also organised by e.g. Business Finland’s programmes. Companies that did not regard these as useful noted that the scope of the events and trips could be planned more precisely together with companies and emphasis should be put on preparations. Some also said that the quality of the trips has varied.

When we take a closer look at companies that replied to the survey, only 38 of the 172 companies had experience only with the Market Opportunities service and 104 with Market Opportunities and Programmes or Growth Programmes. Therefore, when assessing the benefits and value added from Sales Leads and Business Opportunities, we cannot be certain if they are really assessing these services or also services from programmes of Tekes and growth programmes of Finpro.

4.3 ASSESSMENT OF THE BENEFITS FROM FUTURE WATCH

The results of the evaluation show that internal customers and stakeholders within the network benefited from the Future Watch activation work. (see chapter 3) The benefits of Future Watch work were also reported to some extent by companies in the case interviews. However, the amount of benefits for companies was less than the benefits of Business Finland’s internal customers and stakeholders.

Foresight work by Business Finland is not very widely known to companies and in general is not widely known by companies contacted for interviews. Some of the interviewed companies had participated in foresight workshops or seminars, as well as a small part of the companies responding to the survey.

Views on the usefulness of the Future Watch information to companies varied somewhat. Some saw that companies get access to reports that they would not necessarily be able to afford to purchase on their own. Foresight work (including reports) increased understanding of international markets and future trends.

“Reports open eyes – information is given and we get better knowledge. You can’t count all to that information. It is good starting point, but it can leave at that. You have to go to the target country to meet people and order more precise reports from international consultants”.

On the other hand, some wondered whether reports made by international actors provide useful and tailored information to Finnish SMEs' needs. Also some companies felt that the information is useful but in order to make decisions on international business, more detailed and tailored information is needed. Few of those interviewed felt that information from Future Watch is not very useful to SMEs as the time span of the trends and signals is too long. They saw that SMEs rather benefit indirectly through the programmes funded by Business Finland, which incorporate the information gathered from Future Watch.

Even the case interviews, which targeted those who could assess the added value of Future Watch work, were sometimes unable to give wording for the impact of the

workshop participation and related outputs for their own business and activities. This was a timespan issue as the scale of the issues analysed does not necessarily fit into the daily business of SMEs directly.

These views from the interviews correspond to the results of the company survey. In the survey sent to SMEs, 16 had read Future Watch reports. Five found them quite useful, three somewhat useful and eight only a little bit or not at all useful. The workshops were found to be more relevant to companies. 17 SMEs had participated in workshops or sessions organised by Future Watch. Of these 17 companies, nine found the workshops quite useful, four found them somewhat useful and five companies only a little bit or not at all useful.

5 CONCLUSIONS AND RECOMMENDATIONS

5.1 CONCLUSIONS FOR EACH EVALUATION QUESTION

This chapter summarises key conclusions and recommendations for each evaluation question.

SALES LEADS AND BUSINESS OPPORTUNITIES

One of the key results, determining the effectiveness of the whole service is the activation. Activation of companies has been emphasized in recent years. The total amount of activated companies in 2016 to 2017 has been around 2000 in a yearly basis, somewhat more being business opportunities.

Activation has produced successful business cases for companies to some extent, but the success relates mainly to the contacts and understanding of the target market. The personnel carrying out the activities have had very limited time to fully follow-thought the impact of the activation. In the light of the findings of this evaluation, the follow-up –phase does not work as it should be. There are no tools for or resources for the follow-up.

Sales leads and business opportunities seem to be somewhat beneficial for those companies who have utilised the service. Those companies who reported of receiving sales lead at least 40 % estimated sales leads fairly or highly relevant and over 55 % of companies rated events / activities relating to Business Opportunities quite or very useful.

From the results, it is obvious that the main benefits relate to receiving contacts and increasing awareness and internal knowledge of the companies on matters relating to exports (see the impact logic).

Around 75 % of the surveyed recognise these benefits. Most of the companies had had potential contacts, met people, or received tangible sales, but the transaction process itself had not been done or was still in progress. Many interviews point out, that the similar work would not be done by the SMEs themselves.

There is very limited evidence in this evaluation, that sales leads or business opportunities had generated actual exports.

The overall service seems to have better performance (in terms of outputs and results) in the areas where it is closely linked to growth programmes or has strategic focus area for activation. Internally the processes behind the sales leads and business opportunities seem to work rather well, except the feedback between various phases and the communication and marketing efforts on these services.

FUTURE WATCH

Those companies who have utilised Future Watch reports in their own work see that the insight and foresight improves their understanding of the potential future business areas. However this benefit is not a direct benefit, but overall an indirect impact of the services.

Future Watch has been in operation a relatively short time compared to issues it tries to tackle. Those companies familiar already with Business Finland (either with the mainstream programmes or Growth Programmes) seem to utilise mainly their own business intelligence functions to provide foresights on future business potential and secondly utilising information provided by business Finland. These kinds of stakeholders see the relevance of the benefits from the Future Watch.

The overall relevance of Future Watch cannot be fully evaluated as relatively few organisations have participated in the activity or can distinguish Future Watch work from other forms of activities in which they have participated within the Business Finland context. The main relevance of Future Watch has to come from within the service network that utilises Future Watch as part of its activation and client service to SMEs.

Future Watch itself is based on combining the utilisation of commercially produced market information and foresight provided in the Future Watch process, which also means that there is very little overlap with the foresight information provided by commercial players or other foresight agents.

Future Watch seems to have a distinctive profile in terms of future oriented information at least in the members of the expert network utilising the information and for some companies. It is on a wider level than those provided by pure private providers, thus providing one type of material for companies to use in their strategy work.

SUMMARY OF SUGGESTED DEVELOPMENT IDEAS

A summary of those development ideas presented in the interviews by companies or personnel is described in the following table. After this, the recommendations of the external evaluation are presented.

KEY DEVELOPMENT IDEAS	COMPANIES	PERSONNEL
Marketing and communication	<ul style="list-style-type: none"> • Direct-targeted communication of all potential leads and business opportunities. (i.e. an automatic notification on the content of a web page directly to the email of Finnish companies. • Additional material (output too narrow on webpage). 	<ul style="list-style-type: none"> • More publicity and marketing for the Website • Social Media integration and presence in social media
Process implementation	<ul style="list-style-type: none"> • More targeted activation on sales leads and business opportunities (targeted activation plans) 	<ul style="list-style-type: none"> • Clearer focus areas/strategies for activation (Sales leads and Business Opportunities) • Clearer discussion on level of thresholds in Sales Leads and Business Opportunities • More accurate follow-up and resources for the follow-up (All) • Better utilisation of Future Watch work internally inside Business Finland • Identification of trends and signals should managed better (FW)

5.2 OVERALL CONCLUSIONS AND RECOMMENDATIONS FOR SERVICE DEVELOPMENT

Key benefit from the Evaluated services are the concrete contacts in different markets and increased understanding of the market opportunities in the target market at hand. This benefit is realized in rather short term and creates a possibility for longer term benefits, such as export growth or even new type of businesses.

However there very limited evidence in this evaluation that it had impact on actual exports during 2016-2017 or many other expected benefits.

The service have quite high added value (or additionality) for those it had reached. Most of those SMEs who utilise the services would not be able to identify either the different opportunities (usually in the form of contacts from organisations) or market/future information by themselves. Additionality of the service is higher on smaller and newer companies. Based on qualitative analysis there is no distinctive differences among different sectors or target markets.

Effectiveness of the Market Opportunities –service is sometimes non-distinguishable from the overall activa-

tion work provided by the Business Finland. It is, at least partly, something that could be done internally without the publication process and public domain. To some extent the service currently works that way, as part of the growth programmes and other activities.

SMEs don't recognise the different service and the idea of "seamless service" of Business Finland means, that they not necessarily need to. There have been set targets for the outputs (at the different stages of the service) and activated measures, but the precision and definitions of these measures are sometimes questioned in the interviews. The service is not separately branded or marketed, even though it has an aspect of publicity with the open website. Customer reach remains as an issue.

In terms of efficiency, the current inputs (and costs) to the service cannot be distinguished from the overall work carried out by the network of experts within Business Finland. As estimated earlier, there are relatively lean resources used in the overall service team, in communication and as time dedicated in using tools that feed the information in the services. Most of the personnel interviewed during the evaluation see that the internal tools and platforms have huge potential for efficiency gains in distributing the information, if it would work in connection with future CRM-systems.

KEY CHALLENGES AND RECOMMENDATIONS

Currently there are three key challenges for the service:

- **“Awareness and Reach”**: The key challenge in the effectiveness of the services is the reach within the target group (how many SMEs the service reaches on a yearly basis). It can be partly explained by the fact that the service works currently more as an “internal-CRM or process tool” within the service network, not a public platform for SMEs where they can search through a catalogue of different type of outputs.
- **“From take-up to follow up”**: The other key challenge for the overall effectiveness of the service is the follow-up phase and limited time and resources available to follow-through the activation work. In those business sectors or market areas, where the Market Opportunities service is closely linked to other activities, especially growth programmes, the overall effectiveness is higher.
- **“Tools used in the process”**: There are some other concerns in increasing the efficiency of the service which relate to the tools utilised in the service process, especially in terms of the feedback -mechanisms between various stages of the process, connectivity between the tool used behind the service and overall CRM of Business Finland, and to some extent simplification and clarification of the key concepts and their expectations.

The evaluation gives following strategic recommendations.

RECOMMENDATION 1: THE OBJECTIVES OF THE TFMO SERVICE AND EACH KEY COMPONENT SHOULD BE MORE CLEARLY DEFINED

There is a variation of viewpoints regarding the key objectives of each component of the Service. These should constantly be clarified and articulated for better measurement of the service.

- The quality threshold and the nature of Sales Leads (whether extensively verified or not) – the amount of work used in publication of the leads
- The objectives and relevance of business opportunities and their activation (i.e. There are opportunities without any activation)
- The nature of Future Watch provided more added value for internal clients rather than SMEs
- This would help for further internal assessment of the effectiveness of the services in relation to other potential activities of Business Finland.

RECOMMENDATION 2: FOLLOW-UP –PHASE SHOULD BE MORE RIGOROUSLY IMPLEMENTED AND TARGETED TOWARDS IMPACT

Monitoring data for this evaluation has been very limited. It has been very difficult to find evidence on successful cases from the activation.

Currently there is variation to what extent the experts have time and resources to carry out the follow-up. This leads to a difficulty to even identify potentially interesting cases or successes from the activation work. There is

only little follow-up data available. To some extent this evaluation has designed a logical model against which benefits from the services could be followed systematically through automated surveys which trigger after certain period of time after the activation (requiring that the information about the lead/opportunity/Future Watch) includes the contact details.

Many persons interviewed also emphasized the importance of using success stories from the follow-up phase both internally and with clients, but with a limited information available it has not happened

RECOMMENDATION 3: INCREASING THE INTERNAL UTILIZATION FOR BETTER CUSTOMER REACH AND BETTER BENEFITS

The use of Market Opportunities services internal tools should be even more clearly linked to Business Finland Programmes, especially growth programmes and their work. The leads and Opportunities which fall into strategic industry areas or growth programmes, has better change to be fully activated and successful.

Future Watch work should be more closely linked with the preparation stage of Business Finland Programme activity.

Currently Future Watch –work has been utilized within programme services (such as events etc.), but there is yet unexplored benefit in incorporating Future Watch –work more closely to the processes where Business Finland in the future prepares its activation/programme services.

RECOMMENDATION 4: MORE MARKETING AND COMMUNICATION ON SERVICES FOR INCREASING CUSTOMER REACH

Market Opportunities –service should be marketed more towards the target group.

There should be more open marketing and communication of the service and its online platform by Business Finland in connection with its other services and also together with key stakeholders such as Suomen Yrittäjät or Confederation of Industries.

This would require both an internal communication plan with resources as well as an joint communication plan with key stakeholder groups.

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The website www.internationaalondernemen.nl

ANNEX 1. PEOPLE INTERVIEWED IN EVALUATION

ESPECIALLY FUTURE WATCH'S WORK INVOLVED

Sari Arhohavren, Business Finland
 Teppo Turkki, Business Finland,
 Pavel Cheshev, Business Finland
 Tuula Savola, Business Finland
 Pia Salokoski, Business Finland
 Soile Ollila, Business Finland

ESPECIALLY SALES LEADS AND BUSINESS OPPORTUNITIES WORK INVOLVED

Mika Lautanala, Business Finland
 Lili Lehtovuori, Business Finland
 Leena Arvonen, Business Finland
 Werner Merzeder, Business Finland
 Saara Annola, Business Finland
 Perry Ledain, Business Finland
 Zofia Stelmaszczyk, Business Finland
 Terhi Rasmussen, Business Finland
 Tomi Rauste, Business Finland
 Jaani Heinonen, Business Finland
 Harri Lanning, Business Finland
 Kirsi-Maarit Poljatschenko, Business Finland
 Risto Huhta-Koivisto, Business Finland
 Minna Hendolin, Business Finland
 Irma Patala, Business Finland

INTERVIEWED COMPANIES (10 SUCCESSFUL CASE COMPANIES)

INTERVIEWED STAKEHOLDERS

The Ministry of Foreign Affairs (4 experts)
 The Ministry of Employment and Economy (1 expert)
 Central Chamber of Commerce (1 expert)
 The Federation for Finnish Enterprise, Yrittäjät (1 expert)
 Confederation of Finnish Industries, EK (1 expert)

A survey to SMEs activated in 2017

A survey to Item Owners in Oppspace

ANNEX 2. EVALUATION METHODOLOGY AND RESULTS

EVALUATION QUESTION(S)	METHODOLOGY	FINDINGS	CONCLUSIONS	RECOMMENDATIONS
Sales Leads and Business Opportunities				
How has business activation been successful?	Analysis of the internal monitorin data. Interviews with the companies and personnel. Survey to the companies.	The total amount of activated companies in 2016 to 2017 has been around 2000 in a yearly basis. Staff has difficulties to recognise succesful cases. Around 10 succesful cases were reached. Many companies does not recognise the service from all other work of Business Finland (or that of Team Finland).	Activation has produced successful business cases for companies to some extent, but the success relates mainly to the contacts and understanding of the target market. The per-sonnel carrying out the activities have had very limited time to fully follow-thought the im-pact of the activation. In the light of the findings of this evaluation, the follow-up –phase does not work as it should be.	Recommendations 2 and 4
Is there a case for activation? -> Would it have been left without the company without activation?	Analysis of the succesful cases, a survey to companies	Most of the intervied cases would not have found the same lead or sales opportunity by themselves. This is also emphasised in personnel interviews.	The service have quite high added value (or additionality) for those it had reached. Most of those SMEs who utilise the services would not be able to identify either the different oppor-tunities (usually in the form of contacts from organisations) or market/future information by themselves.	Recommendation 2
How do cases differ by industry (case and business size and greatest benefit per case)?	Interviews with the personnel, analysis of succesful cases	Those sectors, which have some existing activation infrastructure (growth programme, dedicated strategy) provide more outputs and more activation. Especially smaller companies reflected the importance of the activation.	Additionality of the service is higher on smaller and newer companies. Based on qualitative analysis there is no distinctive differences among different sectors or target markets.	Recommendation 1



EVALUATION QUESTION(S)	METHODOLOGY	FINDINGS	CONCLUSIONS	RECOMMENDATIONS
Sales Leads and Business Opportunities				
Is there a need for development in the mode of operation (speed of movement, preparation) and measurement of activation (mean)?	Multi-criteria analysis of all evaluation data	Companies and internal stakeholder suggest several different development ideas on how the service should be improved. These relate to direct communication to SMEs and more publicity, focusing on SMEs and closer cooperation with companies, more accurate follow-up, clear focus areas on activation and development of Oppspace and CRM integration Quality vs. Quantity on Sales Leads and Business Opportunities	The overall service seems to have better performance (in terms of outputs and results) in the areas where it is closely linked to growth programmes or has strategic focus area for activation. Internally the processes behind the sales leads and business opportunities seem to work rather well, except the feedback between various phases and the communication and marketing efforts on these services.	All recommendations
Future Watch				
What is the foresight information's immediate and longer-term benefits for target group companies (growth-seeking and high-performing companies)?	Interviews with personnel, users and succesful cases	Those companies interivewed see that the insight and foresight improves their understanding of the potential future business areas.	Can potentially contribute to their decision making on new potential business areas.	Recommendation 1 and 4
What is the immediate and longer-term benefit of networking (new contacts etc.)?	Interviews with personnel, users and succesful cases	Relatively few organisations have participated in the activity or can distinguish Future Watch work from other forms of activities in which they have participated within the Business Fin-land context	The overall relevance of Future Watch cannot be fully evaluated as it is non-distinguishable by clients	-
What is the benefit of foresight information for other actors (Team Finland actors and other foresight forecasts)?	Interviews with Experts and Foresigh actors	Interviews point out, that the service is beneficial for developing other services.	The main relevance of Future Watch has to come from within the service network that utilises Future Watch as part of its activation and client service to SMEs.	Recommendation 1 and 3
What is the relevance of benefits and service outcomes in relation to other foresight infor-mation and activities?	Multi-criteria analysis of all evaluation data	Information is used as one piece of information when companies study particular countries of future practicalities.	Future Watch seems to have a distinctive profile in terms of future oriented information at least in the members of the expert network utilising the information and for some companies. It	-



EVALUATION QUESTION(S)	METHODOLOGY	FINDINGS	CONCLUSIONS	RECOMMENDATIONS
Overall				
What is immediate and longer term benefit of the Market Opportunities service for SMEs	Multi-criteria analysis of all evaluation data	40-55 % of companies reached find the outputs relevant. 75 % of the surveyed companies recognise key expected benefits. However slightly difficult to find and recognise succesful cases from the service.	Key benefit from the Evaluated services are the concrete contacts in different markets and increased understanding of the market opportunities in the target market at hand. This benefit is realized in rather short term and creates a possibility for longer term benefits, such as export growth or even new type of businesses. However there very limited evidence in this evaluation that it had impact on actual exports during 2016-2017 or many other expected benefits.	Recommendations 1 and 4
What is the added value and efficiency of the service in relation to other foresight information and activities used by companies?	Multi-criteria analysis of all evaluation data	Information is used as one piece of information when companies study particular countries of future practicalities.	Future Watch seems to have a distinctive profile in terms of future oriented information at least in the members of the expert network utilising the information and for some companies. It	Recommendations 2 and 3
What are the recommendations to futher develope the service	Multi-criteria analysis of all evaluation data			<p>Recommendation 1: The objectives of the TFMO service and each key component should be more clearly defined</p> <p>Recommendation 2: Follow-up –phase should be more rigorously implemented and targeted towards impact</p> <p>Recommendation 3: Increasing the internal utilization for better customer reach and better benefits</p> <p>Recommendation 4: More marketing and communication on services for increasing customer reach</p>