Internationalization through E-commerce within the Fashion Industry

A case study of Swedish fashion companies’ e-commerce abroad

Department of Business Administration
International Business
Bachelor Thesis
Spring 2017

Authors
Melina Amel Sayyah 940730
Sara Nilsson 950503

Supervisor
Ramsin Yakob
Aknowledgements

We would like to express a deep sense of gratitude to Christina Neeley at Elvine, Jessica Syrén at Gina Tricot, Björn Lindén at Trés Bien, Mathias Jonasson at Nudie Jeans and Linda Laszlo Ek at Business Sweden for taking their time and making this study possible.

We would also like to address a big thanks to our supervisor, Ramsin Yakob, for his guidance and time throughout the writing process of this thesis. Last but not least, we would like to thank our classmates for their opinions and thoughts regarding our thesis.

Gothenburg 2nd of July 2017

Melina Amel Sayyah

Sara Nilsson
Abstract

E-commerce has evidently created new ways of conducting business and it could be argued that e-commerce has erased all national borders, adding a new dimension to the process of internationalization. The phenomenon of e-commerce is especially visible within the fashion industry. Therefore, this thesis aims to highlight the possibilities and challenges that come from using e-commerce as a way for Swedish fashion companies to internationalize. In order to touch upon these factors, we have conducted in-depth interviews with staff members from the companies: Elvine, Gina Tricot, Trés Bien, Nudie Jeans and Business Sweden. One of the main findings of our study is that the fashion companies seem to see a great possibility in using e-commerce as a way to internationalize their business and reach new potential customers. Also, companies are able to fulfill customers needs by implementing an omni-channel strategy where the e-commerce is integrated in the whole business strategy, and a challenge lies in actually doing so. Additionally, it is clear that there is a connection between the internationalization strategies and local e-commerce adaptation within companies, which might be a challenge for companies in the process of internationalization through e-commerce. Finally, even though a general assumption might be that e-commerce erases all national borders, we conclude that there are still liabilities that need to be overcome in terms of both external and internal barriers.

Keywords: E-commerce, internationalization, international business, fashion companies, e-commerce strategy
Definitions

**E-commerce**: Trade of goods where the purchase is completed via electronic transactions together with online communications.

**Fashion industry**: Manufacturing and trade of mainly clothes and shoes but also textiles, bags and accessories.

**Swedish companies**: Companies founded in Sweden.

**Internationalization strategy**: Companies’ internationalization mindset for the business as a whole.

**E-commerce strategy**: How the company chooses to conduct their e-commerce part of their business, mainly in an international context. For some companies, internationalization strategy and e-commerce strategy can collide and therefore the terms are used separately or as synonyms depending on the context.

**Born-globals**: Companies that have operated internationally from the very beginning, more specifically within a few years from the start of the company.

**Retailers**: Companies selling other company’s products. Resellers will be used as a synonym to retailers throughout the thesis.

**Offline sales channels**: Physical sales channels such as stores and retailers.

**Sales channels**: Offline and online channels, meaning; e-commerce, retailers and own physical stores.

**Pure players**: E-commerce fashion companies without a physical store, also used synonymously with dot.coms.
# Table of contents

1 INTRODUCTION 1

2 PROBLEM DISCUSSION 2

2.1 Research question 3
2.2 Purpose of the study 3
2.3 Delimitations of the study 4

3 METHODOLOGY 4

3.1 Research strategy 4
3.2 Research point of view 5
3.3 Research design 7
3.4 Secondary sources 7
3.5 Data collection 8

3.5.1 Secondary data 8
3.5.1.1 Choice of industry 8
3.5.1.2 Choice of market 9
3.5.2 Primary data 9
3.5.2.1 Choice of companies 9
3.5.2.2 Choice of interviewees 10
3.5.2.3 Choice of experts 10
3.5.2.4 Interview structure 11
3.5.2.5 Execution of qualitative interviews 12
3.6 Data analysis 14

4 THEORETICAL BACKGROUND 15

4.1 Internationalization motives 15

4.1.1 Market seeking 15
4.1.2 Marketing tool 15
4.1.3 Managerial self interest 16

4.2 Internationalization strategy 16

4.3 E-commerce strategies 17

4.3.1 Website traffic 17
4.3.2 E-commerce and physical stores 18

4.4 Multi-channel 18

4.5 Omni-channel 19

4.6 External barriers 22

4.7 Internal barriers 23

4.8 Adaptation 23

4.8.1 Language 24
4.8.2 Branding 25

4.8.2.1 Consumers’s product perception 25
4.8.2.2 Country of Origin effect 25
5 EMPIRICAL DATA

5.1 CONTEXTUAL BACKGROUND
5.1.1 The Fashion Industry
5.1.1.1 Swedish Fashion Industry
5.1.2 Backgrounds of Studied Companies
5.1.2.1 Elvine
5.1.2.2 Gina Tricot
5.1.2.3 Trés Bien
5.1.2.4 Nudie Jeans
5.1.2.5 Business Sweden

5.2 EMPIRICAL BACKGROUND
5.2.1 Internationalization Motives
5.2.1.1 Importance of being an international brand
5.2.1.2 Interest in foreign brands
5.2.1.3 Sweden is not big enough
5.2.1.4 EU-site establishment is smooth
5.2.2 Internationalization Strategy
5.2.3 E-commerce Strategy
5.2.3.1 Website traffic
5.2.3.2 E-commerce and physical stores
5.2.3.2.1 It goes hand-in-hand
5.2.3.3 E-commerce organization
5.2.4 Multi-channel
5.2.4.1 Adding e-commerce
5.2.5 Omni-channel
5.2.5.1 Being consistent towards customers
5.2.5.2 Integrating channels
5.2.5.3 Click-and-collect
5.2.6 External Barriers
5.2.6.1 Language
5.2.6.2 Directives and Legislations
5.2.6.3 Distance
5.2.6.3.1 Shipping costs and returns
5.2.6.3.2 Delivery time
5.2.7 Internal Barriers
5.2.8 Adaptation
5.2.8.1 Language
5.2.8.2 Branding
5.2.8.2.1 Image and price segment in different markets
5.2.8.2.2 The Swedish effect

6 ANALYSIS

6.1 Sweden is not big enough
6.2 The Strive Towards Being an International Brand
6.3 We Want What is Hard to Get
6.4 Internationalization Strategy Affects E-commerce Adaption
6.5 The Importance of Being Seen and Physical Presence
TABLES

TABLE 1. ELVINE. .................................................. 28
TABLE 2. GINA TRICOT. .......................................... 28
TABLE 3. TRÉS BIEN. ............................................. 29
TABLE 4. NUDIE JEANS. ......................................... 30
TABLE 5. PRODUCT PRICE, SHIPPING COST AND DELIVERY. ............................................. 57

APPENDICES

INTERVIEW QUESTIONS FOR COMPANIES .................. 70
INTERVIEW QUESTIONS FOR E-COMMERCE EXPERT .......... 71
1 Introduction

The Internet and the growing internationalization of firms are two revolutionary factors that define the world we live in today (Sinkovics, 2013). The Internet has facilitated the internationalization process through its cost effectiveness and easier applicability, which in turn has increased the possibility of early internationalization (Sinkovics & Penz, 2005). The way companies conduct business across borders has changed due to the improved efficiency in regards of global communication (Bennett, 1997; Hamill, 1997; Chang, Jackson & Grover, 2003). This change is particularly visible within the fashion industry where one of the most noteworthy trends right now is the steady growth of companies that internationalize their business (Mollá-Descals, Frasquet-Deltoro & Ruiz-Molina, 2011). According to Chang et al. (2003) e-commerce is a product of the Internet that has come to play an important role in the companies of today. E-commerce has become a new source of income for firms and has changed the way shareholder value is created. Powerful technology has enabled business processes to be more effective, improved customer care and provided products and services online (Chang et al., 2003). Additionally, web technologies such as e-commerce can be used in order to attract new customers, reaching new markets, creating new distribution channels and offering customer services that adds value (Salmeron & Hurtado, 2006).

E-commerce has to a very large extent become global and the possibilities to reach out to customers all over the globe have never been as great as now (Business Sweden, 2017). In Europe, e-commerce is increasing and the customers are becoming more used to the idea of shopping online, which leaves great opportunities for companies that are utilizing or want to utilize e-commerce. A survey made in 2016 by E-commerce Europe showed that 296 million Europeans were e-shoppers. Between the years of 2013 and 2015, the number of Europeans that chose to shop online from abroad increased by 33 percent (E-commerce Europe, 2016). One of the markets in which shopping from abroad is growing the most in is Spain. Compared to the Nordic countries with an increase of four percent in 2015, Spain had an increase of fourteen percent in the same year (PostNord, 2016). Since online shopping is increasing in Europe, new opportunities to grow exist for both new and more established players in the market, making the region an interesting target for this study. In addition, among the European countries, Spain is no exception when it comes to fashion products being the most commonly bought goods online (E-commerce Europe, 2016). It is therefore relevant
to focus on internationalization through e-commerce within the fashion industry in this case study where Spain is used as an example, and especially investigate Swedish fashion companies as it has experienced a huge growth in export and internationalization over the past few years (Sternö & Nielsén, 2016).

2 Problem discussion

Despite the potential of the online market, Guercini and Runfola (2015) claim that it is important to keep in mind that not all e-commerce websites that offer their products abroad are equally internationalized. The fact that a company goes online does not mean that a company goes online abroad (Guercini & Runfola, 2015). Meaning that, although the Internet does not have any national borders, this does not automatically mean that all the liabilities and distances that exist for companies in the internationalization process are overcome (Johanson & Vahlne, 2009; N. Sinkovics, R. Sinkovics & Jean, 2013). Also, as showed by Postnord (2016), comparing shopping online with shopping in physical stores, the customers have access to a wider range of shops on the online market since they are not bound to a geographical area. This means that it is even more important to be competitive and to stand out in the online market (Postnord, 2016).

Furthermore, it has been argued by Yamin and Sinkovics (2006) that a stronger engagement to e-commerce internationalization within companies may have some negative effects. The authors explain that companies might fall into a trap where they generalize the vague knowledge of foreign markets and customers that have been possessed through their e-commerce interactions. This could lead to poor performances in foreign markets, since they do not entirely comprehend the complexities that exist and therefore keep the physical and psychic distance from markets abroad (Yamin & Sinkovics, 2006). Thus, the possibilities that exist with e-commerce put new pressures on companies in order to succeed and become competitive actors on the e-commerce business platform (Business Sweden, 2017).

In the internationalization process through e-commerce, there are several difficulties that companies might experience. Findings by Guercini and Runfola (2015) show that problems rooted in structural and political restrictions, related to search engines and social media can be faced. For instance, online stores relying on websites as upstream links have been affected because of the accessibility struggles experienced by Facebook and Google in some markets.
This shows that there are several internal and external barriers for companies to overcome when entering a new market. Cultural differences, such as language, is another barrier brought up by Guercini and Runfola (2015). However, there is a tendency among companies to not plan and prepare the strategic decisions regarding their e-commerce, making the process of overcoming barriers harder. Further, many do not know what they actually want to achieve with an established e-commerce (Salmeron & Hurtado, 2006). Our assumption is that many companies could benefit from using e-commerce as a way to internationalize if they would have a strategy for it, and not have an over reliance on the Internet as a way to be instantly international. Since the road to e-commerce is scattered with failed attempts, the decision makers within the companies must act carefully (Chang et al., 2003). In general, the opportunities for e-commerce are doubtlessly growing. According to E-commerce Europe (2016), the full potential of the European e-commerce market has not yet been reached. Among others, Spain is a market with high potential for cross-border online trade. Although, these opportunities come with new pressures for companies, barriers need to be overcome in order to be competitive.

Shedding light on internationalization through e-commerce for Swedish fashion companies, we believe that it is clear that the fashion industry is linked with other industries, such as journalism, advertising, photography, music, retailing, logistics and tourism, that can all benefit from the economical growth of the fashion industry. Consequently, since e-commerce within the fashion industry is an economic matter affecting different industries, this means that it is highly relevant for the Swedish Government to be interested in this complex issue that is about to be discussed.

2.1 Research question

*Which are the possibilities and challenges that come from using e-commerce as a way for Swedish fashion companies to internationalize?*

2.2 Purpose of the study

With this study, we aim to contribute with knowledge to the area of internationalization through e-commerce, using Spain as an example. We believe that a deeper understanding of this phenomenon can improve the way Swedish fashion companies choose to conduct their e-commerce abroad.
2.3 Delimitations of the study

In order to permit depth in our thesis we have chosen to delimit the study in a few aspects. To better understand the phenomenon of e-commerce, that is a core part in our study, we chose to delimit the research to only involve e-commerce in the context of business to consumer (B2C) and thereby exclude other types of commercial transactions. Also, we decided to specialize our study in regards of the industry to enable the identification of industry specific details. The fashion industry is therefore the one industry that our study concerns, where the traded products are goods. In addition, we chose to specify the study so that it would only focus on Swedish companies that were founded in Sweden. Although, other companies can hopefully benefit from this study to some extent as well. A delimitation has been made in the number of companies that are included in our study as we saw that four companies were sufficient in order to obtain the information that was needed to fulfill the purpose of our study. In order to delimit the way of answering the research question, the focus has been on investigating what motives that have led to the internationalization strategies used in e-commerce within the studied companies and what e-commerce strategies the investigated companies have used.

3 Methodology

3.1 Research Strategy

There are different types of research strategies that can be used within the research area of business. These research strategies can generally be classified into two different research approaches: quantitative and qualitative (Bryman & Bell, 2013).

We have chosen to use a qualitative research approach, in order to build a basis for a deeper analysis where value is added through the companies’ perspectives. A qualitative approach puts weight on how the individuals perceive and interpret the studied phenomenon, thus, this results in a more subjective perspective in comparison to a quantitative method. The questions used in a qualitative research are often relatively open which enables the interviewees to dig deeper into the matter in hand. In contrary to quantitative research, qualitative research leaves possibilities for the researcher to adapt each interview and therefore be more flexible. Since a qualitative research is more focused on words rather than the quantification of data, as in a
quantitative research (Bryman & Bell, 2013), it is important to keep in mind that we will see the point of view from a few companies in the fashion industry. Thus, only their experiences will be considered and reflected upon in our study. In other words, it is possible to overlook some of the experiences that other companies in the same industry have had. The names of the interviewees and the companies that they work for are fully exposed in our study, because we saw that this transparency would raise the credibility as the reader can look up the interviewees and their earlier experiences in order to make their own judgement if the interviewees are relevant or not. We also see it as an advantage that the companies names are exposed as it helps the reader to create a clearer image and puts the data in a richer context. However, due to this transparency, the interviewees might answer in ways that will not harm themselves nor the company that they are representing. Their answers might therefore be partially bended to their benefit and not always reflect the truth entirely. With this said, we still believe that the advantage with using a qualitative interview outweighs the disadvantages of using this method.

3.2 Research point of view

Bryman and Bell (2013) state that a qualitative research approach is usually combined with an *inductive* reasoning as a way to see the relationship between theory and observations. In other words, a qualitative research approach aims to find patterns from the collected data in order to apply a theory that fits or generates some kind of new statement. In this study, we have chosen to use an inductive reasoning. Within the inductive reasoning, the questions asked are based on the phenomenon rather than a pre chosen theory as done in the use of *deductive* reasoning (Bryman & Bell, 2013). Therefore, the questions used in the interviews were not based on any pre specified theory, they were mainly focused around the phenomenons of e-commerce and internationalization.

However, there has also been some hints of *abductive* reasoning in our study. Folger and Stein (2016) state that whereas an inductive way of thinking uses evidence as support for conclusions, abduction is the process of introducing speculative - but probable - inferences about the art of a phenomenon. Therefore, the authors (Folger & Stein, 2016) also claim that abduction is the process of figuring out what types of evidences that might increase the chance of getting deeper understanding of a phenomenon. How we see it, the abductive way of thinking is a path between deduction and induction. In abduction the relationship between
theory and research can be seen as an ongoing process. In our study, we had some clues and speculations before collecting our data, but no clear theory that we followed to shape the process of data collection. Also, between the interviews, we came across valuable information that we then applied to some of the later interview questions in order to get the most out of the empirical process. In line with Bryman and Bell (2013), we saw the importance of having a clear connection between theory and observations in order to raise the credibility of our qualitative research.

Regarding our research question, it has been adjusted throughout the writing process. The original research question considered internationalization through different entry modes like own stores, retail, and e-commerce. The aim was to collect data from companies using these different types of establishment strategies. Further on, we realized that it would benefit our study to focus on one particular entry mode, in our case e-commerce. This because, e-commerce is a relatively new phenomenon compared to the more traditional entry modes and therefore we believed that there would be a higher demand of research in this area.

We also discovered that focusing on e-commerce on its own, would give us more opportunities in our sampling process, since we found that there was a limited number of Swedish fashion companies that had established themselves on the Spanish market using physical entry modes. We saw that this would broaden the range of relevant companies for our study which would leave higher possibilities for more interviews and would therefore benefit the research in terms of data collection. Hence, after the preliminary information gathering, the research question was changed. This process of going back and forth further indicates that our research strategy has been impacted by abductive reasoning.

Another important aspect that affects the point of view in our research is how reality is interpreted. The nature of social entities can be seen with a *objectivist* point of view or a *constructionist* point of view. We have had a inductive reasoning with hints of abduction rooted in a constructivist mindset. Bryman and Bell (2013) mean that the standing point of a qualitative method is related to the constructionist point of view though a quantitative method is in line with a objectivist standing point. In the constructionist way of thinking, the social characteristics are result of the social interaction between individuals rather than some kind of fixed reality that exists from the very beginning (Bryman & Bell, 2013), and this is something that has reflected our way of interpreting the gathered data. We are aware of that this constructionist point of view means that the data is interpreted by us as subjective individuals.
and might not be interpreted in the same way by other researchers. Although, we see more advantages than disadvantages with a constructionist point of view, as we have been able to reach a point of depth in our analysis that we do not think would have been possible using a objectivist point of view.

3.3 Research design

In order to fulfill the purpose of this thesis, we have used a case study as a tool to better understand the investigated phenomenon of internationalization through e-commerce. Our case study has been descriptive, as the aim was to describe the phenomenon of internationalization through e-commerce and the real-life context that it appears in (Baxter & Jack, 2008). Spain has been our market of exemplification, e.g our case study, but examples from other countries have been used as well as our purpose was to investigate how companies use e-commerce in order to go abroad. For this reason, our aim is that the conclusions could be applicable on other European markets, and even other non European markets as well.

3.4 Secondary sources

We have used printed literature such as books, scientific articles and industry journals. The electronic sources that have been utilized are also books, scientific articles and industry journals but websites and news articles as well. To find the right information in terms of reliability we have used databases such as Science Direct, Business Source Premiere, Google Scholar, Emerald Insight, The Economic Library of Gothenburg University and Libris. We have critically reviewed the sources that we have chosen to utilize in our research. Additionally, there has been effort made to primarily use peer reviewed articles in order to certify high quality and credibility. In well known journals, it is very unusual that an article is published without going through any changes first (Bryman & Bell, 2013). The process of peer review can take up to two years in some cases. Therefore, the process of changes that a peer reviewed article has to go through raises its credibility. Additionally, Habit, a fashion magazine, has been used in order to collect specific industry information that was not available elsewhere to the best of our knowledge. In this context, we consider it to be a valid source.
3.5 Data collection

3.5.1 Secondary data

We have used secondary data in our research gathered from both printed and electronic sources. According to Sreejesh, Mohapatra and Anusree (2014), using secondary data from secondary sources enables researchers to work more time efficiently. Sreejesh et al. (2014) also claims that the Internet has advantages in having a broad scope, meaning that it covers more or less every topic and that the cost of acquiring secondary data on the Internet is acceptable. These are some reasons to why the Internet has been a huge tool in our search for secondary data. The most secondary data has been collected from reports which has enabled collecting reliable data that could not have been collected by ourselves otherwise. The reports we have used are made by organizations and companies such as E-commerce Europe, EU-commission, Volante Research and PostNord. The gathered information from these reports have been in the form of statistics. Further on, we found price information regarding the companies’ most expensive products on the companies’ online websites visiting from a Spanish browser (11th of May, 2017) and rounded them to the nearest integers. This was done in order to get a somewhat clearer picture of how the company is positioned on the market when it comes to pricing. The reason that we chose to look from a Spanish browser was because this is a case study were we have chosen to use Spain as an example where other detailed information, such as delivery time and shipping cost, is also from the Spanish market. We are aware of that this might not reflect the price image entirely correct and we also reserve us from the faulty image of the price settings of the companies that this may cause.

3.5.1.1 Choice of industry

In our thesis, we have chosen to focus on the fashion industry. Our selection of industry was based upon different motives. Both of us have a genuine interest in fashion as an ever changing concept where new actors are constantly entering the market. We also found it interesting to investigate how the technology has and is still changing the conditions for fashion companies to operate. Further, it was brought to our attention that within e-commerce, fashion is the fastest growing industry at the moment (PostNord, 2016).
3.5.1.2 Choice of market

More specifically, we have focused on e-commerce to the Spanish market. This is why our first requirement was that the investigated companies needed to provide their products to customers in Spain through e-commerce. Regarding the choice of this geographical market, there was also a personal interest of ours since we both have some experience from the Spanish market in terms of both living in Spain a few months but also having studied economics within the Spanish market. Additionally, in the survey made by PostNord (2016) that was mentioned earlier, it is stated that Spain is one of the European markets where e-commerce from abroad is growing the most and where fashion items are representing the largest part of products bought online.

3.5.2 Primary data

Our study mainly consist of primary data, which is the data gathered through the interviews. We have held five qualitative interviews, where four were made with companies and one with an expert within a Swedish business organization. Four interviews were made in person; one with Christina Neeley, Head Of E-commerce at Elvine, one with Jessica Syrén, Head Of Expansions at Gina Tricot, one with Mathias Jonasson, Head of E-commerce at Nudie Jeans, (also referred to as Nudie) and one with Linda Laszlo Ek, Trade & Legal Advisor at Business Sweden. The interview with Björn Lindén, Co-founder at Trés Bien, was made through a video call on Skype. The reason behind the focus on the primary data throughout our study has been to raise the credibility and to receive information that is up to date. Obtaining primary data using a qualitative method has given us the opportunity to receive detailed answers that might not always be accessible elsewhere. Also, we found it interesting to interact with people within different companies and believed that it would be rewarding to complement our secondary data with the personal experiences from the interviewees and the companies that they work at.

3.5.2.1 Choice of companies

Further, there were many factors that led to the fact that we chose to specify our study on Swedish fashion companies. A contributing factor was that the Swedish fashion companies are greatly characterized by internationalization (Hauge, Malmberg & Power, 2009) and that the Swedish fashion industry is constantly growing outside the Swedish national borders (Sternö & Nielsén). In addition, we have a relatively good idea about the existence of
Swedish fashion companies, which raises the knowledge of which companies that could be relevant for our study. Also, the writing process took place in Sweden and therefore we saw it as an advantage to contact Swedish fashion companies since it facilitated both the process of getting in contact with them and also communicating with them purely linguistically.

Four Swedish fashion companies were interviewed for our study. We chose to include companies that were established in the Spanish market in different ways, aside from being established through e-commerce; Nudie Jeans has an own physical store, Trés Bien and Elvine have retailers and Gina Tricot has no physical presence. We believed that if companies using different business strategies would have something in common, then these similarities would weigh even heavier than similarities found among companies using the same strategies. Furthermore, there was no delimitation of the size of the companies that we chose to include in our study. Elvine and Trés Bien are small companies, Nudie Jeans is a medium sized company and Gina Tricot is a large company. Their sizes are defined by the EU that take number of employees and turnover or annual balance sheet total into consideration when determining the size of a company (European Commission, 2017).

3.5.2.2 Choice of interviewees
We had a focus to interview individuals, working in the headquarters, with a fair amount of working experience within the companies, so that they would have a greater knowledge about the company. It was also important to make sure that they had a daily connection to the global part of the business and e-commerce, since this was essential to our study.

3.5.2.3 Choice of experts
To get at more general perception of the phenomenon we chose to interview an expert in trade and legal issues at Business Sweden, Linda Laszlo Ek. We thought that this would give our study yet another dimension due to the fact that she could see the phenomenon from another point of view in comparison with the interviewees perspective of only their own companies. We believed that she would give us knowledge in a more objective way since she has been in contact with companies using different business strategies throughout her career as an advisor. Since Linda Laszlo Ek works with these issues at Business Sweden and provides a consultancy service towards individual companies, it is important to keep in mind that some answers might be affected by this.
3.5.2.4 Interview structure

Qualitative interviews have the tendency to vary from each other to a large extent. There are three main types of interviews that could be used for our study: structured, semi-structured and unstructured interviews (Bryman & Bell, 2013). According to Guthrie (2010), using a structured interview approach means that the researcher uses a formal, standardized questionnaire. Structured interviews commonly have a broad coverage but lack in terms of the depth of the answers (Guthrie, 2010). In a semi-structured interview type, the researcher uses a list of themed questions that she or he want to touch upon, although, the interviewee has a great freedom to speak around the subjects (Bryman & Bell, 2013). The interview does not need to follow a specific order and the interviewer has the possibility to ask follow-up questions that are related to the given answers from the original questions. Although, in general, the questions will follow the specific order and be asked in the same way. Compared to semi-structured interviews, unstructured interviews are characterized by a higher degree of freedom. The researches only use keywords, sometimes only one question, as a tool to support the interview. The interviewee then has the freedom to speak and associate freely. Unstructured interviews therefore tend to give the impression of a regular conversation (Bryman & Bell, 2013).

We chose to base our study on semi-structured interviews since we believed that it would simplify the process of categorizing the gathered information and facilitate the identification of any patterns. As compared to structured interviews, using semi-structured interviews allowed us to dig deeper into the questions in hand since the interviewees could speak relatively freely around the questions. Further on, we saw that the possibility to ask follow up questions would open up for further detailed answers. Although, as compared to unstructured interviews, we thought that it was important to have the ability to direct the interviews towards the subjects that we aimed to investigate. Otherwise, it could be hard for the interviewees to determine what is interesting and relevant to talk about. After all, the interviewees might not always touch upon the relevant subjects on a daily basis and therefore they might need a push in the right direction. This is why we saw that semi-structured interviews were most suitable for our study as compared to structured and unstructured interviews.
3.5.2.5 Execution of qualitative interviews

We have used a mix of interviews, four in person and one online video call interview. After determining which companies that were relevant for our study, we contacted them through either email or telephone. As Guthrie (2010) argues, one of the professional responsibilities for researchers is to inform the participants about the study when contacting them. Therefore, we explained the main purpose of our thesis and what we expected from them if they chose to participate. The interviewees role was to participate in one interview that lasted about 45 minutes. After they confirmed their participation, time and place was decided so that it would suit the interviewee. The interviews were conducted using different methods, since we wanted to make it easy for the employees of the companies to participate, making it interesting for them to contribute to the study on their own conditions. Additionally, ethical aspects were taken into consideration throughout the whole communication with our interviewees. As Guthrie (2010) suggests, ethical codes in the research are needed as the research creates new professional roles and behavior. In line with Guthrie (2010) we highlighted, among other aspects, the importance of integrity, by not asking any personal questions and staying committed to work-related questions during our interviews. Also, all interviewees were asked whether or not they were okay with the interview being recorded. There was no pressure put on the interviewees in terms of having to answer all questions. Furthermore, they had control over the time frame of the interviews and how detailed answers they wanted to give.

The same question guide was used in all the interviews, to obtain a fair perspective and to give all companies the same circumstances. However, since we had more knowledge about the studied matter later throughout the process, it was easier to ask follow up questions in the later interviews, based upon answers from the earlier interviews. We chose to send out the questions to the interviewees in beforehand, since we believed it would be beneficial for our study. This way, they would have the opportunity to prepare themselves before the interview by discussing the questions with other employees, who could possibly contribute with additional knowledge in the area. Additionally, over time it could be difficult for them to remember everything correctly and they might have needed to refresh their memory. When sending out the questions in beforehand to the interviewees, we were clear to mention that they would only be used as guidelines throughout the interview and that they would be able to speak freely around them.
The interviews were held relatively early in the research process due to the fact that an inductive, with hints of abductive, research strategy was used. In order to understand and process the interviews more thoroughly, we chose to record them. The interviews were recorded with two devices to prevent any technical issues.

The first interview was a face-to-face interview with the Head Of E-commerce at Elvine, Christina Neeley (hereafter referred to as C. Neeley) at the head office in Gothenburg. In this interview, the questions were mainly focused on the question guideline although some follow up questions were brought up based on the answers. Christina had a long experience from working with the company and therefore had great knowledge of their development. She explained how her position at the company as the only staff member working with e-commerce has changed through time, going from working with e-commerce as only a part of her job to working with it full time.

The second interview was also a face-to-face interview with the Head Of Expansions at Gina Tricot, Jessica Syrén (hereafter referred to as J. Syrén) at the head office in Borås. The questions were based on the question guide, even though some follow up questions were brought up in regards to her answers and the previous interview at Elvine. J. Syrén was the right person for our questions because of her great expertise in the area of business strategies for Gina Tricot. Also, she had great insight about the functioning of the e-commerce division.

The third interview was with the Trade & Legal Advisor at Business Sweden, Linda Laszlo Ek (hereafter referred to as L. Laszlo Ek) at their office located at the World Trade Center in Stockholm. One of us was there in person and the other one was participating through a phone call. A different type of question guide was used in this interview with the aim of absorbing as much knowledge as possible in the area. Although, she was able to speak very freely around the topics and in no specific order. She had a great overview of the investigated phenomenon because of her expertise in working with multiple international companies, which has made it possible for her to identify trends and possible patterns. We found it giving to obtain information from her and in addition it gave us a wider perspective of issues that might not be central for the companies to focus on internally.

The fourth interview was held through a video call on Skype with the Co-founder of Trés Bien, Björn Lindén (hereafter referred to as B. Lindén). Being a Co-founder of the company,
he had excellent knowledge about the internationalization mindset and history of Trés Bien which we found useful. The question guide was used and complemented by some follow up questions based on his answers and the earlier interviews.

The last interview was held in person with the Head Of E-commerce at Nudie Jeans, Mathias Jonasson (hereafter referred to as M. Jonasson) at the head office in Gothenburg. M. Jonasson was well prepared for the interview and gave us detailed answers about the topics. The question guide was used as a support but he spoke freely and covered the topics in his preferred order. Having the other interviews to rely on, there were several follow up questions that were discussed. He was the right person to talk to since he had worked with Nudie Jeans for several years, being there from almost the beginning of e-commerce.

After the oral interviews, the questions and their associated response were sent out to the interviewees, giving them the opportunity to correct any errors and add information that had come to their attention after the interview. This was done as an ethical aspect, in line with Guthrie (2010), as a responsibility of being a researcher is to respect people’s rights. We therefore saw the importance of giving the participants the right to affect how they are presented in our study.

3.6 Data analysis

There are some factors that need to be kept in mind regarding the analysis of the data in this study. As mentioned earlier, the interviews were recorded and later transcribed by us. Our aim was to transcribe the interviews as soon as possible, preferably within a few days, so that we would have a fresh memory of what was said in case there were any misses in the recordings. Since all interviews were recorded and transcribed it is important to be aware of the potential mistakes that could have occurred when transcribing. Further, the interviews were held in Swedish and the parts that were used in our thesis were then translated by us. This because we believed that our interviewees would be more comfortable when using their native language as opposed to English, and that it would therefore open up to a deeper discussion. Hence, it is necessary to be aware of the fact that some words might not be able to translate directly and that there is always a risk of minor errors when translating, although these should not be crucial for the credibility of the study.
In the Analysis, the collected data from the interviews was first processed separately. It was later compared in a process where there was effort made to identify patterns of similarities and differences between the companies.

4 Theoretical background

4.1 Internationalization motives

The literature regarding internationalization includes a lot of research that deals with the question of why companies choose to go outside their national borders (Dicken, 2014; Dunning, 1993; Yamin & Sinkovics, 2006). In order to raise the applicability on internationalization through e-commerce, a selection has been made among different motive theories which are presented below.

4.1.1 Market seeking
Over twenty years ago, Dunning (1993) looked at what motives that drove companies to internationalization. One aspect that, still today, could be interesting when investigating companies’ e-commerce business abroad is how the search for new markets, e.g. market seeking, might drive companies to look outside their national borders for new customers. In other words, he suggested that companies look for new opportunities abroad based on the expected revenues that an entry might bring to the company. He means that there are different factors that are included in the market seeking motive, where one is that the home market might be limited in terms of saturation, competitiveness or that it simply does not exist enough customers there, meaning that both the characteristics and size of the home market affects a company’s decision to internationalize (Dunning, 1993).

4.1.2 Marketing tool
Yamin and Sinkovics (2006) claim that some companies create a website that is reachable internationally in the purpose of marketing and advertising, rather than a way to enter a foreign market. However, the website might still generate sporadic sales from foreign markets, but this is not the main motive for opening up the website.
4.1.3 Managerial self interest

Oesterle, C. Elosge and L. Elosge (2016) claim that one motive that drives internationalization is managers’ intentions and wills, and that a CEO’s ego seems to be vital when making decisions linked to internationalization. The authors claim that when a CEO has tendencies of managerial self interest it leads to the fact that the decisions that are made are pro-internationalization. Foreign activities are stated to increase the control for managers as several opportunities open up to fulfill managerial self interest. Examples of this could be fancy offices abroad and autonomy from home market pressure divisions (Oesterle et al., 2016). Furthermore, it is argued by Oesterle et al. (2016) that a CEO with ego tendencies might underestimate the risks that are associated with foreign operations. Therefore, it seems relevant to consider the behavioral aspect of a CEO when analysing what motives that drive a company to internationalize. This choice of theory might be questioned as we have not interviewed the CEO of every company in this study. Although, we consider that this theory can still be applicable on our data as we have gotten insight from our interviewees that might indicate what mindset the CEO has had in the decisionmaking situations that were relevant to our study.

4.2 Internationalization strategy

How companies choose to enter new markets is a subject discussed frequently among different scholars in the area of International Business. In 1977, Johanson and Vahlne conducted a survey on large Swedish manufacturing companies and their internationalization process. The authors proved that the internationalization process, named the Uppsala internationalization process model, is something gradual with foreign activities executed step-by-step, starting with export to another country (Johanson & Vahlne, 1977). One essential part of the Uppsala internationalization process model is how the time order of entering markets is related to the psychic distance between the home market and market of entry. The psychic distance is explained as the gathered factors, such as language, education and culture, that hinder the stream of information from and to the market (Johanson & Vahlne, 1977). Meaning that, it is more likely that a company chooses to enter a market that is more alike the home market, as the psychic distance is shorter between the two markets. The theory has dominated the area of internationalization, although, it has been criticized from various angles, by for example Andersson, Gabrielsson and Wictor (2004) that emphasized the fact that the model is not applicable on smaller firms in today’s changing environment. In line
with this criticism, we believed that the Uppsala internationalization process model lacks some aspects that need to be taken into consideration in order to fully understand the process of internationalization through e-commerce of today. Owing to the development of technology, the Internet has created new opportunities for companies to reach new markets and internationalize (Sinkovics & Penz, 2005). E-commerce has been observed as an important part of the facilitating process of expansion abroad that companies can use in order to reach customers outside their borders (Mollá-Descals et al., 2011). In contrast to the Uppsala internationalization process model, e-commerce has made it possible for companies to be international from the very beginning, operating as born-globals (Mollá-Descals et al., 2011). Mollá-Descals et al. (2011) state that Amazon.com, Net-a-Porter and Barrabes.com are examples of retailers that are successful born-global companies, using e-commerce as a way to reach outside their national borders.

We are aware of that the Uppsala internationalization process model has been revisited by the authors later on (Johanson & Vahlne, 2009), due to the criticism that it has gotten throughout the years. We have chosen to not include the revisited Uppsala internationalization process model as we found other theories that we believed would be more suitable to this study. Although, we have chosen to use a part of the 1977 Uppsala internationalization process model, as we found it interesting to see if an older model of internationalization was applicable on the internationalization processes of today, when including e-commerce as a part of the business. Furthermore, we thought that if it would not be applicable, it would instead highlight the contrast of how the internationalization process has changed through time.

4.3 E-commerce strategies

4.3.1 Website traffic

Mollá-Descals, Frasquet-Del-to-ro, Ruiz-Molina & Navarro-Sanchez (2014) argue that the success and competitiveness of a company’s online operation can be associated with the number of visitors and the ranking of the website on search engines. Since more online traffic results in higher positioning on search engines and therefore better reputation, the website traffic can be seen as a crucial advantage for a company. Knowing the importance of online positioning as a strategic move has resulted in that many dot-coms have spent huge amounts
on marketing, like advertising, to attract customers (Mollá-Descals et al., 2014). Nevertheless, it is stated by Nikolaeva (2005) that media publicity in other forms than advertising is less expensive and at the same time more effective. However, after reaching the point of having website traffic, the author claim that it is equally important to be able to transform online visitors into purchasers and subsequently these purchasers into returning customers. Even though online traffic does not directly lead to higher revenues, it can be seen as a way to increase potential for a company to grow in the future (Nikolaeva, 2005).

4.3.2 E-commerce and physical stores

The future growth for companies can be related to positive effects from combining channels. This has been argued by Wiesel, Pauwels and Arts (2010) who claim that a relationship exists between website traffic and increase in offline channel demand. They explain that this is an ongoing relationship where the online traffic creates offline requests, which consequently leads to that the customers return to the website again. These synergy effects can be seen both ways. The positive effects of word-of-mouth that might come from satisfied in-store customers may result in more sales, not only offline but also online (Wiesel et al., 2010). Consumers today may start their hunt for a product online, searching for the right style and a suitable price, but choose to purchase it in-store because they want to touch and feel the product before deciding to buy it (E-commerce Europe, 2016). The case might also be the other way around, meaning that they see a product in a physical shop and later on complete the transaction online (E-commerce Europe, 2016).

4.4 Multi-channel

Companies that utilize both physical and electronical channels in order to reach out to customers in multiple ways, meaning that they sell their products across several distribution channels, are generally defined as to be applying a multi-channel strategy in their firm. Multi-channel systems are normally characterized by separately operating channels, that are born as a consequence of today’s fast changing world with the emerge of e-commerce and information technology (Saghiri, Wilding, Mena & Bourlakis, 2017). The multi-channel strategy permits customers to shop from the channel that they find suitable based on technological, economic, or behavioral factors. By providing information, products, services and support on several channels the companies are able to achieve long term relationships with their customers (Rangaswamy & Van Bruggen, 2005). At the same time, the companies
have the opportunity to target customers in multiple ways. In this way, firms have the possibility to reach out to a broader range of customers (Mollá-Descals, 2014). Using the Internet as another channel of communication, there are several advantages that can be seen such as accessibility, direct communications, cost savings and the opportunity to enter new markets. This in turn might result in additional sales from existing customers but also new customers due to the global reach that has been enabled through the Internet (Mollá-Descals, 2014). Because of these advantages that come from using a multi-channel approach, many companies choose to apply this strategy.

Nonetheless, it is important to understand that there are differences in the process of maturity among both industries and countries, for example using Internet might be more suitable for one industry or country as compared to another. This means that different priorities have to be taken into consideration which implicates that companies need to adapt their multi-channel strategy towards different markets in order to stay competitive (Mollá-Descals, 2014). Saghiri et al. (2017) emphasize that another aspect companies need to take into account is the fact that a multi-channel strategy might fragment the supply chain, meaning that the channels often work autonomously in order to optimize only that channel. When having different channels working independently problems like data-mismatch, product or order information divergence and less effective inventory can occur, creating difficulties providing the consumer with a consistent and dependable experience. Furthermore, this means that a multi-channel system does not particularly open up for synergy effects between different channels of the firm. Instead, the multi-channel approach might put the consumer in a position where they themselves have to process the information from different channels and learn how to integrate them for their benefit (Saghiri et al., 2017). Saghiri et al. (2017) claim that a company using a multi-channel strategy do not make use of the product knowledge that exists within the different channels, because they do not have the ability to transfer this knowledge between the different channels. To prevent this kind of issues that have been mentioned while using a multi-channel approach, the concept of omni-channel strategy (hereafter synonymously used with omni-strategy and omni-channel approach) has been introduced (Saghiri et al., 2017).

4.5 Omni-channel

In 2012, Cunnane (2012) wrote about omni-channel retailing and how this is experienced by the customer. According to the author, 74 percent of all multi-channel retail businesses in
2010 were defined by divided and isolated channels, relying on the consumer to gather information and integrate the channels, which in turn leads to failure in brand and customer management. Chang et al. (2003) concluded in their study that the inclusion of e-commerce in corporate strategy could generate positive effects for companies and that the e-commerce must be considered as a part of the whole company. Omni-channel strategy is all about coordinating the processes and technologies across all channels, in order to create a seamless and consistent experience for consumers that builds trust towards a company (Saghiri et al., 2017). This type of business strategy implicates continued improvement of the integration and unification of the different multi-channels regarding merchandising, order management, marketing and customer experience (Cunnane, 2012). The perception of a brand should be equal, in terms of product purchase, return and communication, independent of what channel a customer prefer to use (in-store, online, mobile, social medias or call center) (Cunnane, 2012). Cunnane (2012) claims that what have driven companies to start using an omni-channel approach is the fact that they have realized the lost sales opportunity costs that occur when a consumer does not have the possibility to choose channel and find an equal experience irrespective of the choice. Cunnane (2012) also emphasizes that retailers need to realize the competition that exists on the market, specifically in the aspect of price and product. The equation of price matching does not need to be more complicated than that the company possesses the product (have it in stock), can deliver to the customer via their chosen channel at the right time and with the right price.

Cunnane (2012) also states that the consumers of today are characterized by the mindset of “anytime, anywhere”, meaning that the consumers puts pressure on companies to have the similar experience regardless of the channel. The products must be available everywhere for everyone at any time. To clarify, a consumer should be able to discover a product through one channel (e.g. on the company’s Instagram), place an order through another channel (e.g. an online retailer), and have the product delivered from a third channel (e.g. collect it in-store). Another pressure that have led to the increased use of the omni-channel strategy among companies is the evidence of how consumers want to be communicated and marketed to, this as a consequence of digitalisation and social medias (Cunnane, 2012). Consumers want that a brand remain consistent in all their channels in terms of information, pricing, promotions and experiences. Companies that are lacking behind in those areas might create confusion among the consumers which might lead to dissatisfaction and therefore less spending.
In order to conduct an omni-channel strategy, firms need to have a well working base of business process, organizational knowledge and performance management capabilities (Cunnane, 2012). The key elements for omni-strategy are considered to be improved tracking performance of technology, to make it possible for the consumer to own the experience and to have support from senior management in order to have omni-strategy as a core value of the business strategy. Looking closer into the matter of tracking technology, it is a process that has developed and become crucial for the leading companies of today. Collecting data in terms of where, what, when and why a consumer buys a certain product and then transfer this information into all channels is vital if a company wants to be leading within the area of omni-channel strategy (Cunnane, 2012). Companies should be able to understand the customer’s nature and base the next move on the predictive data analytics that have been collected (E-commerce Europe, 2016). Although, enablers such as broadband, Internet accessibility, efficient distribution centers, well-designed logistics solutions and product digitalization are also needed for companies that strive towards the optimal omni-channel experience (Saghiri et al., 2017).

In the case of the accomplishment of all the enablers, an omni-channel system may then assure optimized information availability, visibility and consistency across several channels (Saghiri et al., 2017), and synergy effects between online and offline channels can then be reached (Mollá-descals et al., 2014). One could say that an omni-channel approach is empowering the retailers capability to win hearts, minds and revenue share (E-commerce Europe, 2016). Revenue share may be won in terms of increased sales, cost reduction and differentiation through value added-services (Saghiri et al., 2017). In the study made by E-commerce Europe (2016), it is claimed that an omni-channel approach is insuperable today and that companies need to transform the traditional shopping experience into retail therapy - meaning that it should be effortless, relaxing and at last amusing.

With this said, the main difference between multi-channel and omni-channel seems to be that multi-channel is all about offering different sales channels to the customers whereas omni-channel takes this one step further by integrating them to a full extent, so that the integration of sales channels is done by the company and not by the customer itself. The choice of including both the theories of multi-channel and omni-channel in our framework we motivate by the fact that we wanted to highlight the differences between them. The alternative would have been to only include the omni-strategy theory, as this can be seen as the more up to date
concept when it comes to e-commerce strategy. However, we believed that the reader might understand the characteristics of the omni-strategy better if there is something to compare it with. Also, our data showed that the studied companies had tendencies of both multi- and omni-channel strategies which we found interesting to link to the theory.

4.6 External barriers

Focusing on the internationalization procedure through online sites, there are several liabilities or barriers that companies might face. These could be related to the concept of psychic distance that has been explained earlier by Johanson & Vahlne (1977). According to Guercini and Runfola (2015) there are structural barriers that covers technicalities related to the functioning of the Internet such as server localization and to what extent the infrastructure has been developed in a specific market. Political barriers involve the scale of restrictions that exist in a country or region, and the way that this may affect the Internet accessibility. Search engines and social media have a role when using Internet as a tool to internationalize. As discussed earlier, it has been difficult for companies to use search engines such as Google and social media such as Facebook in order to simplify the internationalization growth. To compensate these problems that companies could face, Guercini and Runfola (2015) claim that they could use other local communication channels, although this requires local expertise. Understanding of local characteristics and knowledge about which search engines and social media that are currently actual in the specific market is therefore crucial for companies in their online internationalization process. Since visibility and accessibility change depending on the geographical market, Mollá-Descals et al. (2014) claim that online traffic of potential purchasers is highly linked to local consumer habits. Cultural barriers is by Hutchinson, Quinn, Alexander and Doherty (2009) defined as one of the key barriers between domestic and foreign markets and that it might affect the growth of internationalization for companies. Guercini and Runfola (2015) describe cultural barriers as language, writing style, colors preference and general cultural attitudes towards what is exposed on the Internet. Another external barrier that should not be forgotten are logistics liabilities related to geographical distance, which are crucial to overcome in online internationalization when delivering products (Guercini & Runfola, 2015). Logistic liabilities can be linked to both structural barriers, when it comes to a country's infrastructure, but it can also be related to political barriers such as regulations for example customs.
4.7 Internal barriers

Furthermore, there are other barriers that companies could face in the process of internationalization. Hutchinson et al. (2009) investigated the processes of internationalization in retail companies and found that different types of internal barriers could be found. A common internal barrier that they identified among companies that are internationalizing was related to financial resources. They claim that this was found to affect the speed of internationalization and that it even stopped companies from entering a new market in some cases. Smaller companies with less resources might therefore, according to them, experience their financial strength as a restraint towards expansion. However, this might also be the case for smaller companies that are owned by a parent company that has financial resources. One reason to this, they explain, is that the parent companies only focus on short-term profit from its subsidiaries. The authors state that a low short-term return on investment when entering a new market is a reason to why some companies are sceptical towards internationalization (Hutchinson et al., 2009).

Furthermore, according to Hutchinson et al. (2009), there are evidences that management attitude towards growth is an internal barrier that companies might face in the process of expanding abroad. They claim that if a manager has the attitude of seeing more risks than opportunities by going abroad, this is going to affect the decisions of internationalizing. Seeing more risks than opportunities leads to managers having hard to visualize a future beyond the borders of the home market. This is something that they further emphasizes as a hurdle when it comes to management, which means that the fear of failing abroad may be a possible internal barrier that companies experience (Hutchinson et al., 2009).

4.8 Adaptation

Just like companies using traditional entry modes, internationalization through e-commerce also comes with a number of liabilities or barriers that need to be overcome (Yamin & Sinkovics, 2006). The psychic distance is a general uncertainty about foreign markets, rooted in the perception of differences between home and foreign markets (Evans & Mavondo, 2002). The psychic distance is divorced from external environmental factors in a market, hence it is aspects linked to the mind’s of people that is expressed in cultural and business differences between markets (Evans & Mavondo, 2002). Even though the Uppsala internationalization process model and its graduality of internationalization might not always
be applicable of today’s companies, there are still evidence that distances and liabilities exists in the process of internationalization (Yamin & Sinkovics, 2006). Companies falling into the “virtual trap” means that they have a overreliance on the online interaction which results in a generalization of markets, because they believe that they have learned about their customers (Yamin & Sinkovics, 2006). However, Yamin and Sinkovics (2006) claim that to prevent falling into this trap, companies need to gather knowledge about underlying market conditions. This can be done in order to reduce the psychic distance and overcome the barriers that exists, where adaptation of a website in different forms could be a way for companies to do so. Companies need to differentiate depending on the current conditions of the market they want to access in order to be locally successful (Mollá-Descals et al., 2014). Hutchinson et al. (2009) claims that a factor of failure for many of the companies in their specific study was the lack of adaptation of product or brand when going to foreign markets.

4.8.1 Language
As mentioned before, Guercini and Runfola (2015) claim that language is an external barrier, belonging to the category of cultural barriers, that needs to be overcome when internationalizing online. In the view of this reasoning, language is an adaptation that companies might consider to think about. Chen and Tan (2004) suggest that one reason why many people choose to not shop online is due to the lack of trust in online businesses. Language can be seen as a factor that could create lack of trust. When a customer feels trust towards a company (e.g. a company's website) it leads to a positive customer attitude and intention to buy the products provided (Chen & Tan, 2004). Guercini and Runfola (2015) showed in their study fashion companies that there were a correlation between the number of international visitors and number of different languages provided on the website. The authors also state that the investment of adding a new language to an online website is a strategic issue which requires specially dedicated resources. Furthermore, Guercini and Runfola (2015) mean that language adaptation involves a duplication of all work done on the website and that human resources are needed in order to develop a local version of the site in terms of pure textual content, but also graphical and other cultural specificities. Also, Guercini and Runfola (2015) conclude that the first international language of choice for the companies in their study was English.
4.8.2 Branding

4.8.2.1 Consumers’s product perception
Hutchinson et al. (2009) claim that the lack of adaptation of product or brand to foreign markets might be the reason for companies failing overseas. Chen and Tan (2004) suggest that a consumer’s judgement of product offerings online is related to product selection, pricing strategies and on what chosen channel the product is exposed. All of these categories form a consumer’s product perception which in turn leads to whether the consumer believes the online store is useful for the consumer’s needs or not (Chen & Tan, 2004). The authors further claim that price is one of the main factors that determines where a consumer chooses to shop.

4.8.2.2 Country of Origin effect
According to Lundberg (2005) Swedish products are associated with quality and reliability since Swedish knowledge and engineering is highly respected. The quality of the product is also associated with the product being considered as expensive. Another aspect that he stresses is that Sweden is seen as a country of modern and beautiful design. Apart from the products being qualitative and reliable, he mentions that the same goes for secure delivery from Sweden. Although, he argues that the competitiveness today is high and that therefore it is no longer enough to just have the image of “Swedish quality”. Instead, he claims that the companies today need to live up to the expectations of the customers in order to sell (Lundberg, 2005).

5 Empirical data

5.1 Contextual background

5.1.1 The Fashion industry
Stemö and Nielsén (2016) claim that the concept of fashion involves the process of creating symbolic value out of physical materials. Within fashion, there is always a strive towards new creations that are not yet fully discovered. In the process of creating fashion, materials are being refined into products with added value and meaning. Possessing this knowledge of adding value is the core factor that enables companies within the fashion industry to generate
revenue. With other words, soft values such as the cultural and symbolic capital that exists within fashion companies are converted to hard values at the end (Sternö & Nielsén, 2016).

According to Dicken (2014), the fashion industry has throughout the history been one of the first industries that could be considered global. Further, Hauge et al. (2009) argue that the development of the fashion industry has gone from a craft-based industry that was locally situated to an internationalized business where taste, power and production are crossing borders on a daily basis. Focusing on Europe, Mollá-Descals et al. (2011) mean that the European Union and its mature markets of highly developed economies have facilitated the expansion for companies. This, they claim, is particularly notable within the European fashion firms, where the degree of internationalization is clearly higher than in all other industries within Europe.

Brun et al. (2008) claim that fashion is a cross-sector concept involving multiple industries like apparel, footwear and jewellery to mention some. Further, Macchion et al. (2015) say that, today, a majority of the existing fashion companies have shifted toward offering a wider range of products, meaning products other than apparel. For example, they also sell shoes, bags, perfumes and cosmetics. According to them, this is a way for companies to stay attractive on the market by expanding their brand in order to secure the future of their business (Macchion et al., 2015).

5.1.1.1 Swedish Fashion Industry
According to Statistics Sweden (Statistiska Centralbyrån, 2017), for the past three decades, Sweden has had a greater value in export than in import of goods and services. This positive net trade enables the country’s growing GDP, which in turn contributes to the growth of the Swedish economy. This means that Sweden, as a small country, is severely dependent of its export (SCB, 2017). Therefore, globalisation and increasing interaction between countries has created great opportunities for small export countries like Sweden (Government Offices of Sweden, 2015).

Looking closer into the Swedish fashion industry, sometimes referred to as “the Swedish Fashion Wonder” (Falk, 2011), it has experienced a huge growth over the last years (Sternö & Nielsén, 2016). In 2015, 11 percent of the total Swedish export was generated by the Swedish fashion industry (Sternö & Nielsén, 2016). Therefore, the Swedish fashion industry is no
exception when it comes to having a competitive export (Hauge et al., 2009). Among all industries in Sweden, the fashion industry is the one that experienced the highest growth in export in 2015 (Sternö & Nielsén, 2016). Looking deeper into the Swedish fashion industry, numbers from the same year reveal that 68 percent of the total sales within the Swedish fashion industry consisted of export. Statistics also show that the export has increased by nearly 20 percent in 2015 compared to the previous year whereas the domestic sales has increased by 7 percent during the same period of time (Sternö & Nielsén, 2016).

For Swedish fashion companies, internationalization have characterized the industry with pioneers such as H&M and Lindex but also small and medium-sized companies such as Filippa K and Nudie Jeans (Hauge et al., 2009). Excluding H&M, that accounts for 59 percent of the entire Swedish fashion market in terms of turnover, the export of the Swedish fashion industry has grown by 67 percent from 2011 to 2015. According to Sternö and Nielsén (2016) the main export markets for Swedish fashion companies today are Norway, Finland, Germany and Denmark. They also emphasize that the main factor that determines what market a company chooses to export to is a personal contact within that certain country (Sternö & Nielsén, 2016).

Sternö and Nielsén (2016) state that, when excluding the numbers from H&M, the e-commerce sector represents about 4.5 percent of the total revenues within all sectors of the fashion industry in Sweden. Furthermore they claim that, with a growth of close to 27 percent, the e-commerce sector was the one that grew the most from 2014 until 2015. This as compared to the growth of about 10 percent for the Swedish fashion industry as a whole (Sternö & Nielsén, 2016). Looking at the dot.com fashion companies in Sweden, they are in line with the industry as a whole when it comes to having growth in their revenues, even though, they are scattered with red numbers (Habit, 2016b). Out of 19 companies that were included in the study made by Habit, 12 of them were at loss in 2015. This implicates that the fashion industry in general has tight margins and that differentiation and being competitive is highly needed (Habit, 2016b).

5.1.2 Backgrounds of studied companies
Some background information about the investigated companies is presented in this section. The different tables below include basic facts about the four companies: Elvine (see Table 1), Gina Tricot (see Table 2), Trés Bien (see Table 3) and Nudie Jeans (see Table 4).
5.1.2.1 Elvine

<table>
<thead>
<tr>
<th>Company:</th>
<th>Elvine</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees:</td>
<td>20</td>
</tr>
<tr>
<td>Turnover 2016:</td>
<td>11.1 million €</td>
</tr>
<tr>
<td>E-commerce turnover (of total turnover):</td>
<td>5 percent</td>
</tr>
<tr>
<td>Number of stores in Sweden:</td>
<td>1</td>
</tr>
<tr>
<td>Number of stores abroad:</td>
<td>0</td>
</tr>
<tr>
<td>Retailers/Agents in number of countries:</td>
<td>20 countries</td>
</tr>
<tr>
<td>Most expensive product:</td>
<td>344 €</td>
</tr>
</tbody>
</table>


Elvine was the name of the founder, Daniel Mänd’s grandmother (Garp, 2017). The company was founded in Gothenburg in 2001, where the company has its headquarters. This is also where the founder himself grew up. With origins from the city in Sweden with most rainfall has led to that the company is well known for their jackets. The company aims to produce varied lines using different materials, that are easy to wear and easy to combine. The focus at Elvine is to produce clothes with good quality, good fit and clean cut together with innovative details that can be worn in everyday life. The source of the company’s inspiration is different places and unrefined subcultures in cities all over the world (Garp, 2017). Beyond Elvine’s presence in Sweden, both online and in the form of one physical store, the company is growing in the global market through e-commerce and retailers. Spain is one of the markets where the company has retailers (C. Neeley, oral interview, April 6th, 2017).

5.1.2.2 Gina Tricot

<table>
<thead>
<tr>
<th>Company:</th>
<th>Gina Tricot</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees:</td>
<td>2000</td>
</tr>
<tr>
<td>Turnover 2016:</td>
<td>196 million €</td>
</tr>
<tr>
<td>E-commerce turnover (of total turnover):</td>
<td>7 percent</td>
</tr>
<tr>
<td>Number of stores in Sweden:</td>
<td>93</td>
</tr>
<tr>
<td>Number of stores abroad:</td>
<td>91</td>
</tr>
<tr>
<td>Retailers/Agents in number of countries:</td>
<td>0</td>
</tr>
<tr>
<td>Most expensive product:</td>
<td>60 €</td>
</tr>
</tbody>
</table>

Table 2. Gina Tricot. (J. Syrén, 2017., Gina Tricot, 2017b., Gina Tricot, 2017c.).

Gina Tricot was founded in 1997 by the spouses Jörgen and Anette Appelqvist together with their daughter Anna (Tysk-Svenska Handelskammaren, 2017). The company has its head
office in Borås (Gina Tricot, 2017a), which is the nationally leading city with a textile- and fashion cluster (Borenstein, 2012). The company's’ ambition is to offer clothes and accessories with focus on simplicity to a fashionable customer base of women. Today, Gina Tricot has sales through in more than 30 countries and stores in 5 European countries; Finland, Germany, Norway, Denmark and Sweden (Gina Tricot, 2017a).

5.1.2.3 Trés Bien

<table>
<thead>
<tr>
<th>Company:</th>
<th>Trés Bien</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees:</td>
<td>12</td>
</tr>
<tr>
<td>Turnover 2016:</td>
<td>3.4 million €</td>
</tr>
<tr>
<td>E-commerce turnover (of total turnover):</td>
<td>74 percent</td>
</tr>
<tr>
<td>Number of stores in Sweden:</td>
<td>1</td>
</tr>
<tr>
<td>Number of stores abroad:</td>
<td>0</td>
</tr>
<tr>
<td>Retailers/Agents in number of countries:</td>
<td>25 countries</td>
</tr>
<tr>
<td>Most expensive product:</td>
<td>1540 €</td>
</tr>
</tbody>
</table>


In 2006, Trés Bien was founded by the brothers Simon and Hannes Hogeman alongside their friends B. Lindén and Jakob Törnberg in Sweden. The company nishes on menswear and has its own line consisting of so called ready-to-wear collections. Trés Bien has retailers for their own brand in several countries, where Spain is one of them. Other than that the company has its own brand, Trés Bien, it also operates as a retailer that offers different products from other brands and designers. Custom made fabrics, clean lines and good quality are the focus of the company’s products. The look that Trés Bien aims for is dressed down, loose and street wear influenced (Trés Bien, 2017a). It is worth to mention that the company has had e-commerce from the start and its main source of revenue is just that, e-commerce (B. Lindén, Skype interview, April 13th, 2017).
5.1.2.4 Nudie Jeans

<table>
<thead>
<tr>
<th>Company:</th>
<th>Nudie Jeans</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees:</td>
<td>220</td>
</tr>
<tr>
<td>Turnover 2016:</td>
<td>48 million €</td>
</tr>
<tr>
<td>E-commerce turnover (of total turnover):</td>
<td>15 percent</td>
</tr>
<tr>
<td>Number of stores in Sweden:</td>
<td>5</td>
</tr>
<tr>
<td>Number of stores abroad:</td>
<td>19</td>
</tr>
<tr>
<td>Retailers/Agents in number of countries:</td>
<td>40 countries</td>
</tr>
<tr>
<td>Most expensive product:</td>
<td>499 €</td>
</tr>
</tbody>
</table>


Nudie Jeans was founded in 2001 by Maria Levin together with her late husband. At the time Levin was working at Lee Europe as chief designer but quit her job to start her own jeans company. Maria Levin, Joakim Levin and the CEO Palle Stenberg are the three owners of the company (Leijonhufvud, 2015). As understood by the company’s name, Nudie Jeans is a fashion company with focus on jeans. The company highlights the aging process of denim and advocate wearing jeans for a longer period of time (Nudie Jeans, 2017a). This could be why this denim brand was the winner of last years sustainability price by the magazine Habit (Åström, 2016). It is a company with inspiration from rock’n’roll that emphasizes the importance of shaping jeans with one’s own lifestyle (Nudie Jeans, 2017a). At the time, Nudie Jeans is active in 51 markets globally through three types of distribution channels; e-commerce, retail and own stores (also referred to as repair shops). One of the company’s repair shops is located in Spain, more specifically in the city of Barcelona. Spain is seen as a home market for Nudie Jeans, as the company has established all three sale channels (retailers, own store and e-commerce) in the country (M. Jonasson, oral interview, April 13th, 2017).

5.1.2.5 Business Sweden

The organization Business Sweden was founded in 2013 through a merger of the Swedish Trade Council and Invest Sweden. It is owned by the Swedish Government and the industry. Its purpose is to help Swedish companies reach their full international potential and to make foreign companies invest and expand in Sweden by helping these companies through strategic advisement and hands-on support (Business Sweden, 2017). L. Laszlo Ek, our interviewee at Business Sweden, works at the export division with the export technology team, consisting of
around 500 employees where most of them are either lawyers or economists (L. Laszlo Ek, oral and Skype interview, April 11th, 2017).

5.2 Empirical background

5.2.1 Internationalization motives

5.2.1.1 Importance of being an international brand

J. Syrén (oral interview, April 7th, 2017) claims that Gina Tricot always has had focus on being an international company from the beginning since the founder, owner and previous CEO, Jörgen Appelqvist, was working for JC, a fashion company that was present in different countries abroad, before he started Gina Tricot. B. Lindén (2017) claims that Trés Bien has strived toward internationalization to be able to have an approach of a more international fashion company. Further, C. Neeley (2017) points out the importance of being an international brand and she claims that it is practically a must to be international. She continues by saying that it is especially important when having an e-commerce website since everyone is internationally available online, meaning that it would almost be strange not to be available abroad through e-commerce (C. Neeley, 2017).

5.2.1.2 Interest in foreign brands

J. Syrén says that: “The whole concept of fashion is about to change and people are going to search for products that do not exist right in front of them.” (J. Syrén, oral interview, April 7th, 2017). She mentions Starbucks as an example of a company that had Swedish customers excited to visit the coffee shop when they were abroad on vacation. She continues by arguing that just to hold the mug was trendy. Although, she says that now that the company is established in Sweden it is no longer as interesting for the Swedish customers. Another example that she brings up is the fashion giant Zara. She explains that they had to shut down their stores in Sundsvall and Örebro, which are relatively big cities in Sweden, even though the customer expectations were high before they opened. According to her, there are challenges with customers being tired of buying and that they are almost listless. Therefore, she explains that it is important to provide something that differs and is not easy to get in today’s society (J. Syrén, 2017). B. Lindén (2017) at Trés Bien identifies a trend of an increased interest in their brand from foreign customers, especially in Asia. He means that foreign shoppers look outside their borders for new, interesting concepts. Therefore, he
claims that the interest of the brand that is identified in Asia could be because of the fact that what they do at Trés Bien differs from brands that are available there (B. Lindén, 2017).

5.2.1.3 Sweden is not big enough

L. Laszlo Ek at Business Sweden (2017) claims that Swedish companies need to internationalize their business in order to survive in an increasingly global and competitive environment, but also in order to favour the welfare of Sweden, as a small and export dependent country. This goes in line with the motives of internationalization that B. Lindén (2017) at Trés Bien saw when the company started, meaning that the home market was not big enough. Via internationalization through e-commerce, he means that you can reach out to people that share the same interest for fashion which otherwise would have been impossible (B. Lindén, 2017). C. Neeley (2017) adds that Elvine’s foreign customers are very dedicated to the brand and therefore do not mind the risks that they have to take in order to purchase the products from Sweden. B. Lindén (2017) continues by saying that people with the same mindset can be found through e-commerce. In order to transform the passion for their products into profit, he argues that they had to look outside Sweden. Going abroad is very important for Trés Bien: “E-commerce has erased the borders and the problems of not being available.” (B. Lindén, Skype interview, April 13th, 2017). M. Jonasson (2017) at Nudie Jeans also sees the size of the home market as something that makes the company look outside Sweden. He argues that the market is much bigger abroad and that there is a higher possibility for increased revenues. Even though Sweden is among the top five markets for the company, he means that Nudie Jeans has to grow and become global. The online site has made it possible to reach out to 51 different markets, in comparison with the 24 physical stores that Nudie has around the world. He says that Nudie Jeans has gone from a big Swedish company to a small global company through e-commerce (M. Jonasson, 2017).

J. Syrén at Gina Tricot (2017) also emphasizes the possibilities with online internationalization and claims that it is a clear way to growth for the fast fashion company. She argues that there is an unlimitation in the world of today, where you can reach almost everywhere, in a very short time and using very little (J. Syrén, 2017). According to L. Laszlo Ek (2017), something that has increased over the last two years is the fact that many e-commerce companies from abroad are taking landmarks in Sweden. She states that many foreign e-commerce companies are adapting their websites towards Swedish customers. Due
to the increased competitiveness in the home market she says that the Swedish companies need to find customers in other markets (L. Laszlo Ek, 2017).

5.2.1.4 EU-site establishment is smooth

According to C. Neeley (2017) there was no reason for Elvine to only establish their e-commerce on the Swedish market. She says that their mindset at the time was that they might aswell launch the website for the rest of the European markets at the same time (C. Neeley, 2017). In addition, J. Syrén (2017) at Gina Tricot believes that a platform exists that makes it easier for companies to create a website for the entire EU market. She goes on by saying that it was easy to launch an EU-site and that although the website was not entirely converted for each market, they still wanted to be available to the entire European market (J. Syrén, 2017). In addition, L. Laszlo Ek (2017) means that it is easier to trade between EU member countries since there are no border controls nor any custom duties.

5.2.2 Internationalization strategy

Nudie Jeans started their internationalization in 2004 physically through their retail operations in Europe while at the same time operating in both Australia and the United States (M. Jonasson, 2017; M. Jonasson, email, May 3rd, 2017). After that, the company opened up their own stores abroad and in 2008, Nudie Jeans started their online store which was available for all customers in the EU. M. Jonasson (2017) claims that one important aspect of internationalizing is to make a decision - he emphasizes that it is better to make a mistake than to do nothing at all. Looking at the case where Spain is used as an example, Nudie started with an agent in the country, continued by launching their own store and later on established their e-commerce (M. Jonasson, 2017). Moving on, Trés Bien never really had an internationalization strategy when opening up their e-commerce site in 2005 (B. Lindén, 2017). According to B. Lindén (2017), the word of mouth had the effect of spreading to customers all over the world since the website was in English from the beginning, and Trés Bien took the chance of selling to customers abroad in this early stage. He claims that they use a more regional strategy rather than a local one, meaning that through e-commerce they want to make themselves available for all customers interested in their products regardless of where they live. Gina Tricot’s internationalization process started in 2007 when the company first went abroad with physical stores in Norway and Denmark (J. Syrén, 2017). During this period of time, J. Syrén (2017) explains that a website was available for customers to look at the products without buying them. She goes on by saying that the online site was slowly
developed through testing on the staff of Gina Tricot. This process continued and around 2012 Gina Tricot opened up a website for e-commerce customers within the EU (J. Syrén, 2017). Elvine crossed the borders of Sweden in 2003 firstly through physical resellers in Denmark and Norway (C. Neeley, 2017). C. Neeley (2017) emphasizes the importance of finding a local collaboration partner that they can work with long term. According to her, Elvine followed up their internationalization process with an e-commerce site in 2009 that was available for the whole EU but also Norway, Schweiz and Iceland.

L. Laszlo Ek (2017) at Business Sweden has met many companies that have thrown themselves out on the international market without any strategy and have succeeded by learning from their mistakes. However, in the process of internationalization, she means that some companies are not ready to internationalize and therefore it is important to have a strategy that includes preparatory work regarding directives and legislations, a cost analysis, a clear price setting policy and a price transparency in order to avoid any misunderstandings toward customers and other involved actors. She says that many companies that sell their products online sometimes believe that they are excluded from laws and regulations that are normally applied on traditional exporters. But in fact, many of these rules and regulation, such as product adaptations for example, are also applied on these companies (L. Laszlo Ek, 2017).

5.2.3 E-commerce strategy

5.2.3.1 Website traffic

L. Laszlo Ek (2017) at Business Sweden stresses the matter of getting publicity and working actively with the marketing of the products as a first step towards attracting customers online when entering new markets. M. Jonasson (2017) at Nudie Jeans sees the importance of constantly being up to date as the digitalization develops in a furious pace, meaning that one has to be present and meet all the demands from customers. Further on, he argues that the customers of today have higher demands than before and that they are becoming lazier (M. Jonasson, 2017). L. Laszlo Ek (2017) mentions that there are many ways for a company to be seen, for example through retailers. In addition, she points out the importance of using the right keywords in order to reach a high position in Google searches, meaning Search Engine Optimization. She states that companies should investigate which search words that are commonly used for certain products in order to attract traffic to their site (L. Laszlo Ek,
The importance of keywords is also mentioned by J. Syrén (2017) who claims that one cannot expect customers to just stumble over the website. She also states that it is important to buy rates in order to reach a high position on Google as a way to reach out to potential customers. Moreover, L. Laszlo Ek (2017) mentions that another way for companies to reach out to a global market can be via global marketplaces, such as Amazon.com, Ebay.com, Alibaba.com or popular local or regional marketplaces. Using local marketplaces as a way to be noticed is especially beneficial for companies that are totally unknown on the market, she says. This form of reaching out enables for companies to sell their products online, even though they do not have their own website. However, she thinks that it is important for companies to keep in mind that this is not for free. The more popular the marketplaces are, the more they ask from the companies (L. Laszlo Ek, 2017). J. Syrén (2017) at Gina Tricot claims that the marketing you have to do in order to be seen at all on the online market is very massive when looking at pure players like Boost.com and Zalando.com. She means that the amount of marketing that a pure player company needs differs from companies having a physical presence, and claims that a physical store automatically gains more exposure when it is well located (J. Syrén, 2017). Pop-up stores are another way for companies to reach out according to L. Laszlo Ek (2017). She emphasizes that these kinds of happenings are becoming more common as it is a cheaper way for companies to reach out, compared to establishing a permanent physical store on a new market (L. Laszlo Ek, 2017). B. Lindén (2017) on the other hand highlights the importance of timing and how this has been crucial for Trés Bien in order to be seen on the online market. He continues by saying that the company established themselves early on when there were not as many e-commerce actors on the markets as today, meaning that they could make themselves visible by being a part of the movement of blogs, forums and social media together with the fact that they had a strong concept that some found interesting enough to talk about (B. Lindén, 2017).

J. Syrén (2017) points out the value and difficulty in finding the right marketing channel with opportunities such as: Facebook, Instagram, bloggers, events or pop-ups. However, she goes on by saying that even though these newer ways of communicating with customers can be great, companies can also be very vulnerable when it comes to where they are seen and with whom they are seen. For example, she mentions that since bloggers could be standing for something that the company does not, a strategy to attract website traffic that involves bloggers can be a challenge (J. Syrén, 2017). In addition, according to L. Laszlo Ek (2017), it is difficult to choose a general path in order to reach out, when taking into consideration that
every company has different ambitions and offers different products and therefore faces different challenges. She clearly emphasizes the importance of appearing on the right channels, and says that “If you are not visible, you do not exist” (L. Laszlo Ek, oral interview, April 11th, 2017). This, she claims that she urged to companies a couple of years ago with a tone of insecurity, but now she knows by certainty that it is true.

Furthermore, according to L. Laszlo Ek (2017), it is one thing to get the customers to visit your website, (e.g. to get website traffic) but to make them buy your products and later come back is a whole other challenge. This is why M. Jonasson (2017) brings up the concept of bounce rate, meaning amount of website visitors that immediately realize that the site is not interesting and leave, when he talks about website traffic. He continues by saying that, at Nudie, the Spanish consumers have a bit of a lower bounce rate compare to the Swedes. He explains that this could be a sign that the ones who have visited the website, are people who have searched for them, know who they are and shop (M. Jonasson, 2017). B. Lindén (2017) at Trés Bien also means that the process to establish an e-commerce website is quite simple, but the critical part is to keep it unique as a website somewhat is copyable. The value in being unique is also pointed out by L. Laszlo Ek (2017) who states that companies need to position themselves and stand out from the rest while also having an eye on competitors since there are so many.

5.2.3.2 E-commerce and physical stores

5.2.3.2.1 It goes hand-in-hand

According to L. Laszlo Ek (2017) pure players were something people believed in before, meaning that companies thought they would survive without a multichannel approach. However, she means that today it is clear that the physical stores have become very important in order to reach customers in as different ways (L. Laszlo Ek, 2017). Physical presence and e-commerce goes hand in hand (C. Neeley, 2017; M. Jonasson, 2017). A trend regarding the high correlation between offline and online sales is identified by M. Jonasson (2017) at Nudie Jeans who claims that the offline business will have the function of more brand building in the future, and the purchases are going to be completed through online channels. C. Neeley (2017) claims that it is in the physical stores that you get to know a brand and that the retailers are the company’s main marketing channel. She goes on by saying that the consumers want comfort and that the e-commerce therefore can ease the purchase that
otherwise would have taken place in store. Continuously, she mentions that having a physical presence in a market, for example like Elvine that has retailers in Spain, may increase the possibility of customers taking the risk to buy from Elvine, that is a foreign online website (C. Neeley, 2017). According to M. Jonasson (2017), the consumers of today often use the store as a showroom to see the products and later on decide and complete the purchase online. Meaning that, having retail and own stores in one country, generates more sales from e-commerce in that same country (C. Neeley, 2017; M. Jonasson, 2017). M. Jonasson (2017) claims that it is also the other way around, if Nudie Jeans does an online campaign in New York, this can generate a boost in sales for the physical retailers over there (M. Jonasson, 2017).

J. Syrén (2017) at Gina Tricot strongly believes that the company needs their physical stores. She argues that it is a pronounced strategy of Gina Tricot, to be established through physical stores together with e-commerce in new markets that the company is going to invest in. For example, the e-commerce site in Germany is adapted because they have physical stores there. Although, this establishment has been hard on the company, with a lot of competition in the German market. According to her a possible reason behind this could be that the company went in too big there in terms of physical store size. Even if the consumers in Spain do not relate Gina Tricot to physical stores, she says that this is something that they do themselves, as it has been one of the core values of the firm from the very beginning. For Gina Tricot, there is no local market adaptation in e-commerce towards the Spanish market in the closest future as they evaluate the physical presence very high and that kind of investment on adaption of the e-commerce would need physical stores in Spain as well. She continues by arguing that they see that companies that use only e-commerce to enter a new market are struggling to reach out without any physical presence. The physical presence is crucial, she says and claims that people associate much faster when there is a physical presence. Thinking about how tight it is on the online market, she goes on by saying that a physical store can get much more publicity and spread. Although, she means that the competitiveness is clearly visible on the physical market as well. She claims that for example in the Spanish market, the Inditex group is extremely dominant and it is therefore a really hard market for Gina Tricot to access. B. Lindén (2017) also stresses the importance of having a physical presence together with an online site and he believes in the combination of both. According to him, a successful strategy is therefore to have a strong e-commerce as a complement to physical stores. He does not see the death of physical stores as a possible scenario in the future (B. Lindén, 2017).
5.2.3.3 E-commerce organization

C. Neeley (2017) is the only person working with e-commerce full time at Elvine. However, she says that she does not do everything by herself. For example her colleagues help her with images and product descriptions for the store, other e-commerce websites and retailers. Further, she explains that the company works with external suppliers where much of the information regarding e-commerce exist. The technical part of the e-commerce in Elvine is conducted with help from external parts. This, she claims, is practical because Elvine has a small e-commerce division and they want to be on the safe side (C. Neeley, 2017).

According to J. Syrén (2017) Gina Tricot has one online manager today, however, the countries are divided when it comes to accounting. Continuously, she mentions that the country managers that are in each country for the physical stores are not involved in the online sales, since the e-commerce is managed in the head office in Sweden. Although, they get the numbers from the online department so that they can bench this toward their physical stores. The country managers also have the possibility to have opinions and suggest changes in the online shop, since they can see how the online shop looks in relation to the physical stores. She says that there are only around 2-3 staff members working solely with e-commerce, even though, the whole marketing department is involved in the whole webshop image. Although internal competence is used mostly at Gina tricot, she mentions that external competence is used for technicalities (J. Syrén, 2017).

When talking to B. Lindén (2017) he explains that many of the staff members at Trés Bien who work in the store also work with the rest of the business and that there is great cooperation in order to reach correlation within the company. Furthermore, he says that all of their own staff members work toward all customers in all markets, although, they have agents for their brands who work toward specific markets. He claims that back-end activities such as programming is done externally since it is not financially possible for a small company like Trés Bien to obtain all competence internally (B. Lindén, 2017).

At Nudie Jeans 10 out of 65 staff members in the head office work with e-commerce full time according to M. Jonasson (2017). Nonetheless, he tells us that the e-commerce department is heavily dependent of other departments such as logistics, market and economics. He says that Nudie has an in-house PR agency and also a staff member with specific technical skills. Although, they outsource both parts of front end and back end activities, with most external
help focused on programming. This collaboration has been going on during a long time. Also, there are some key people in different departments, like photographers, that work a lot with the e-commerce. Apart from this, he says that they have working groups that act functionally between the different departments (M. Jonasson, 2017).

5.2.4 Multi-channel

5.2.4.1 Adding e-commerce

C. Neeley (2017) at Elvine says that the e-commerce has not been so integrated in the whole business and that it has been more of an own unit of the company. She says that the e-commerce back then was just a service to their customers as they requested the whole assortment, since their resellers abroad do not provide all collections in the physical stores. According to M. Jonasson (2017), from the start, the main motive for Nudie Jeans to go abroad through e-commerce was not to to make a profit. He claims that through the website they got a digital expression that they could control themselves within the company. He means that they used the web shop in a similar way to how many companies use Instagram as a way to express themselves and create a brand image today. Therefore, if they sold anything or made a profit, this was only seen as a plus. Although, he concludes by saying that today e-commerce is a heavily focused sales channel with ambitions to become the main income channel for the company (M. Jonasson, 2017). J. Syrén (2017) at Gina Tricot also talks about the webshop not only being dedicated as a way for online sales but being more of a way for the company to work on their brand image as a whole.

5.2.5 Omni-channel

5.2.5.1 Being consistent towards customers

At Gina Tricot, the website is seen as a part of the whole image for the company (J. Syrén, 2017). The customers do not only enter the website to buy, but also to look. Therefore the whole market department is involved in the online business so as the virtual merchandising in-store where they work with the general store expression so that it correlates together. She continues by claiming that Gina Tricot believes in the concept of omni-channel, meaning the combination of the digital and physical (J. Syrén, 2017). M. Jonasson (2017) at Nudie Jeans has noticed that the digitalization has made the information seamless between countries. He states that the next step for Nudie Jeans is to work more with omni-channel, meaning that:
“Omni is about giving the customers the same experience, regardless if they shop online or in a physical store” (M. Jonasson, oral interview, April 13th, 2017).

5.2.5.2 Integrating channels

L. Laszlo Ek (2017) states that the customers want omni and it is about integrating the sales channels, to have the same offer, same inventory information, same pricing, provided at several channels. This, she claims, is clearly becoming more important especially for fashion companies. The customers want to feel and look at the products, so if companies have the resources, she says that they should combine the channels (L. Laszlo Ek, 2017). B. Lindén (2017) at Trés Bien says that their e-commerce is fully integrated with their physical channels as they pick carefully which brands that they should sell online so that it will go in line with how their own collection is presented in physical stores at the retailers. C. Neeley (2017) claims that the future for Elvine is to integrate the sales channels more.

5.2.5.3 Click-and-collect

J. Syrén (2017) at Gina Tricot argues that the shipping costs might not appear as much money, but by providing free shipping through click-and-collect, it attracts traffic to the physical stores. She says that the company ships the customers’ online orders with the regular orders that go to the stores, which enables free shipping, given that the customers collect the pieces in-store. According to her, this is something that is increasing. She explains that in Sweden and the other Nordic countries, about 40 to 50 percent of all online orders go under the click-and-collect category. However, in for example Germany, where Gina Tricot has a smaller amount of stores, the click-and-collect is not as common (J. Syrén, 2017). M. Jonasson (2017) sees the trend of omni work and claims that many companies are in the front edge. He continues by explaining that Nudie will provide a click-and-collect service to their customers in the near future. Though, he says that the customers are now able to make an online order and return it in a physical stores, which he sees as a step in the right direction. He also identifies the possibility of building bridges not only within Nudie Jeans, but with other actors with innovative solutions. He further explains that there is a service point at a kindergarten in Stockholm, where you can collect both your child, your online order and your grocery bag at the same time (M. Jonasson, 2017).
5.2.6 External Barriers

5.2.6.1 Language

In the opinion of C. Neeley (2017) at Elvine, the biggest challenge in a new market is language, since everyone is not equally good at English. When talking about the characteristics in the Spanish market she brings up the fact that the customers there have issues with the English language. Elvine’s website is in English and Swedish which is why she says that the customers need to know English. Otherwise, they have to use Google Translate, which is something they notice that many of their customers do, in the Spanish market for example (C. Neeley, 2017). J. Syrén (2017) also points out that even though we live in an internationalized world, there are still many countries that do not have great knowledge in English which might be a problem and create a situation where the customers are insecure. Furthermore, C. Neeley (2017) mentions that one reason for not wanting to translate languages to every market on their website is because they want to be clear about the fact that they are a Swedish company and not German for example.

5.2.6.2 Directives and Legislations

When entering a new market, customs and taxes might create problems for companies (B. Lindén, 2017; L. Laszlo Ek, 2017). The trade with Spain, in terms of export technical questions, is simpler as compared to trade with a country outside EU (L. Laszlo Ek, 2017; C. Neeley, 2017). However, for example in Germany, C. Neeley (2017) at Elvine claims that the company does not want to establish themselves physically through an inventory because they do not want to be covered by German laws. L. Laszlo Ek (2017) claims that within the EU there is a directive considering VAT (Value Added Tax), which means that countries have some freedom when interpreting the document. She continues by explaining that the fact that it then exists about ten different VAT rates within the EU, can cause difficulties for companies in terms of knowing what rate of VAT that applies to what market. She continues by explaining that VAT procedures also differs between countries, depending on if a company is established in the market or no, meaning that if they sell B2C through their websites in other EU markets, they need to be aware of the different so called "thresholds" on the different markets. Meaning that if they sell beyond these thresholds, they are obliged to VAT register locally and start selling with the local VAT rate. If companies do not have this knowledge and sell their products without paying the right taxes, it can put them in a situation with very negative effects (L. Laszlo Ek, 2017). C. Neeley (2017) says that there are
adaptations regarding VAT that they have had to set individually for different countries. Furthermore, L. Laszlo Ek (2017) claims that even though problems of knowing what is right and wrong and a lot of grey zones have scattered the past, the e-commerce will get more regulated in the future (L. Laszlo Ek, 2017). She finally concludes that “E-commerce is limitless, but far from lawless” (L. Laszlo Ek, 2017).

5.2.6.3 Distance

C. Neeley (2017) believes that distance is a big challenge that companies face when having e-commerce abroad. She means that the security decreases the further away you are. As an example, she says that if she would shop online from Denmark, it would not feel as so far away, though if she would shop online from Spain, it would feel a bit more uncomfortable. She explains that it is a big risk because of both the lingual differences and the long journey that the product has to take, saying that she is impressed of the customers who are dedicated enough to a product or a brand that they choose to go through with the process of ordering from abroad. J. Syrén (2017) points out the distance as being an important factor as well. When choosing which market to invest in she says that for example they chose Germany since Germans, characterized as straightforward, clear and divide by her, are more alike Swedes. So even though it was a tight market that was hard to get into, they saw potential and similarities to the company’s home market and therefore chose to invest after all (J. Syrén, 2017).

5.2.6.3.1 Shipping costs and returns

In all countries within EU, Elvine has free shipping when the order value exceeds 100 euros, C. Neeley (2017) at Elvine says. Otherwise, it is a shipping cost of 9 euros, but this does not cover the costs for sending the products, especially not to Spain because of the geographical distance, she continues. She believes that 9 euros is the limit that customers accept, and feel is okay for them to pay (C. Neeley, 2017). J. Syrén (2017) at Gina Tricot says that there are no future plans to have free shipping or returns, claiming that these 5.90 euros for shipping to Spain is money that the company needs when conducting e-commerce. She claims that providing free shipping is one of the reasons why pure dot.com sites have so much difficulties with keeping their business profitable (J. Syrén, 2017). B. Lindén (2017) at Trés Bien says that a shipping cost of 10 euros is charged to Spain, because the expense of shipping needs to be covered to some extent. However, the company has free shipping within the EU for orders that are over 350 euros. Overall, he claims that the company tries to have a shipping cost that
does not bother the customers unnecessarily. He means that the shipping cost definitely is an obstacle with e-commerce. Further, he argues that when it comes to shipping cost, the company's expenditures exceed the revenues. Therefore, he argues that the shipping cost is a relevant issue that companies need to consider (B. Lindén, 2017). According to M. Jonasson (2017) Nudie has a shipping cost of 10 euros to Spain. He argues that this is a loss for the company, but that they rather keep the shipping cost toward customers down and take that expenditure on the company. At Nudie Jeans, he claims that they have different shipping limits depending on what is said to be the acceptance limit in that market. The free shipping limit is 99 euros, which is what their cheapest pair of jeans cost. He continues by saying that as the average order value is 180 euros, almost everyone has free shipping. Though, he explains that if a customer buys only one pair of socks, they have to charge the shipping fee. This is why he also emphasizes that the company stands for sustainability and therefore they do not want to provide free shipping for just about any orders as this might lead to fast fashion consumption and unethical consumer behaviour (M. Jonasson, 2017).

C. Neeley (2017) claims that the biggest issue is the return costs, and in Spain the costs for return is on the customer. One clear trend that she can see is the fact that they have fewer returns from customers abroad and that foreign customers use their company to send back products, for example in Spain. M. Jonasson (2017) at Nudie Jeans claims that it happens quite frequently that customers use their company’s address to return products. In Spain, Nudie do not provide their customers with a return shipping label, that they do on other markets like Sweden. A return shipping label facilitates the process of returning, but it still costs. Returning products in Spain therefore costs and it is a bit tricky, and that might be the reason to why they have a smaller part of returns in Spain, M. Jonasson (2017) claims.

5.2.6.3.2 Delivery time
J. Syrén (2017) claims that there might be an issue concerning deliver to the right address sometimes. M. Jonasson at Nudie Jeans (2017) says that their external logistic supplier does three attempts to deliver the product to the customer. Elvine does not see the delivering time as something that affects the customers to a large extent, and they do not provide express delivery because there are no such requests from customers and it is so much more expensive (C. Neeley, 2017). She thinks that it depends partly on the products they are selling, if they sold party dresses instead of jackets for example, there would have been a higher sensitiveness towards delivery time. J. Syrén (2017) at Gina Tricot argues that the delivery
time is a huge competitive factor, so they try to deliver fast as they see how this affects their customers. She believes that customers are willing to pay more if they get their products fast and therefore they provide express delivery, in Sweden and also in other countries periodically during special campaigns. J. Syrén (2017) thinks that Gina Tricot being a fast fashion company, might literally lead to them having customers that are more impatient as the products have a very high news value. B. Lindén (2017) at Trés Bien thinks that the customers are more affected by the shipping cost than the delivery time. He argues that they have chosen to keep the prices down with somewhat longer delivery times. Although, at Trés Bien, the customers can order express delivery and this is being used in cases where the customer needs the product to a special occasion and it is therefore important that they have the opportunity (B. Lindén, 2017). At Nudie Jeans, M. Jonasson (2017) says that they do not have a lot of customers that request express delivery and that it is not possible to order express today.

5.2.7 Internal barriers
The most prominent internal barrier that we found was financial barriers. It costs a lot to develop and adapt an e-commerce website (M. Jonasson, 2017; B. Lindén, 2017; C. Neeley, 2017; J. Syrén, 2017). Every adaptation costs, C. Neeley (2017) claims, and that they have to take in external expertise concerning programming and system development, meaning that it is more complicated than one might think. B. Lindén at Trés Bien says that the costs of developing and adapting an e-commerce website depends on what ambition a company has, but he generally thinks that it takes a lot of resources to do so. M. Jonasson (2017) says that it is very expensive to develop and adapt an online website and that it is a huge investment that requires maintenance. In addition, C. Neeley (2017) argues that the company has to sell as much as it takes to adapt and develop the e-commerce on new markets, and that this might be a bit deterrent because of the high costs and not knowing how much revenue it will generate. J. Syrén at Gina Tricot (2017) says that it is expensive to develop and adapt a website and before they to some kind of adaptation for the e-commerce in one market, they have to know that they are going to do an investment there, to launch something big, together with stores. They do not want to put down resources on something “just because” (J. Syrén, 2017). She continues by saying that “It might be easy to enter a country through e-commerce, in terms of cost efficiency, but the marketing around it, to reach out and be seen, is very, very expensive.” (J. Syrén, oral interview, April 7th, 2017).
5.2.8 Adaptation

5.2.8.1 Language

L. Laszlo Ek (2017) argues that when it comes to local market adaptation, every company needs to look at what products they are selling and what target group they have. Targeting a segment that is over 40 years old, it might be important to use local language, however, selling to a younger target group, English might be okay and having only a .com site can work (L. Laszlo Ek, 2017). There is no general framework that works for everyone, the continues by saying that “One size does not fit all” (L. Laszlo Ek, oral interview, April 11th, 2017). Also, she continues, the degree of local market adaptation depends on the resources that a company has and this, she claims, is a challenge for smaller companies (L. Laszlo Ek, 2017).

Some markets, such as Germany as mentioned earlier in the study, have more strict rules when it comes to adapting web shops because the government then experiences that one pretends to be a German website (C. Neeley, 2017). So, even though Germany is a big market for Elvine where she believes that they could increase their selling numbers and is also a market that they have looked into possibly translating since German is her mother tongue, they have chosen not to adapt the website because of the fear of being sewed. She is aware of the great possibilities for higher sales numbers if the company would choose to adapt their webshop so that the foreign customers would feel more secure (C. Neeley, 2017).

At Trés Bien they try not to adapt their website too much since their core mindset is that they want to be able to offer their concept to everyone that is interested in their product regardless of where they live according to B. Lindén (2017), therefore, when it comes to language they do not adapt the website at all, the online shop is only available in English.

Discussing future adaptations with M. Jonasson (2017), he mentions that if an opportunity comes up, meaning that a staff member has the language skills for a market that is interesting, they would go for it. Additionally he says that at the end of this month (April, 2017) their webshop will be translated for the first time and now be adapted to Germany and therefore be in German. Being their first time leaving the English language in order to adapt he mentions that there are some questions coming up regarding what is the company’s tonality. He says that the question is how much and what you actually translate. For example, he says that it.
can be hard to decide whether “dry pair of jeans” and “the naked truth about denim” should stay in English or be translated. Also, he mentions that it is important to understand that the work is not done once the website is translated, he means that with translation of the website comes additional work since the site has to be continuously translated as new products are added to the webshop. He says that adaptations, especially linguistic ones, do lead to even more work but that it is because they would give better service and a better offer, which in turn will lead to better sales numbers. In addition, he claims that when adapting a website to another language, the expectation of the customer will also become higher, so the customers will take it for granted that they know that language and will therefore also start to communicate in that language even more through e-mail, chats and phone calls. A local customer service would therefore be suitable.

At Gina Tricot they see the weight of adapting their website and therefore do it in the countries where the company wants to invest, meaning where the company has physical stores (J. Syrén, 2017). She means that this is because of the signal of respect that this sends to that country, where the company can therefore be seen as a strong competitor. When discussing adaptation she mainly focuses on language and explains that the language adaptation is not only concerns the webshop, but also labels and price signs in their physical stores. She says that at Gina Tricot they realise the importance in adapting the language, which is why they choose to mostly translate their material even though many see the English language as being “a cool thing”. She adds that it is only some campaign material that they choose to use English, for example “Feel the spring spirit”.

5.2.8.2 Branding

5.2.8.2.1 Image and price segment in different markets
It is important for companies that their product is not shown in a context that is not in line with how the company want their product to appear (L. Laszlo Ek, 2017). J. Syrén (2017) at Gina Tricot says that they do not use retailers because it is a question of brand image and she stresses the matter of having one, clear, image towards customers in order to be an international brand. However, she mentions that the sales-periods may vary between countries, for example in Germany the sales-period is before Christmas whilst in Sweden it is after Christmas. This is a retail adaptation on the German market, both online and offline (J. Syrén, 2017). M. Jonasson (2017) also claims that adaptations in the form of collections and
sale-periods are interesting for Nudie Jeans. He continues by saying that at Nudie Jeans they have their own website and own stores in order to have the possibility to express themselves and their brand. Further on, he claims that the brand image of Nudie may differ between markets. For example, he argues, the customers in Spain firstly choose to shop from the brand, Nudie Jeans, and then it is more of a plus that the company works with sustainability, whereas, the Swedish customers shop at Nudie Jeans because of their ecological jeans and then comes the brand itself. Also, Nudie Jeans works with recommended retail prices and M. Jonasson claims that these might differ between markets. In Spain they promote and set the prices more or less like in Sweden, but in Australia for example, they are a high end premium brand (M. Jonasson, 2017).

Looking at another example, Elvine is promoted differently in different markets. In Spain, they are a more exclusive and expensive brand, with good design and quality (C. Neeley, 2017). This, C. Neeley says, differs from Sweden, where their clothes are for a broader segment, they are more open for everyone and provide a broad range of products. The prices in Spain are set by a distributor and they correlate with the prices on the online website that a Spanish customer gets when they buy from Elvine. Overall, the country adaptations that Elvine has on their webshop today are small ones like price adaptations, but the countries have the same prices on their webshop as they have at the resellers in the same country. (C. Neeley, 2017). B. Lindén (2017) at Trés Bien says that they have the same prices in Spain as the Europe as a whole, meaning that they do not have the ambition to promote their brand differently on different markets. Also, the same collections are available for everyone and the first page is same everywhere.

5.2.8.2.2 The Swedish effect

B. Lindén (2017) says that he definitely thinks that is good to be a brand from Sweden and Scandinavia, but he claims that they do not put a lot of focus of that in their marketing, even though he guess that it shines through somewhere. M. Jonasson (2017) at Nudie Jeans says that he believes that people generally have a trust in Sweden, meaning that it is a country famous for sustainability and design. C. Neeley (2017), with experiences from Germany and the Netherlands, claims that it is quite a big benefit to be a Swedish brand and that it is why customers buy their products, believing in the concept of function and design. She continues by saying that a Swedish brand is generally something good and it stands for certains values (C. Neeley, 2017).
6 Analysis

6.1 Sweden is not big enough

According to the empirical data presented earlier, one of the most important motives to why the companies have chosen to internationalize their business is because they feel that Sweden, meaning their home market, is not big enough and that they therefore need to look abroad for new customers. The interviewees show tendencies of experiencing a limit within the borders of Sweden in terms of saturation or that it simply do not exist enough customers within the country. In line with Dunning (1993), both the characteristics and size of the home market seems to affect the companies’ decisions to internationalize. Meaning that, the gathered data showed that market seeking is a possible motive for internationalization through e-commerce. Another observation that can be made is that all four companies that we have interviewed have chosen a more or less regional strategy toward the EU. As presented in the empirical data EU facilitates going abroad because of the limited regulation, which is probably why most Swedish companies look to go beyond the national borders first and foremost choose to internationalize regionally toward the EU, since it is a big market with limited challenges when it comes to regulations compared to if a company would go outside the EU.

6.2 The strive towards being an international brand

Just as argued by Yamin and Sinkovics (2006), our empirical data shows that companies might not always go abroad because of the possible added sales. Instead, one of the motives for wanting to internationalize is also to be seen as a international brand that is up to date. This means that companies might go abroad and open up their webshop for markets where the main purpose might not be to increase the sales directly, but rather to be seen as a company that is available globally. Also, as mentioned earlier, the EU has facilitates using a regional strategy that enables for the companies to reach out to most European countries and to be available there, even though the sales number to many of them might be insignificant. In line with what is claimed by Yamin and Sinkovics (2006), the companies have further expressed how the webshop is used as a marketing tool that can reach out to customers worldwide. Another reason for companies to want to be international can be because of managerial self interest as argued by Oesterle et al. (2016). This could be why Nudie has had a positive attitude towards internationalization, since their founder Maria Levin was working for Lee,
that is an international brand, before she decided to start Nudie Jeans, it is possible that she always had the mindset of wanting to internationalize her own company as well. As the co-founder of Trés Bien, B. Lindén’s (2017) motives of wanting to internationalize could also be interpreted as a case of managerial self interest since he claims that the company has always strived towards internationalization in order to create an international brand image. The managerial self interest motive is also seen in the motive behind the internationalization of Gina Tricot as their founder, owner and previous CEO, Jörgen Appelqvist always had the vision of the company being international. This means that the company will automatically have a more positive attitude and strive toward internationalization. Though, this positive attitude might not always be good. The case of underestimating risks associated with foreign operations because of managerial self interest as argued by Oesterle et al. (2016) could be reason to why Gina Tricot invested too much Germany and now have a hard time with their establishment there.

6.3 We want what is hard to get

One of the findings from our empirical data is that the concept of fashion seems to be changing. The interviewees, especially J. Syrén (2017) and B. Lindén (2017), have noticed a trend where customers are looking for fashion that is not right in front of their eyes. In today’s society the fashion customers seem to be looking for something unique to wear. As seen in the examples of Starbucks losing their “cool” since they have entered the Swedish market and that Zara had to shut down their stores in Sundsvall and Örebro as discussed by J. Syrén, it becomes more clear that although being available is important, being too available might not always be the best strategy either. To find the balance between “playing hard to get” and to be available is therefore a challenge for companies. This is something that can differ between companies and they need to decide which strategy that suits them the best based on for example their customers. However, this new era of wanting what is hard to get can also be seen as a possibility for the Swedish fashion companies. Being a company from a small country such as Sweden makes the products interesting for customers abroad. This can be identified by the fact that B. Lindén (2017) has noticed that customers from Asia are looking outside their borders for something new that is not provided there, and therefore getting interested in their company. Another possibility for Swedish companies is that their foreign customers seem to be loyal and dedicated. In correlation with Lundberg (2005) who discusses that Swedish products are associated with quality and reliability, all the interviewees also
claim that being a company from Sweden definitively has a positive country of origin effect. This is another aspect that speaks for that the Swedish companies have a great advantage in attracting customers from abroad. A perfect way for Swedish companies to seize the opportunity of being different while using the positive country of origin effect and still staying unique is to use e-commerce which enables for international customers to take part of their product while still not being too available and staying unique.

6.4 Internationalization strategy affects e-commerce adaptation

When analyzing the empirical data, some patterns can be seen regarding the connection between internationalization strategy and e-commerce adaptation. Gina Tricot has used a somewhat more traditional internationalization strategy, following the Uppsala internationalization process model in terms of using a gradual internationalization process, (Johanson & Vahlne, 1977). In line with Johanson and Vahlne (1977), J. Syrén (2017) at Gina Tricot sees psychic distance as something that affects the choice of entry market for the company, meaning that when they choose to enter Germany, it was a decision based on the possibilities on the market but also with the motive of Germans being “more alike” the Swedes in terms of behavioural and cultural aspects and that the market as a whole being similar to the home market Sweden (J. Syrén, 2017). Their internationalization strategy has been characterized by entries in markets that could be considered as more “alike” the Swedish market, starting in Norway and Denmark and later on Germany. The fact that the psychic distance is something that seems important in the choice of markets to enter at Gina Tricot implicates that they understand that markets are different and therefore see the importance of local market adaptation. The gradual internationalization strategy of Gina Tricot means that they locally adapt their websites (linguistically and by some product offerings) in all countries that they have chosen to enter by physical stores. In countries, for example in Spain, where they have not chosen to enter with physical stores, they have not locally adapted their website to the these markets either. However, this gradual internationalization strategy might be an internal barrier for the internationalization through e-commerce for Gina Tricot as early experiences in the German market have been tough for the company. This could be linked to what Hutchinson et al. (2009) claim about how managerial attitudes affect the decisions of internationalization, as the experiences in the German market may lead to managers seeing more risks than opportunities, and therefore the fear of failing abroad might be an internal barrier for Gina Tricot that could affect the decisions in the future. This fear could affect both
the decisions regarding internationalization offline and online (such as investing in website adaptation). Elvine can be considered to have a more traditional internationalization strategy, as they firstly went to Denmark and Norway, which are countries more “alike” Sweden. Just as Johanson and Vahlne (1977), C. Neeley (2017) also sees psychic and geographical distance as big challenges when operating internationally, meaning that the security decreases the further away you are as a customer. Moreover, C. Neeley believes that the lack of trust, also brought up by Chen and Tan (2004), is undoubtedly more existent towards foreign companies than domestic ones. From the empirical data, it could be interpreted as some aspect of the internationalization strategy used by Elvine is affected by an opportunity-mindset, as they considered to adapt their website to German partly because of C. Neeley’s skills in this language. At Elvine, they are aware of the importance of adaptation to reduce the lack of trust for foreign customers and C. Neeley (2017) strongly believes that is would be beneficial to adapt more, although, it exists different internal barriers that will be discussed later on.

The co-founder of Trés Bien means that the e-commerce has “...erased the borders and problems of not being available.” (B. Lindén, Skype interview, April 13th, 2017). In 2005, they opened up their e-commerce site without any internationalization strategy, seeing the interest of fashion as something that characterize their customers, not that they come from different countries or markets. Seeing their customers as “international”, driven by a certain mindset and not national heritage, may be one of the reasons why Trés Bien uses a regional strategy, where language is not an adaptation that is made. In fact, even though Trés Bien claim that they did not have any internationalization strategy, they can be considered as a born-global as they took the chance of selling to customers abroad from the very beginning. Thus, Trés Bien can not be considered to have followed the Uppsala internationalization process model but instead they can be seen as an example of a born-global using e-commerce as a way to go abroad (Mollá-Descals et al., 2011). This could be because they do not seem to find psychic distance that is explained by Johanson and Vahlne (1977) relevant. Moving on to Nudie Jeans, it seems as the company has had a internationalization strategy rooted in an opportunity-mindset, meaning that they could be an example of a company that L. Laszlo Ek (2017) considers has thrown themselves out and learned from their mistakes. M. Jonasson (2017) claims just that, the most important thing when internationalizing is to make a decision and learn from the mistakes rather than make no decision at all. The fact that they went early outside the EU, to the U.S and Australia, makes it legitimate to classify them as a born-global as well (Mollá-Descals et al., 2011), meaning that they do not seem to have followed the
gradual internationalization process model presented by Johanson and Vahlne (1977). This opportunity-mindset seems to have affected their e-commerce development and adaptation as well; M. Jonasson (2017) claims that even if they want to have financial support in their decisionmaking regarding in what market they choose to invest, if a staff member would have certain language skills they might go for it and see it as an opportunity to adapt their website in this certain language.

6.5 The importance of being seen and physical presence

Just like the theory presented by Mollá-Descals (2014), all of our interviewees including the expert L. Laszlo Ek (2017) see the importance in having website traffic. Using keywords and Search Engine Optimization in order to reach a good positioning on search engines such as Google was mentioned as an effective strategy to attract website traffic by both J. Syrén (2017) and L. Laszlo Ek (2017). Though, all the interviewees brought up the difficulty and great amount of resources that is needed to be seen only through an online presence. This could be why an even clearer pattern was identified concerning the crucial existence of physical stores together with e-commerce. L. Laszlo Ek (2017) speaks in line with the theory of E-commerce Europe (2016), meaning that it is still important for customers to feel and look at the products in a physical store. All the interviewees agreed that there is a high correlation between offline and online sales and argued that the two boost each other, meaning that a higher degree of physical presence generates more revenues from the e-commerce in the same country (M. Jonasson, 2017; J. Syrén, 2017; C. Neeley, 2017, L. Laszlo Ek, 2017; B. Lindén, 2017). M. Jonasson (2017) at Nudie points out that the online and offline relation might work the other way around as well, meaning that if they have an online campaign toward a specific market this might also boost the sales in the physical stores and retailers. This means that all the interviews see the synergy effects between online and offline channels that are presented by Wiesel et al. (2010). Even B. Lindén (2017) at Trés Bien, a company with almost 75 percent of their revenues from e-commerce, mentions the physical presence as an important way of being seen and is clear about the fact that he does not see the death of physical stores in the future. This indicates the great importance and role that the physical stores have yet today. J. Syrén (2017) points out the big difference in the amount of marketing that is needed for a pure dot.com company compared to a physical store since a physical store automatically gains exposure, especially when it is well located. This means that the store markets itself by being there. So, from what the empirical data shows it
does not seem like the era of physical fashion stores is over quite yet. Instead, the presence of physical stores have become important for many and the future filled with only pure players is not as obvious. However, a possible scenario is that the role of the physical shops will change at that they will work more as a marketing channel in the future. Taking it one step further, it seems like the online stores will be more focused on sales and that the physical stores will be more of a brand building purpose which can be seen as that the two are on the way to be switching roles. Finally, as pointed out by the e-commerce expert L. Laszlo Ek in line with the theoretical framework as argued by Nikolaeva (2005), whatever way a company chooses to be seen in order to attract customers to their webshop, it is clear that it is equally, if not more important, to be able to turn these website visitors into customers and returning customer.

6.6 E-commerce organization affects omni-channel strategy

As stated by Chang et al. (2003) there are positive effects from including e-commerce in the corporate strategy since an omni-channel strategy needs coordination of all channels in order to give the customer a consistent experience. This is something that we can see throughout the empirical data that the companies have become more aware of lately. The impression is that in the earlier days, companies would just open up a website and thinking it would make them global, though, this has now changed and the companies have learned that even with e-commerce there is need for a strategy. In line with what Chang et al. (2003) and Cunnane (2012) claim, the challenge that companies seem to be facing still is to get the entire company on board and integrate all parts of the company, especially the e-commerce division, in order to achieve omni, which is what the customers are searching for. C. Neeley (2017) at Elvine says that the e-commerce has not been so integrated in the whole business, it has been an own unit of the company. This might in turn result in that Elvine might have difficulties moving on from multi-channel strategy towards omni-channel strategy, as the channels at Elvine seem to be operating relatively separately (Saghiri et al., 2017). Another observation that can be made from the empirical data is that all the companies’ e-commerce divisions are located at the headquarters and are centralised. This is not the case when it comes to the physical stores and reseller, they seem to be more adapted and locally handled. Therefore, it is legitimate to think that having a centralised e-commerce and locally adapted physical presence might create difficulties in the correlation of the business. Another aspect that can affect the omni mindset is if internal or external competence is used. This means that the more internal
competence is used and the less external competence is used to develop and adapt the web shop, the easier it is to achieve an omni-channel strategy. This because having a part of the e-commerce business that is handled externally is not ideal when at the same time wanting the company to be united. From what is seen in the empirical data, all companies used external competence to develop their back end, meaning programming and such, though it differed between the companies to what extent this was done. Overall, the smaller companies, Elvine and Trés Bien, have used external competence more than Gina Tricot and Nudie. This is possibly because of the greater amount of resources that the bigger companies have. For them, it can be payoff to use internal competence. But for smaller companies this can be expensive since competence like for example programming needs to be constantly updated and this is not possible at Elvine, for example, where C. Neeley is the only one working with the e-commerce (C. Neeley, 2017). There are other tasks that are more important to deal with internally and that is where the small companies put their focus. This in turn implicates that larger companies with bigger resources have greater possibilities to have more competence within the company which facilitates following an omni-strategy as compared to a smaller company. Though, this does not mean that a bigger company automatically has a more omni oriented mindset and approach toward the customers. Being a big company could also make applying an omni-strategy harder, since there are more parts of the company that need to be fully integrated. From this point of view, a smaller company has an easier time to correlate the parts of the company, since they are not too big. Also, using external competence does not always have to affect the omni-strategy negatively. If the company has a great collaboration with an external part then this does not have to hinder omni.

6.7 Important external barriers: English and VAT-rates

To use English as a standard language on an international website is the norm, as seen in our empirical data and also confirmed by Guercini & Runfola (2015), meaning that it is the first international language of choice for companies when internationalizing. The language is seen as an important barrier in countries with customers that have lower English skills, such as Spain (C. Neeley, 2017; J. Syrén, 2017). At Nudie Jeans, they have also noticed the issue of their foreign customers’ lack of English knowledge, resulting in that they, for the first time, have left the English language during the time of this study and now have a website available in German (Nudie Jeans, 2017b). This additionally points out how important and actual the local adaptation might be, in terms of coming over external barriers such as language issues in
order to reduce the lack of trust that customers might experience when not knowing the language provided on the website (Guercini & Runfola, 2015). L. Laszlo (2017) also emphasizes the local adaptation as important for companies, using the phrase of “go global, act local” (L. Laszlo Ek, oral interview, April 11th, 2017). Another important aspect that the empirical data has showed is how VAT-rates has to be interpreted and considered, even though free trade areas like the EU exist (L. Laszlo Ek, 2017). Companies that conduct only e-commerce in a country has to be aware of them being covered by the tax legislation (VAT) in that country when they reach certain sales volumes. It is clear that VAT-rates might create problems for companies operating abroad (B. Lindén, 2017; C. Neeley, 2017; L. Laszlo Ek, 2017).

6.8 With adaptation comes more adaptation

By reading the empirical data it is clear that the interviewees believe that adaptation is expensive, meaning that there is a challenge in the form of a financial barrier when wanting to adapt. As presented in the theory, Hutchinson et al. (2009) claims that financial resources are a common internal barrier when internationalizing, especially when it concerns smaller companies. This goes in line with the empirical data where C. Neeley (2017) at Elvine, which is a small company compared to Gina Tricot and Nudie Jeans, talks about for example not wanting to adapt their webshop to the German market since it would lead to extra work. C. Neeley (2017) says that a language adaptation will raise the expectations of the customers in that country, which is something that she believes is hard to live up to. For example she says that if they would have their webshop in German then they would like to also have a warehouse there, which in turn would mean that they have to follow German law. This extra work will need more resource which can be hard for a small company like Elvine to provide, and the language adaptation might therefore not be worth the amount of resources it requires. The lack of resources in comparison to what the company believes it will gain in the form of additional revenues could be why the company has chosen not to invest in language adaptation. As seen in the empirical data, M. Jonasson (2017) at Nudie jeans speaks of the same dilemma and says that especially linguistic adaptations lead to more work. Though, he points out that this would be because of the better service given to the customers which in turn will lead to increased sales numbers. An interesting observation from the empirical data shows that bigger companies such as Nudie Jeans and Gina Tricot think further when it comes to adaptations. This could be because of their greater amount of resources, compared
to Trés Bien and Elvine. Therefore, the argument from Guercini and Runfola (2015) who claim that online language adaption is an investment that requires specially dedicated resources, is applicable on our data. This could be why Gina Tricot has had sales adapted to different markets and why Nudie also has the same adaptation in mind. It could also be because of the fact that Nudie is a bigger company than Elvine that they have chosen to adapt their website to German now even though they are aware of the added work that comes from it. One of the interesting findings of our interviews is therefore that with adaptation, comes the need for more adaptation. Even though the empirical data shows that language adaptations seems to be the most important form of adaptation, especially towards the markets where the English level is not too good, it also shows that companies might not want to adapt their website to any specific language. This, since they do not want to pretend to be a company from that country, because then that could make the customers expect for example quicker and cheaper delivery, customer service in that language as well and so on. This is why we believe that language adaptation can be seen as an internal barrier that hinders further development of an online shop, since some companies do not believe that they can live up to the expectations of the customers if they do chose to adapt, which is why they might chose not to adapt at all, to avoid any misunderstandings. Thus, language adaptation might be a worthy investment for some companies but not for all. An individual assessment needs to be made for every company in order to tell if it is worth it to make language adaptation, this in line with the opinion of L. László Ek (2017). Though, it is clear that these adaptations are easier to make for bigger companies with more resources.

6.9 From multi-channel towards omni-channel

The belief of an omni-channel strategy shines through among the interviewed companies (J. Syrén, 2017; M. Jonasson, 2017; L. László Ek, 2017). The e-commerce channel has been added to the companies because of different reasons, where creating a brand image through a digital expression is one of them (J. Syrén, 2017; M. Jonasson, 2017). However, now, it is not only about adding e-commerce as another sales channel to increase sales or to create a brand image (J. Syrén, 2017; M. Jonasson, 2017) but more about integrating the channels to give the customer a seamless and consistent experience (Saghiri et al., 2017; M. Jonasson, 2017). The integration of channels is something that the interviewees see as important (C. Neeley, 2017; B. Lindén, 2017), and something that is “the future” e-commerce as a fashion company. It is clear that the companies try to understand what the customers want today and how they want
to have it, which goes in line with the theory of Cunnane (2012) who claims that it is crucial for companies of today to know why, where and how a customer buys a certain product. The companies claim that customers of today have different purchase behavior compared to before, the customers of today want to be provided “.....the same experience, regardless if they shop online or in a physical store.” (M. Jonasson, 13th of April, 2017). An assumption drawn from the data is the importance to have the same image within the countries across all channels towards customers. This becomes more complex to handle in an international context with multiple different markets, since the company then has to choose whether they want to use a strategy with the same image in all countries, or if the want to differentiate.

Even though the companies show strong tendencies of an omni-mindset, it is clear that all of them need to work more on the integration of their channels as Saghiri et al. (2017) suggest: optimized information availability, consistency and visibility across the channels) in order to reach a higher level of omni. It is clear that the two larger companies (Nudie Jeans and Gina Tricot) have advantages in the aspect of omni-strategy as it requires a lot of resources to have fully integrated channels, in comparison to the smaller companies (Trés Bien & Elvine).

### 6.10 Shipping costs and delivery time depend on product

<table>
<thead>
<tr>
<th>Company</th>
<th>Gina Tricot</th>
<th>Elvine</th>
<th>Nudie Jeans</th>
<th>Trés Bien</th>
</tr>
</thead>
<tbody>
<tr>
<td>Most expensive product</td>
<td>60 €</td>
<td>344 €</td>
<td>499 €</td>
<td>1540 €</td>
</tr>
<tr>
<td>Shipping cost to Spain</td>
<td>5.90 €</td>
<td>9 €</td>
<td>10 €</td>
<td>10 €</td>
</tr>
<tr>
<td>Express delivery to Spain</td>
<td>yes</td>
<td>no</td>
<td>no</td>
<td>yes</td>
</tr>
</tbody>
</table>


The empirical data that is presented again in Table 5 above, clearly shows that the more expensive the companies’ products are, the higher is the shipping costs toward the customers. A contributing reason behind this could be because as the price of the product raises, the shipping cost becomes a smaller part of the total price, which makes it acceptable for the company to take a higher shipping cost. It also works the other way around, meaning that, it might not be as acceptable for companies that sell cheaper products to have a higher shipping cost, since that would mean that the shipping can sometimes be as expensive as the product itself, which probably would not be acceptable for the customers. A challenge for companies therefore becomes to set the right shipping cost so that the company covers its own shipping
cost to the extent that is needed but also to not set a shipping cost that is too high towards the customers so that they chose not to shop because of it.

A pattern can be identified in the companies’ delivery times where the two companies, Trés Bien and Gina Tricot, that according to us have a considerably higher level of product news value, meaning that they seem to be closer to fast fashion than slow fashion, offer express delivery to the Spanish market. On the other hand, Nudie, that works with sustainable fashion, and Elvine, that can be seen to offer timeless fashion, who come off as more slow fashion companies do not offer express delivery. The empirical data therefore implicates that the type of product that a company sells is crucial to whether the company offers, or should offer, express delivery or not. For fashion companies in the fast fashion industry, that have products of great news value, delivery time can be seen as very important, since the product is interesting for the customer at that time. In addition, companies that sell fashion clothing such as suits or dresses that are worn in special events also deal with customers that expect a faster delivery time. These products that are mentioned make the customers relatively impatient as compared to when the products are not fast fashion and not for a specific event. This difference in customer expectations between different types of fashion company is argued by both C. Neeley (2017) and J. Syrén (2017). This means that companies need to take a look at their assortment on the webshop, in order to come up with the best possible solution for their type of customers, when they decide both delivery time and shipping cost. The big challenge here is to find a balance of these two factors where the expectations of the customers are met.

6.11 The dilemma of delivery and returns

From what can be seen in the empirical data, one of the challenges from e-commerce can be to deliver the product to the customer, meaning challenges with logistics. This means that we have identified logistic liabilities as presented by Guercini and Runfola (2015), who claim that these are crucial to overcome in the context of online internationalization. This is something that we can identify by the fact that M. Jonasson at Nudie mentions that the company does three tries to deliver the product to the customers. Problems with logistics and delivery to customers is also something that is brought up by J. Syrén (2017). Another challenge that is specific for e-commerce customers is the cost to return a product. This especially concern customers that shop from abroad since returning a product that is bought from abroad can be really expensive. Both C. Neeley and M. Jonasson have noticed the
problem of expensive returns through that some customers chose to return their package through their work place, meaning that the cost of return is placed on a company. Since return labels are not provided to all markets by all companies the return of a product can not only be seen as expensive, but also difficult, time consuming and a bad service from the company. Though the dilemma of returns can be see as a challenge for companies since some may chose not to shop from abroad because of the difficult and expensive return, it can also be seen as a possibility. We believe that the fact that returning a product from a foreign company is expensive and difficult might be one of the reasons why for example C. Neeley (2017) experiences that their foreign customers are more loyal and that they have fewer returns from abroad. Another possible explanation to why they have fewer returns from abroad would be that their foreign customers have really looked them up and are well aware of the brand and have already decided on their opinion about their products (C. Neeley, 2017). This means that there is a possibility for companies to find dedicated customers abroad that are happy with their products and will come back for more, with a smaller chance of returning the product as compared to if it would have been a Swedish customer.

6.12 Click-and-collect: the new way of delivery

One part of omni strategy that we have seen is the so called click-and-collect concept. A clear trend that J. Syrén at Gina Tricot has noticed is that the customers more often want to order products online and pick up in store. According to her almost 50 percent of online orders in Scandinavia are made as a click-and-collect purchase. We believe that the reason behind the popularity of this concept is because of the free delivery that is offered for customers choosing to pick up their delivery at a physical store, but also that it is a smooth way for the companies to get their products. Even though Nudie does not have the click-and-collect function for their online shop yet, they do offer their customers the possibility of returning online purchases in their physical shops, and so does Elvine. Both C. Neeley (2017) and M. Jonasson (2017) argue that the possibility of returning product in the physical store is proven to be appreciated from the customers. This shows that the mindset of “anytime, anywhere” just as discussed by Cunnane (2012) seems to be highly accurate as a description of what customers are looking for today. With advance and new upcoming click-and-collect concepts such as the kindergarten, as mentioned by M. Jonasson (2017), where parents can collect their online purchase, grocery bag and child at the same time at the same place, it is additionally proven that customers expectations are rising. This is something that can be seen as both a
possibility and a challenge. It is clear that companies have to find solutions for customers to be time effective in order to stay competitive on the market. If the company is successful in this aspect and is able to find and apply innovative delivery solutions with an omni-mindset, then this will become a possibility for the company that can then be perceived as highly competitive on the market. Companies therefore need to collaborate with other external parties to be able to find these new logistics solutions like for example the kindergarten. However, if the company is not successful in this sense, then this can be seen as a challenge since customers might choose to shop from another online shop that has similar products and provides efficiency to the customer. Apart from being a great way to stay competitive on the market and offer a great service to the customers, there is also a great side effect from offering click-and-collect as a way to deliver. Through click-and-collect and returns to the store, companies attract customers to the physical store, which may lead to that the customers buy more products in the physical store. Also, we believe that this is an easier and cheaper way for the companies to deliver the products to the customers since all the companies mentioned that they go minus on the shipping cost. When offering click-and-collect, they can send the packages with the rest of the products that are going to the physical store and in this way they will spare one of the costs that is often associated with having e-commerce. The free delivery might also lead to that customers that are unsure choose to shop anyways, and in some cases keep the product, meaning that it can lead to additional sales.

6.13 Brand image may differ between markets

It is seen that brand image is very important for fashion companies, and that they are perceived in the right way, seen in the right context, on the right place, with the right brands (L. Laszlo Ek, 2017; B. Lindén, 2017; M. Jonasson, 2017; J. Syrén, 2017). This goes in line with the theory of Chen and Tan (2004), claiming that a consumer’s judgement is related to the factors mentioned above. The gathered data show that companies choose to adapt their brand image through pricing, product offering and positioning to different markets (M. Jonasson, 2017; C. Neeley, 2017). In the case of Nudie, the image might differ depending on how the market conditions look like. For example, in Spain, one perception is that the customers might not be as aware of sustainability as the Swedish customers are, which affects how the brand is promoted in that certain market. Elvine is promoted differently in different markets, for example in Spain, they are more premium and exclusive than on other markets, in terms of pricing and how they are promoted by their retailers. However, Gina Tricot sees
the importance of having one, clear, image as an international brand so they choose not to promote their brand differently on different markets (J. Syrén, 2017). Likewise, in the case of Trés Bien, they do not have the ambitions to promote their brand (speaking of their own products) differently on different markets where one explanation might be that they see their customers as international as mentioned before and what brings their customers to Trés Bien is their mindset and interest, regardless of where they are situated. Another interesting finding is that the brand image might be compromised when a company choose to use another language on the website (M. Jonasson, 2017, J. Syrén, 2017). There might be another perception of products and slogans when translating to another language, which might explain the fact that Gina Tricot translate product names to the local language, but keep the English language on campaigns texts like “Feel The Spring Spirit” (J. Syrén, 2017). Nudie Jeans emphasize the same issue regarding what to translate to local language and what to keep in English, in order to not compromise the brand image too much (M. Jonasson, 2017).

7 Conclusion

To address the question of which possibilities and challenges that come from using e-commerce as a way for Swedish fashion companies to internationalization, we have investigated what e-commerce strategies that the companies Nudie Jeans, Elvine, Gina Tricot and Trés Bien has used. We have also analysed what motives that have led to the internationalization strategies used in e-commerce. Further, e-commerce expert knowledge has been gathered from Business Sweden in order to get a deeper understanding of the matter.

One of the main motives of internationalization that this study shows is market seeking, meaning that e-commerce is a possibility to reach out to new markets with new customers, this in particular for Swedish fashion companies due to the small size of the home market. Evidence in our study shows that another possibility by using e-commerce as a way to internationalize is the fact that it gives the expression of the company being an international brand. It is clear that the European Union has facilitated the process of internationalization for Swedish fashion companies, based on the fact that the companies have chosen to establish an EU site because of this being a smooth way to reach a big market at once. Moving towards the characteristics of the internal environmental factors within companies, we have seen that the managerial attitude towards internationalization might affect how companies choose to conduct their business abroad. Meaning that, managerial attitudes can be considered as both a
challenge and a possibility for a company. The challenge lies in that the managerial attitude might be either too pessimistic, seeing only risks with internationalization, but also managers that are too optimistic, taking risks that are too big. Although, the possibility is found in having an optimistic, but realistic, view of internationalization which could lead to taking decisions that benefit the growth of the company outside its national borders. Moreover, we have seen that the e-commerce enables companies to step away from the more traditional Uppsala internationalization process model of gradual internationalization and now have the possibility to be born-globals. Further on, we have found that there is a connection between internationalization strategy and e-commerce adaptation. The companies that we have seen using a more traditional, meaning gradual, internationalization strategy, seem to be the ones that emphasize psychic distance the most in their establishments which also reflects on how they choose to conduct their e-commerce strategies in terms of seeing the importance of adapting. Companies that seem to have used some kind of opportunity-mindset in their internationalization process, appear to be a bit more open minded when it comes to seeing opportunities even with their local e-commerce adaptation abroad. Additionally, a born-global approach with a mindset of having “international” customers with a specific interest rather than seeing them as a customer from a specific country, can also be reflected in the e-commerce strategy as they do not emphasize the importance of psychic distance and therefore local adaptation. This reasoning leads to the fact that there might be a challenge for companies to change their strategy in order to get the best out of their business, by using the potential of e-commerce. This lack of flexibility, in changing their strategy to what is most beneficial, might in turn lead to that the company loses potential customers in different markets.

Although there are great possibilities of using e-commerce as a way to internationalize, we have seen that there are still liabilities that companies need to overcome, meaning that barriers of different kind exist when entering foreign markets. The most important ones discovered in this study, are external barriers regarding language, psychic distance, geographical distance and VAT-rate. We have identified issues with language, psychic and geographical distance in terms of customers’ insecurity and lack of trust towards foreign brands. Because of these external barriers that exists we have found that there is a possibility of increasing sales numbers using more adaptations online. However, there are also internal barrier that have been identified within the companies such as with adaptation comes more adaptation. For example, when adapting language to a specific market, the expectations on the company from
foreign customers become higher and further adaptation is therefore demanded (such as faster delivery and language adapted customer service). Also, language adaptation might compromise the brand image in the process of translating as some direct translations might lead to losing some linguistic value. Meaning that, companies must consider language adaptation as resource demanding and something that needs maintenance. Hence, it might be easier for companies that have more resources to make adaptation on their website as compared to companies with smaller resources. An individual assessment is therefore needed for each company. Another aspect that needs individual assessment for every company is to find the right balance between shipping cost and delivery time and mode. Evidence in our data show that having more expensive products makes it legitimate to have a relatively high shipping cost. Furthermore, depending on the type of product that is provided (products with high news value and clothes for special occasions in contrast to more timeless and slow fashion clothes) companies decide whether their customers demand fast shipping (e.g. express delivery) or not. The company then must decide whether fast shipping or low shipping cost should be prioritized.

Moving on, a possibility that we recognized is the opportunity of using a website as a brand image tool, in order to strengthen the brand image globally but also to differentiate the brand image in different markets to get the most out of the current conditions in a specific market. For Swedish companies, we conclude that there is a brand image advantage of coming from Sweden, as the country-of-origin-effect is positive since Swedish products are associated with good design and quality.

Additionally, we have discovered a possibility for companies to fulfill the customers’ needs on a new level through the use of an omni-strategy. This, because the customers of today look for time efficiency and the possibility of to get the same experience regardless of what channel they choose to interact with. However, the challenge lies in conducting omni-strategy, especially in an international context as it becomes more complex to operate in different environments. It is therefore vital for companies to integrate their e-commerce strategy in the overall business strategy and also decide what activities that should be operated in-house or outsourced as this might affect to what extent the business divisions are integrated. Although financial resources are important in order to accomplish an omni-strategy, we have found that the mindset and ambitions of the companies might be even more important to achieve omni.
Finally, the challenge of being seen in the context of internationalization through e-commerce within the fashion industry is inevitable. It is crucial for companies to attract website traffic, for example through positioning themselves on search engines, though it has also been identified that it is equally important to transform website visitors into buyers and also returning buyers. However, a clear pattern has been identified where the companies emphasize the importance of physical stores in order to be seen. Physical stores are not dead, they are important for many different reasons; brand image, to enable customers to physically feel and touch products, to give the customer the chance of choosing and combining channels as they want as a part of the omni-strategy. Intertwining the physical stores and e-commerce has created the possibility of the up-coming and actual concept of click-and-collect (order online, pickup in-store). An additional possibility that comes from using click-and-collect is that it attracts customers to the physical stores which might lead to more sales. This might also be a way for companies to solve the dilemma of shipping cost as it can be cheaper for companies to ship with their store orders. Although physical stores seem to be accurate as a complement to e-commerce, there is also a possibility with internationalization through e-commerce solely. This because a trend can be seen in that the customers of today want what is hard to get, meaning that they nowadays look for something unique that is not easily accessible in their home market.

7.1 Suggestions for future research

It is hard to cover all the possibilities and challenges that comes from using e-commerce as a way to internationalize, even though an attempt has been made to emphasize what seems to be the most important factors. Since the study is made in the perspective of Swedish companies’ e-commerce internationalization and the findings are to be seen as mainly applicable on them, it would be interesting to investigate whether these findings can be seen in the internationalization processes in companies from other countries as well. Also, as the study shows that there can be many differences between companies it would be interesting to examine a broader range of companies in order to identify more company type specific patterns. Since one of the main findings was the importance of conducting an omni-strategy, it would also be interesting to look at this from a consumer point of view. Additionally, future research in regards of how to overcome and exploit the challenges and possibilities that were found in this study would be of value.
List of references


Bryman, A., Bell, E. 2013. Företagsekonomiska Forskningsmetoder. Poland: Liber AB


Appendices

Interview questions for companies

1. How did the company start its internationalization through e-commerce? Rank in time sequence.
   a. When did the company open up its e-commerce? Why then?
   b. When did the company open up its e-commerce in Spain? Why then?
2. How many of your employees work with e-commerce?
3. Do you find it important to be available outside the Swedish borders? Why/Why not?
4. Which factors were behind your establishment on the Spanish market through e-commerce? Which possibilities did you see?
5. Did you bump into any difficulties in the beginning of your establishment through e-commerce abroad or specifically on the Spanish market? Which?
6. To what extent do you see that e-commerce is integrated in the rest of the business strategy?
   a. What is your strategy with e-commerce? (For example, locally or regionally adapted)
   b. How are your staff members that work with e-commerce organized?
7. How do you experience your Spanish customers and the Spanish market? How do you believe that it differs from the Swedish market?
8. Do you use internal or external competence in order to develop/adapt your website? Why?
9. Do you adapt your website to any specific markets or do you have the intention of doing so in the future? Why/why not?
   a. If yes, do you adapt your website to the Spanish market?
   b. If yes, how do you adapt your website? (e.g. colors, language, customer preferences, supply)
10. How much resources do you believe is needed to adapt a website?
11. Why do you have the shipping cost that you do?
   a. To what extent do you believe that your customers are affected by the shipping cost on the Spanish market?
12. Why do you have the delivery time that you do?
   a. To what extent do you believe that your customers are affected by the delivery time on the Spanish market?
13. Do you see a connection between having physical stores and e-commerce in one country? Why?
15. Do you see a trend regarding your revenues from e-commerce abroad? What can this depend on?
16. How does the future of e-commerce look like for your company?
   a. How does the future of e-commerce look for your company on the Spanish market?
Interview questions for e-commerce expert

1. Do you find it important for Swedish companies to be available outside the Swedish borders? Why/why not?
2. How do you see at the potential of companies establishing themselves on a new market through e-commerce?
   a. What are your thoughts on e-commerce as a way of establishment as compared to other entry modes such as physical stores, agents, mergers and acquisitions and retailers?
   b. Do you believe that Swedish companies know about and seize all the possibilities that exist with e-commerce?
3. Which are the questions that usually come up regarding e-commerce from companies that want to or already are abroad? (at your courses for example)
4. Which are the common mistakes that companies do when starting their e-commerce abroad?
   Rank.
   a. Do you believe that Swedish companies are prepared enough when starting their e-commerce abroad?
   b. Do you believe that Swedish companies put down the resources that are needed in order to have a functioning e-commerce abroad?
5. Do companies usually use internal or external competence when developing their website?
6. Do you believe that Swedish companies have a strategy with their e-commerce? Why?
   a. What strategy do you believe is most successful when it comes to Swedish companies e-commerce establishment on new markets?
   b. Do you believe that Swedish companies should adapt their website to the market that they want to establish on in order to increase their revenues?
      i. If yes, what do you believe is the best way to adapt the website in order to sell abroad? Rank in priority order.
7. Do you see any connection between having physical stores and e-commerce in one country?
8. Which possibilities do you see on the Spanish market?