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FEATURE MAPPING OF A CHANGE OF OWNERSHIP WEB SERVICE

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ABSTRACT

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This survey was conducted for Pohjois-Pohjanmaan Yrittäjät and was designed to identify the needs for a web-based Restartup web service and to identify the features required and desired for an electronic tool in case of an occurrence of ownership change. The commission was divided in two parts. First, a questionnaire survey was conducted, which identified the needs and characteristics of the respondents to the online service through a semi-structured questionnaire and interview. The second part consisted of an analysis of a survey and interview data, which evaluates the resulting data and analyzes the conclusions to be drawn. The aim was also to find out whether a similar service is available or planned in Sweden, the Netherlands, Belgium, Germany or the UK, but this part did not materialize. The end result of contacts was a phone conversation with one person from Germany and it is briefly taken into account in the final part of the work.

Fifteen persons were targeted for the interviewed, twelve of whom responded to the survey. Respondents were divided into different categories based on backgrounds and roles. The experts who participated in the study have a strong knowledge and experience of mergers and acquisitions. In addition to the experts, the research also involved entrepreneurs who have themselves changed ownership of the company, either as seller or buyer. Five of the twelve participants replied to the questionnaire in writing, and seven responded by telephone interview. The questionnaire contained 15 open structured questions. The research question had to assess the need for the Restartup service and the related features. In addition to interviews and the survey, information supporting the research was collected from printed and digital sources.

The end result was that there is a clear existing need for a Restartup web service to support the change of ownership process. The conclusions concluded that the necessary features of the system were technical-, content- and demand-driven. Almost all of the interviewees stated that a web-based service as a meeting place for different parties would increase general interest in business.

Keywords: Pohjois-Pohjanmaan Yrittäjät, Restartup, Web Service, Change of Ownership, Merger, Acquisition, Semi-Structured Interview, Survey

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1 INTRODUCTION OF THE COMMISSIONER

Pohjois-Pohjanmaan Yrittäjät is an entrepreneurial network of over 4,000 entrepreneurs from the Northern Ostrobothnia, a regional organization of entrepreneurs in Finland. Pohjois-Pohjanmaan Yrittäjät ry was founded in 1938 and it has 27 local associations. Pohjois-Pohjanmaan Yrittäjät is the largest business organization in Ostrobothnia.

Pohjois-Pohjanmaan Yrittäjät work on a wide front, supporting every step of the life cycle of companies, and the association is involved in nearly 60 different working and steering groups to promote the matter of entrepreneurs and entrepreneurship.

The organization's counseling services, trainings, events and member benefits provide support and assistance to member entrepreneurs and almost always free of charge. An entrepreneurial organization offers opportunities for networking with other entrepreneurs and stakeholders.

2 COMMISSION AND THE PERSPECTIVE OF THE SURVEY

This survey was conducted for Pohjois-Pohjanmaan Yrittäjät and was designed to determine the needs of a web-based Restartup-service tool and to identify the features required and desired for an electronic tool in a change of ownership situations.

The commission was divided into two parts:

- 1) A survey of semi-structured questionnaires and interviews to identify respondents' needs and features for an electronic tool.
- 2) Analyzing survey and interview material to evaluate and analyze the conclusions to be presented.

The survey was conducted in the autumn of 2019. Continuous analysis was conducted through questionnaires and interviews. In addition, the requirements and needs of companies for the Restartup online service were clarified through the relevant literature. The research interviews focused on, among other things, on the functional elements of web services such as ease of use, needs of seller and buyer, documentation, documentation and regulatory requirements.

Initially, the aim was also to find out whether a similar service is available or planned in Sweden, the Netherlands, Belgium, Germany or the United Kingdom. This part did not materialize. Several e-mails, inquiries, inquiries and phone calls were sent to these countries. The targeted persons are employed by Business Finland or the embassies. The end result was a single person contact from Germany and this is briefly noted in the remainder of the work.

In addition to interviews and a survey, information supporting the research was collected from print and digital sources.

3 INTRODUCTION OF THE RESEARCH METHOD

3.1 Semi-structured interview

The semi-structured interview proceeds by asking all the interviewees the same or almost the same questions and in the same order. By some definitions, even in semi-structured interviews, such as themed interviews, the order of questions can even be varied as needed. There is not a fully uniform definition of the implementation of partially structured interviews. The semi-open, partially organized interview is placed in its form between a fully structured form interview and a thematic interview. (Hirsjärvi & Hurme 2001, 47.) In practice, even semi-structured interviews are sometimes referred to as theme interviews; in that case, it poses specific questions about specific themes or topics, but may not necessarily use the same questions with all interviewees. This gives the interviewer the freedom to change the course of the interview and use context-specific situational awareness in the interview. In this survey, the issue emerged, for example, when interviewing respondents with different backgrounds or roles. The situation where the respondent had either an expert role or a seller / buyer role clearly differentiated the question layout. Experience background also influenced the background of the responses and the ability to take a stance on the need for web services or on usability.

3.2 Interviewees

All respondents to the research, survey and interviews showed a good interest in the subject, but the answers received differed to some extent. The subject is very topical it is influenced by the aging of entrepreneurs, the major changes in business and the varying national and international economic cycles. In conclusion, those with strong experience in change of ownership situations emphasized their awareness of web-based service, but they, as well as entrepreneurs, pointed out in interviews that each acquisition is very individual and involved. The basics of a change of ownership situation can be considered to be the same with some basic information, and it can be said that using the web service is a good support at the beginning of the process, but as the sales or change of ownership situation progresses, the process becomes very personal. The reliability and directiveness of the online service became the number one concern of many interviewees.

The interviewees each represented different roles in the change of ownership process. Experts work in, for example, valuation, general advisory, trade contract drafting. In the “others” category are included among others, a business ombudsman, a business advisor, a business development director and a project manager. In their research, researchers have investigated and clarified issues related to change of ownership in both domestic and international studies. Both experts and researchers have produced literature and articles on the subject. The entrepreneurs themselves have done a change of ownership. They have also shared their experiences of the change of ownership process with other entrepreneurs, among others.

TABLE 1. Role of the interviewee, interview method and gender.

Role of the interviewee	Interview method	Gender
Expert	Phone interview	Woman
Expert	Questionnaire	Man
Other (business ombudsman, business advisor, business director, project manager...)	Phone interview	Man
Researcher	Phone interview	Man
Expert	Phone interview	Man
Researcher	Questionnaire	Woman
Other (business ombudsman, business advisor, business director, project manager...)	Phone interview	Woman
Other (business ombudsman, business advisor, business director, project manager...)	Phone interview	Man
Other (business ombudsman, business advisor, business director, project manager...)	Questionnaire	Man
Expert	Phone interview	Woman
Entrepreneur as well as an expert	Questionnaire	Man
Entrepreneur	Questionnaire	Man

4 CONCEPTS

Suomen Yrittäjät is an interest and service organization for small and medium-sized enterprises (SMEs) and their owners. The challenge is to improve the status and preconditions of entrepreneurship and to make Finland an entrepreneurial society. (Suomen Yrittäjät & Wikipedia 2019)

Pohjois-Pohjanmaan Yrittäjät is a regional organization of Suomen Yrittäjät, founded in 1938, with 27 local associations with more than 4,000 members. (Pohjois-Pohjanmaan Yrittäjät 2019)

Restartup Service of Pohjois-Pohjanmaan Yrittäjät will guide and assist companies during the change of ownership process. Entrepreneurs receive support in choosing a business, using experts and finding the right source of finance. The aim is to ensure that both the seller and the buyer get the help they need. The process does not end with the signatures on the contract of sale but also provides for the follow-up of the transaction so that the buyer can start his / her plans.

The purpose of the service is to gather an extensive network of experts from the Northern Ostrobothnia region to make it easy for entrepreneurs to make use of experts related to change of ownership. Successful Restartup arrangements ensure the survival of businesses, especially in small communities, and thus contribute to job creation and the attractiveness of the region.

The goal after the project is to get permanent Restartup services in the province to make it as easy as possible for entrepreneurs to get in touch, when a change of ownership occurs. Restartup arrangements are a means to further accelerate mergers and acquisitions. The history of an old company is a good starting point for growth with the help of the new owner and his / her skills and motivation. (Pohjois-Pohjanmaan Yrittäjät 2018)

An **acquisition** occurs when a company of one or more persons acquires most or all of the shares in another company in order to obtain control of that company.

A **merger** is when two already existing companies are united into one new company.

Change of ownership includes acquisitions, generational changes and other ownership arrangements.

Generational change of a company means roughly a situation where the ownership of a company changes within a family circle or among close relatives. Generational change is a special case of changing company ownership. The most important difference compared to trade between non-relatives is that, if done correctly, significant tax benefits can be achieved through a change of generation. More often than usual lower purchase prices, donations, and various variations between them are used in generational changes. (Suomen Yrityskaupat 2019)

Small and medium-sized enterprises (SMEs) are defined as having less than 250 employees and an annual turnover not exceeding EUR 50 million (EUR 40 million before 2003) or a balance sheet total not exceeding EUR 43 million (EUR 27 million before 2003) and fulfill the criterion of autarky set out below.

There are 286,934 companies in Finland (Statistics Finland, Business Register 2017) excluding agriculture, forestry and fishing. They employ 1.4 million people and generate taxes that pay for services for all. 93.2% of the companies are companies with fewer than 10 employees.

Throughout the 2000s, new jobs in Finland have been created by small and medium-sized enterprises. Between 2001 and 2017, SMEs created over 104,690 jobs. Of these jobs, 81,500 were created by companies with fewer than 50 employees. (Suomen Yrittäjät 2019)

Due diligence means careful preliminary investigation of the company being acquired and its business so that the buyer identifies the commercial, financial, tax and company law risks involved in the transaction. (Cambridge Dictionary 2019) The buyer should always conduct or commission a due diligence study before making a final commitment to the deal. The scope and depth of the statement depends on the size and structure of the business or business being acquired.

5 DESCRIPTION OF THE OPERATING ENVIRONMENT

In Business ownership changes now and in the future need active support in many different forums. Service offered for change of ownership must be available through various channels with support and expert services. In practice, change of ownership services require a stronger response from both society and domain actors such as business organizations. A number of provinces have started to undertake projects related to change of ownership. Their task is to find and activate companies considering a change of ownership and to identify potential successors, i.e. to act as an initial contact point for sellers and buyers.

Generally speaking, 2018 and 2019 have been active through acquisitions throughout Finland. Through the nationwide Yrityspörssi.fi website, for example, there have been more than 11% more businesses for sale in early 2019 than in the corresponding period of the previous year. Factors influencing the change of ownership must take into account the general economic situation, the aging of the population as a whole, including entrepreneurs in particular, and trends in employment and population concentration. Another significant trend is the desire to develop the company. The aging of entrepreneur and finding successors leaves the entrepreneur quite alone. In such a case, support services for the change of ownership are needed to support both the seller and the buyer. The national change of ownership barometer has highlighted as well-researched information that, in addition to aging entrepreneurs, there are also change of ownerships between young sellers and buyers. In this case, there is a strong view that acquisitions are becoming an increasingly important part of the natural strategic growth and development of small businesses. According to research, the general trend seems to be that people become entrepreneurs more often than before through acquisitions. On the other hand, career as an entrepreneur ends by selling the company. In this case, the experience gained from the company's sales and purchasing situation will in the future influence their own life choices.

From 2015 to April 2018, Suomen Yrittäjät have had a nationwide change of ownership project. Project activities have produced a variety of ownership change activities such as nationwide events, national conferences, publicity in various forums, events, printed and online guides, workshop activities, etc. The aim has been to raise awareness both at the individual and general level. As a continuation of activities, in April 2018, a change of ownership forum has begun. This

work has also been implemented at the provincial level, meaning that the quality of changes of ownership has improved and increased overall.

46% of entrepreneurs over the age of 55 expect to sell to an outsider of the company (39% in 2015). In other words, 34,000 companies would be on sale.

- 24% aim at generational change (23% in 2015), meaning that 13,500 companies are to be handed over to a successor within the family.
- 22% believe business will stop completely (27% in 2015). So there are 21,500 companies under threat of closure. This option was more applicable to single-person businesses.
- 7% estimated the successor to be among the current owners (7% in 2015).

The interest in acquisitions for those under 55 has increased. 36% were interested in selling their own company (30% in 2015). 27% were interested in buying a company or business (23%). More and more entrepreneurs are already gaining positive experiences with acquisitions. Four out of five were happy with the deal they made. (National Ownership Change Barometer 2018)

Numerically, the number of acquisitions is clearly rising over the next 10 years. Studies conducted by the Confederation of Finnish Industries EK show that the number of companies in the process of change of ownership at the beginning of 2017 was broadly unchanged. However, there are about 16,000 employer companies in a change of ownership situation and this affects nearly 80,000 employees (Huovinen 2017). However, the EK survey reported that activity has clearly picked up. About 7% of all companies have been involved in acquisitions or mergers in the last 12 months (compared to only 4% in 2016). In the SME Barometer, which is aimed directly at SMEs (Fall 2018 SME Barometer), nearly 40% of companies are considering giving up their business within the next 10 years. Thus, over the next ten years, an estimated 70,000 companies in Finland will change ownership or close down. The change of ownership therefore affects about one in three Finnish companies. Two-thirds of the successors are not found within the family. Very few have a plan for a change of ownership. (Suomen Yrittäjät 2019)

Pohjois-Pohjanmaan Yrittäjät have developed change of ownership activities in their area, for example, through the Northern Finland's Yrityspörssi. Restartup has been promoted by the region's business organization as one of its strong action line. The National Change of Ownership Barometer in 2015 states that "The corporate market needs dynamism. Businesses should

change ownerships more often to speed up renewal.” (National Change of Ownership Barometer 2015) Pohjois-Pohjanmaan Yrittäjät have also been active in activating acquisitions, together with actors providing business services for municipalities in the area. Regionally, it is important to work on mergers and acquisitions so that businesses are not lost, jobs are preserved and the region's vitality is maintained. Entrepreneurship must clearly be one of the options for work in the future. When evaluating the entire change of ownership process and the needs for a web-based service, it is important to look at the different web-based services and sites that already exist. These are summarized in section 5.6 of this report. The full processing of the acquisition is described in Section 5.3. Describing the entire process provides information on how multi-tiered the change or ownership process or acquisition is viewed from the perspective of all the different actors before the process is complete. Changes in ownership are strongly guided by both documentation and the legislation that governs it.

5.1 Change of ownership

Ownership changes include acquisitions, generational changes, business acquisitions and other ownership arrangements. In the next ten years, an estimated 70,000 companies in Finland will change ownership or close down. The change of ownership therefore affects about one in three Finnish companies. Two-thirds of the successors are not found within the family. Very few have a plan for a change of ownership.

Almost 4,000 company transfers take place each year, compared to less than 3,000 two years ago. This shows that small and medium-sized enterprises are changing ownerships more and that the dam of mergers and acquisitions has been broken. It promises good business growth and investment, for which changes of ownership are of great importance. (Koivikko, K. 2019)

It is a good idea to prepare the company for a change of ownership well in advance, as it may take time to find a successor. On the other hand, implementing a generational change often requires long-term tax planning if the relinquished entrepreneur donates his / her ownership in small installments to the next generation. For the transaction to be successful for both parties, a realistic assessment of the company's financial position and market position must be made. This information is needed when starting negotiations and when a buyer applies for financing for their acquisition, which also takes its time. (OP 2019)

5.2 Acquisition planning and execution

Stock and business trading are the most common ways of doing business. They are based on cash consideration. Stock trading is the clearest and safest option for the seller, as he is relieved of the company's liabilities and gain on disposal of shares are taxed on capital gains. An acquisition, on the other hand, is sales revenue to the company itself, which makes it difficult for the seller to estimate in advance how much money he will have left over from the purchase price after taxes. For the buyer, the transaction is safer because the transaction is only for separately agreed balance sheet items.

5.3 Description of the different stages of an acquisition

The acquisition process can be divided into four steps:

Step one is anticipation and preparation. At this point you need to find out:

- where to find a successor to a company
- whether it is a business acquisition or a generational change
- assessing the value and market position of the company for preliminary trade negotiations

Step two is planning. Planning is the most important step for all parties involved:

- realistic valuation with the assistance of an expert
- planning the process and structure of the acquisition
- planning trade financing
- drawing up a contract of sale or a letter of intent
- Carefully assessing the situation of the purchasing target in advance (due diligence).

Step three is the practical implementation of the acquisition. The practical implementation will proceed when the previous step is completed:

- drawing up and signing contracts
- the bank releases the funds for payment of the purchase price

- the change of ownership will be announced to the public
- the necessary changes are notified to the trade register

In the fourth and final step, aftercare, the seller and the buyer will ensure that all points of the contract are fulfilled.

As can be seen from the above phasing-out, the acquisition is a complex process that requires extensive expert knowledge. In addition, non-economic factors also often tint the emergence or progress of a business acquisition. This is especially true when the business acquisition party is a family business or strongly emotionally related or image related to the entrepreneur. The other extreme is when an entrepreneur is forced to sell a business he or she has set up due to a weak financial situation. (OP 2019)

5.4 Company valuation

Determining the value of the business to be sold is crucial for both the seller and the buyer. Valuation is a long-term preparation of the acquisition for the seller, mainly preliminary bracketing and sounding about the value of their business. Preliminary valuation at an early enough stage, however, allows for a realistic expectation of the purchase price and helps to find the right buyer and move to the negotiation stage. Valuing can also affect the timing of the sale of a business. On the other hand, as the final sale date moves on, the valuation becomes obsolete and needs to be updated as necessary. Changing business environment or company-related products also affect the valuation and correct timing of sales.

The final purchase price of a business is determined by negotiation between the buyer and seller, which usually begins at the preparatory stage and continues through the planning phase until the purchase agreements and other possible contracts are signed. From the buyer's point of view, the valuation of the company undergoing a change of ownership at the planning and negotiation stage should be treated with particular care, as the purchase price is one of the most important prerequisites for a successful acquisition.

In most cases, valuation is based on the historical development of the company and forecasts made by management. Reality of predictions made and done is crucial to the success of

valuation. Optimistic forecasts will, in most methods, lead to an exaggerated purchase price expectation if the valuer does not have the professional skills to critically evaluate the business of the company as a whole, as well as the bases, assumptions and results of the forecasts. It is often worthwhile for the buyer to strive to an agreement that a portion of the purchase price based on a potential future value is paid only if the expectations are met. (OP 2019)

5.5 Why buy an operating company?

A good company can be bought and is often the fastest way to entrepreneurship. There are always risks involved in buying a business, but with good preparation and background work, you can get a great springboard into entrepreneurship or grow your already existing business. In practice, five reasons to buy a business can be listed. (Yrityspörssi 2019)

The first reason is that the probability of success is higher. In the light of statistics, you are more likely to succeed in an entrepreneurial business when you buy a viable business. Finnvera has researched the acquisitions it finances and over 80% of the acquisitions have continued five years after the acquisition. According to Statistics Finland, 50% of new enterprises to be established will continue to operate after five years of operation.

The second reason is that the company generates cash flow from day one. Cash flow is one of the cornerstones of running a business. Many start-ups fail because they have to invest more in new business than expected, and it takes longer than expected to generate paying customers and generate cash flow. Buying a business that already has a customer base is likely to generate cash flow from day one. Predicting your future cash flow is also easier when you have information on how your business has performed in the past.

The third reason is that the buyer has a market tested business model. The business model of the company being acquired has already been tested and found to be working in the market. When you know how your business has been running and made a profit in the past, making predictions based on it is less risky than on a whole new business.

The fourth reason is the ready customer base. Customers are vital to the company. By buying a functioning company, you are likely to get a ready customer base. A long-established company

can have loyal customers for decades. In addition, it is easier for any customer who has already made a purchase to be re-offered a product or service or to provide additional services.

The fifth reason is that there is an opportunity to immediately start developing the business of the company. Few people buy a company to keep it completely intact, but the goal is almost always to develop their business. A functioning company can be developed more quickly in the direction wanted, when the operating model, customer base and cash flow already exist, and the company establishment process does not take time.

5.6 Summary of merger sites in Finland

There are a few Finnish e-commerce sites on the Internet where business sellers and buyers can place announcements of businesses for sale or purchase. Usually, they also provide a variety of merger-related services such as advisory, consulting, corporate valuation, and financial and legal services. The list below gives you a broad idea of existing web-based services that can be utilized in merger situations. The web-based Restartup service would be one of web-based services, either as an aggregate regional service, or it could be a centralized service for all parties considering a change of ownership or for those considering selling their business. The scope, ease, reliability, timeliness and cost structure of the service determine the necessity and usability of the service in question.

Yrityspörssi, run by Suomen Yrittäjät, is a comprehensive service offering companies for sale and purchase which relates to change of ownership. <https://www.yritysporssi.fi/>

On the Yrityspörssi.fi website menu Services you can find **Välittäjät** section, under which there are several other smaller marketplaces and brokerage services. <https://www.yritysporssi.fi/valittajat>

Suomen Yrityskaupat is one of the largest business brokers in Finland. Services include change of business ownership, generational change, valuation, mergers and acquisitions. Experience in more than 2000 acquisitions. Regional offices are located in Helsinki, Turku, Tampere, Lahti, Pori, Vaasa, Seinäjoki, Jyväskylä and Oulu, and abroad in Estonia and Spain. <https://www.yrityskaupat.net/>

Advance Team is a service company focused on mergers and acquisitions. Offices are located in Helsinki, Tampere, Turku, Lahti and Kuopio, and they operate throughout Finland. The Advance Team has been in business for 20 years, since 1997. <https://www.advanceteam.fi/>

The Finnish Association of Business Brokers and Transfer Experts (SYVL) is a non-profit association established in 2002 to promote and develop co-operation, traditions, valuation, professionalism, ways of working and methods in the home country and the operating conditions of its members. The SYVL website offers corporate acquisitions and brokerage services. For example, Firmakauppa.fi specializes in companies with a price request of less than 200,000 €.

<https://syvl.fi/palveluja-omistajanvaihdoksiin/>

<https://www.firmakauppa.fi/>

6 SURVEY

6.1 Implementation and results of the survey

Fifteen persons were targeted for the interview, twelve of whom responded to the survey. Respondents were divided into groups based on their backgrounds and roles. The experts who participated in the study have a strong knowledge and experience of M&A. In addition to the experts, the research also involved entrepreneurs who have gone through the process of change in the ownership of the company, either as seller or buyer. Five of the twelve participants replied to the survey in writing, and seven responded via telephone interview. The survey included 15 open structured questions, the condensed answers of which are presented question by question below. At the beginning of the interviews, emphasis was placed on the strict confidentiality and analysis of the data. For the three refusals, it was precisely the aspect of reliability or the identity of the respondents that became the criterion. The topic as such was identified as very important from the perspective of the different roles of the actors and respondents were encouraging about doing the work. It was hoped that the material could utilize the emergence of acquisitions and the activation of business operations.

6.2 Question 1. How in-depth is your experience with ownership changes?

The interviewees all had experience of ownership change in different roles. The experience ranged from a few changes of ownership (entrepreneur / buyer / seller) to dozens, with some of the participants having even more than 20 years of industry experience. The range of work and experience of the experts involved in the study is therefore wide. Specialist roles have included financing, advising, expert on matters related to change of ownership and generational change, responsible business adviser, researcher, lecturer, expert / mentor, development and research projects, service provider for start-ups, director of development and business, promoter of change of ownership process for both sellers and buyers. Some of the tasks of the experts include: preparation of documents and calculations related to the change of ownership (e.g. valuations, contracts and financial plans) and other consulting on the matter.

TABLE 2. Interviewees' experience of change of ownership in years

Experience in years	Quantity
1-3 years	2
3-8 years	2
Over 8-15 years	2
Over 15 years	6

TABLE 3. Roles and number of interviewees

Role	Quantity
Expert	6
Researcher / Other	4
Buyer / Seller	2

6.3 Question 2. Do you have an idea of what are the essential needs of a business seller and buyer that need to be met in a web service when making acquisitions?

- An important part of a change of ownership is the clarification of responsibilities, what the deal made is, what are the actual matters transferred through the trade, all existing contracts of the business in purchase, whether there are any binding leftover contracts, careful listing of all of the things mentioned above.
- The most important needs of the buyer and the seller are valuation and, on the buyer's side, financing opportunities.
- Matters affecting small business acquisitions can be divided into two categories, economic and non-financial.
- One should think about who this web service is for and for what purpose.

- The web service must clearly state the goals of both parties, the needs with which both the seller and the buyer are on the move.
- Needs are why, when, how.
- From the seller, why you sell, mainly what you sell, under what conditions you sell, when you sell or when it is otherwise going to give up.
- The idea behind the seller is that the company should be sold, but does the price and the buyer's price match?
- The needs of the buyer specifically highlight why he / she is buying a business or a company and also relations to a business or industry.
- The key need for the buyer is to find a suitable company at the right price and financing for the trade.
- The terms of the trade should be made such that the seller feels that justice has taken place and the matter is working.
- On the buyer side, one could go with two things to paint the goal: The buyer hopes he can find the type of business that suits him and what he wants, and on the other hand that he gets a business that he can deal with.
- The essential need is to find professional help through these services. Such a web service can't be the only service, but it may be a channel for services.
- It's an impossibility to create a sort of a stock market for small businesses, where the business is actually traded over the net. You always need a professional to make it reliable, to go through it.
- In my experience, bilateral trades generate huge disputes and bitterness.
- The merchandise is a sensitive matter to the seller and very personal in many ways - the buyer does not always understand this.
- In my opinion, if you are going to establish this kind of service, you should think about it very seriously. In the end, does it generate more pain or happiness?
- The need is to find the right help for what the client is not able to do well on their own.
- Many times in web based marketplaces, the companies that are listed on these websites are usually seen as sort of desperate companies, that otherwise couldn't be sold.
- It's really worth thinking about what you want to do with this. If there is any discussion that this is a bit like Oikotie.fi or Tori.fi, then I can tell you that you are deep in the swamp. I am amazed by why this is done.
- You need to find the experts you need and then, when it comes to the sales, the buyer / target of buying.

- When you scroll down the online service to look for information as a seller or buyer, you should immediately find out clearly what information should be entered there.
- Of course, the most challenging thing about the online service is that of building trust, because at least what my experience has been with these acquisitions that I have had, so often is that the buyer is a former employee of the company or someone who has built a trust relationship with that person. How to build it in a web service is certainly a challenge.
- The biggest problem here is valuation, because often the buyer's perception of the value of the business, whether it is a business transaction or a corporate acquisition, is very different from the seller's.
- If this transaction were to be done over the web, how would the buyer get all the information that the seller might not want to give right from the start?
- The web service must serve as a comprehensive communication channel where the seller or buyer can obtain information on the change of ownership process at the desired level of accuracy, both generally and from their own perspective.
- If the web service is purely a marketplace for businesses or a channel for presentation and mediation of experts and financial alternatives, then I see no significant added value compared to the services currently available.
- The web service would not bring added value to acquisitions in the field of health care and social services. Perhaps it could be used for initial inquiries, but mainly negotiations are done face-to-face and counseling through telephone and email. It is seen in the field of health care and social services that even if an eight-seater child welfare facility were for sale online, it would often be interpreted as not having been sold otherwise.
- Mergers cannot be done online, but interest can be aroused.
- It would be good to have, for example, a contract template and possible official forms and notices of what to do.

According to the respondents, it is important that the following issues are highlighted in the change of ownership:

- 1) The clear responsibilities of the parties, what is included in the transaction and the commitments of the business purchased.
- 2) The need for a seller is to make an accurate valuation of his / her business
- 3) The buyer wants the most comprehensive and up-to-date information about the company being purchased.

All respondents believe that the web based service needs to clearly articulate the goals of both parties. In addition, the web service should serve as a comprehensive communication channel where the seller or buyer can obtain information on the change of ownership process at the level of accuracy they wish.

6.4 Question 3. Is anything needed besides a web and face-to-face service? What could it be?

- First, we may have face-to-face initial discussions and if everything shows the green light, then apparently they will be directed to this channel.
- Such a "pop-up box" could be there, that after going through the other listed things, it could maybe even create a pre-filled or proposal of a contract form.
- A menu of people to turn to and contact if the person needs further assistance.
- A web service is an important channel for creating buzz for business acquisitions so that the selling entrepreneur understands that his or her business can be, and is merchandise that has a value if it is taken care of.
- On the other hand, for an already existing micro-entrepreneur, the acquisition has the potential to expand and grow. For those who are starting their own business, buying an already existing company is a great alternative to a startup.
- A Restartup web service would be good to include: research information, peer-to-peer stories (business success, failures), presentation of financial models, tips for entrepreneurs on the content of life after quitting their business, etc.
- The corresponding telephone service must work in some way supporting the face-to-face service. After all, web service is basically one of the tools to start the process. Web service as a mediator, is then mainly personal assistance and service provider support, additional support.
- Awareness-raising for different target groups is needed all the time.
- Events held by an entrepreneur organization or something else.
- Mobile application.
- Different types of experts are needed, lawyers.
- Financing is one of the key issues of the acquisition. Can financiers be linked here, banks and private?

- Phone counseling.

The responses highlight the importance of the role of experts in the process of ownership change, which cannot simply be replaced by a web service, but it can be a channel for finding those services. Such services could be, for example, legal services and financial services. A couple of respondents suggested telephone counseling and one respondent suggested services to be available in the form of a mobile application. Restarup should also be a tool to provide experience, guidance and support for the change of ownership process. For respondents, the current role, past experiences, and even the age and ability of the interviewees to use the online service, were reflected in the interview process and the responses received.

6.5 Question 4. Which key functional elements are important in a web service?

- Mapping things and covering them in the broadest way possible (everything that the buyer or seller may have not thought of) of what is being sold, gathering information, and if possible, the service could form a preliminary contract form and then it could be linked to someone else that could check it through.
- Description of the service path and the roles of the different actors.
- Ideally, a web service would be a buyer or seller opt-in system that describes all options, implementations, actions, generation of necessary documents, opening of the requirements and interfaces with authorities, financiers, and experts in a change of ownership situation. Everything would take into account the baseline of the situation and what kind of corporate structure in the final situation is wanted to be achieved. However, such a web service would be very challenging and quite expensive to implement.
- In the web service you should be able to log in as both a buyer and a seller, whereby the role itself produces the information it needs.
- Information security must be guaranteed, personal login, personal profiles, and personal registration within the profile.
- Certain pieces of information need to be public in order to attract interest from those who want to learn more about it.

- There should be a collection of links from different experts, broken down by role, for example, tax experts, legal experts, other business development experts, growth enablement experts, as well as other contacts who can participate in the process.
- What is the added value of a web service, other than what is already available to the entrepreneur?
- If there are businesses for sale, sorting them differently, for example, by industry.
- Timeliness, access to additional information, confidentiality
- The seller submits a sales announcement to the web service where certain things are asked, but nothing too specific. For example, industry and location, turnover, price request, balance sheet, number of employees and then description of operations. If the interest is aroused, then we go to negotiations and meet face-to-face.
- Various change of ownership situations, implementation and financing options, and all stages of the change of ownership process with "pain points" and the path of the company development after the ownership change.
- By no means an online valuation calculator.
- Some idea of what your business value could be, some guidance on what it would be good to do in a business before it is put on sale, and a brief description of how the corporate acquisition process generally goes and then a list of experts who to contact.
- What kinds of trades have been made in the industry, say, over the past five years.
- Ease of operation and simplicity, one step at a time

The answers to the survey highlighted the importance of the confidentiality and security of the online service. It was suggested that you sign up for the service personally and create your own profile. On the other hand, the responses also highlighted the public part of the service, which is to enable anyone to obtain general information on acquisitions and related services through the web service. There were both pros and cons about incorporating company valuation into the service. It was hoped that the web service would provide an instructive way forward, which, after entering the data, could generate various documents required for the acquisition.

6.6 Question 5. What do you think the ease of use of a web service means from the perspective of different actors?

5a. From the seller's point of view?

- The web service would produce a contract form based on the information entered.
- Awakening sales, tips, and guidance on how to move forward on the service path.
- Awareness of the online service means to the seller that they can use and trust it.
- Signing up, registering, reasonably easy, nothing extra, encryption level or the like of is not overwhelming. It is not intended that all the most sensitive information would be shared there.
- Making a functioning web service in 2019 is, I think, a very challenging task. I've been practicing it myself and tried it and come to the conclusion that it is much easier to make a poorly functioning web service, instead of a well-functioning one.
- It has to be simple, asking one right question instead of three wrong questions.
- Things must be found immediately and quickly, everything that is done there must be self-explanatory. The texts should be short, clear, plain Finnish and all very concise. If it is made too complicated, the utilization rate drops quite quickly.
- Must be able follow events up-to-date.
- What is needed is a restriction so that those who are not serious do not come to the service. That we find the ones that are really moving on purpose.
- All the necessary information can be found easily and in a clear and understandable way.
- A maximum of three levels to click on so you don't get lost on the pages.
- Basic information on trades in your industry.
- A description of what is a typical sales process, a company's sales process.
- Background information about who sells and why, maybe such things could be good, what they found difficult, and what was easy. These are the types since entrepreneurs are largely peer learners.
- Easy to put business up for sale, be it an entrepreneur himself or a business broker.

From the seller's point of view, respondents emphasized the ease of use and the simple structure of the web service. The system should be able to produce the documents and contracts needed by the seller. In addition, the traceability and modeling of the sales process emerged. Industry-specific comparative data and information on acquisitions were also requested. The timeliness

and direction of the information generated by the service, obtaining basic information on the sale of the business, and background information on the sales situation or experience (peer-to-peer information) could assist in making the final sales decision.

5b. From the buyer's perspective?

- From the buyer's point of view, I would see that the service should be a reliable tool. There would be a variety of feeds that the buyer might not have realized.
- Presentation of purchasing options, presentation of the service path and presentation of the roles of the different actors.
- No excessive data requirement, easy sign-up.
- Simple, there will be announcements of new businesses for sale.
- It would be a good idea for a buyer to make a preliminary valuation, that is, if you knew a little about the price range, you would know what size of loan is needed.
- The seller and the buyer are pretty much the same, the buyer and the seller define the same information.
- When a buyer searches for a business and places a purchase announcement, it defines pretty much the same thing as a seller does.
- All the necessary information can be found easily and in a clear and understandable way.
- Finding information easily.

The replies pointed out that, from a buyer's point of view, the same issues as in the previous question concerning the seller appear to a large extent. The web service should provide background information, be simple, easy, instructive, guiding as well as supportive.

6.7 Question 6. How should documents and trade related documents appear on the web service?

- The web service would not necessarily be where the documents would be stored, but they could be sent to their own e-mail, or possibly to an expert, and so, by the touch of a button, the service could form an initial contract version from the information provided.

- Mentions of what documents are needed at which point. I would be cautious about giving ready-made templates, as they could be misused by the incomprehensible and to their own advantage. Particular preference should be given to the use of professionals in this field.
- There may be templates, but I emphasize that every acquisition, change of ownership event is unique, both for the seller and the buyer. Very advanced document standards could not be put there.
- You could put in there any documents you might need, contracts, deeds, some kind of preconceived order from the tax authorities, or something similar of this kind.
- Trade related documents and their templates.
- You should not see any documents you made. At its best, the web service is a platform that, as if sorting through information, guides customers in the right direction, to experts.
- Draft of a contract of shares and business.
- Confidentiality and that matters remain secret. Everything should be behind logging, so that fake profiles will not be able to access and fish for business information.
- Documentation is only the next step when someone is interested, because often at that stage, you already have had to sign a confidentiality agreement.
- The industry, the locations, the turnover categories and the balance sheets, they are for the purpose of attracting interest, and once you find something that really interests you, then a confidentiality agreement is made and then given, but they are basically related to revenue and issues that will then go into further negotiations.
- If the online service has access to the details of the companies for sale at a more detailed level, then it comes to data protection and strong authentication and electronic signing of the NDA.
- To that, I cannot say whether it would be possible to make the online service such a diverse and extensive set of resources that it would be possible to carry out the actual change of ownership and create official documents and documents.
- These things these are really sensitive to their owners and buyers. In some industries there is fierce competition therefore you can't just put everything on the web.
- The purpose of developing such services is extremely good, but then if you do not have a certain amount of experience with trades and negotiations itself, then you may be adding, even if unwilling, a little too much information there.
- A very difficult question, which must take into account e.g. GDPR and NDAs. I wouldn't put any company documents online.

- There could be some templates, but the disadvantage is that buyers and sellers are saving in the wrong place and doing their own dealings. It's very dangerous.
- If general templates, then clearly behind the right click and if it's the right deal, then behind the password naturally.
- In order for this service to be able to complete its trade to the very end, it would require such official signatures, for example, with strong authentication through online banking.
- This service would surely be awesome if it only produced the paper that would then be spun and then signed at the same desk in the old fashioned way.
- There may be no regulatory requirements for the online service related to the acquisition. Self-regulation could perhaps be the point here. Of course, it would be a good idea if the information on sales and purchases was true and the experts involved were honest and knowledgeable.
- We need to think carefully about what kind of ethics and practices and principles we must have when using and making that online service.
- European mergers & acquisitions experts co-operation TRANSEO is trying to create their own marketplace in Belgium and then they have about a dozen marketplaces represented in their membership and they are discussing how the marketplaces should work.
- GDPR requirements need to be taken care of and in a web service security issues and reliability plays a key role in in general.
- Of course, in real deals, security and document accuracy are important.

Responses strongly emphasize the confidentiality of documents and their protection against outsiders. Contract templates and other document templates may be offered in the online service, but storing them in the online service is considered to be risky. If sensitive information is stored in the system, logging in to the system would require strong authentication. In any case, the exchange of confidential information also requires the conclusion of an NDA agreement before matters are dealt with. Many of the respondents urge trade parties to turn to experts for help at this stage. Confidentiality and authentication, as well as GDPR requirements, raise the requirements for personal data protection for a web-based service to a very high standard.

6.8 Question 7. How do you see if the Restarup online service will be a future marketplace for companies in a change of ownership?

- I see that there is an absolute need. Many times you realize that many things should have been taken into consideration before the trade and that there should be no unpleasant surprises. It would be a guiding tool to go through all the things and then, once the process had gone through, for example, you could get a contract up to a signature, but in the near future I would imagine the service would have a more guiding role and it would serve as a facilitator.
- I see the future of the Restarup web service as a supporting solution for business acquisitions, not a place where businesses are bought and sold as if they were self-service.
- I understand now that the word "marketplace" is taken a little further and I in my opinion such a web service cannot be it. The transaction itself will never be done online. It cannot go so far because every change of ownership is individual and involves so many different, very deep details.
- The web service structure cannot go into so much detail that it can become a marketplace where a trade could be full completed online. In other words, a web service may not be a real marketplace, but it could be an effective information retrieval channel.
- Certainly there are, but quite a few of these various web service shops are already in the process of making acquisitions, but specifically it, that there is no way to go further. Many are such that the site provides the first information, and often does not include the name of the company, and if it does provide the first information about the kind of business or business being sold, then could certainly be one of the options there.
- For example, Business Oulu has its own website where companies can be found for sale, where you can read the prices, the name of the company and a possible link to the company website, and all the information will be publicly available at an early stage. Business Oulu will then contact you for further information once the confidentiality agreement has been made. I see the ReStartup web service in the same way, it could work the same in the market.
- Business brokerage should also be a business-driven activity to give business a chance.
- Why not, if it ensures the realization of company ownership change and it will generate added value for both buyers and sellers.
- Certainly could be a good channel, a neutral party.

- Perhaps as complementary, but how does the service differ from already existing platforms?

The Restartup web service is seen as a potential marketplace, but the answers emphasize the role of the web service in helping, advising and informing. Respondents do not see the web service as a marketplace, but final deal and contract should be made somewhere else through expert services. The responses also see as positive that the Restartup web service could contribute to the acquisition of businesses in Finland. Numerically, it could be said that more than half of the interviewees supported the service, but the content of the service ultimately determines the user's interest in the service. Respondents with an entrepreneurial background highlighted the added value of the service to its owner.

6.9 Question 8. Could you share your view on the business functionality of the web service. Is it profitable and for whom? Should the service be chargeable or not?

- I could see that there could be a small price, but not terribly big. I would like the service to be encouraging, so that those who are planning for a merger take up this tool and to achieve higher quality mergers and acquisitions.
- The service could have a logical program that would guide the emergence of the trading process as they are usually long processes. The service could offer a possibility of a mentor if someone wants and needs verbal guidance. That part of the service could be chargeable.
- If the web service were to complete a transaction to produce the last version of the contract, or even the initial contract, then there could be a payment at that point.
- It is impossible to answer this question briefly. There are several earnings models. In any case, profitable activity should be measured by some metrics (tangible, intangible). Otherwise, it doesn't make sense.
- There should be no charge. When designing such a web service in a way where the buyer and seller are trying to meet, there should be no charge and I see that it is not really a business. I wouldn't see the real business coming for such a web service.
- This is a big choice, as it is not really known what is being talked about, there is no clear picture of who is selling what, and to whom.

- I have the idea that if you are going to be king in these web services, you may have to pay for the service, but not many kings will fit into this world.
- There has to be a fee when competing against private operators, but there is no way to make it profitable.
- The problem is the insolvency and unwillingness to pay of this clientele. It is not profitable and it will not be profitable because there are already many marketplaces and free places on the market. Those who can afford to pay don't really need these kind of services.
- It would not be advisable to go to the private operators' plot in this regard. We already have for example Yrityspörssi and Yrityskaupat.net.
- There is for example, Yrityspörssi. The seller might be more willing to pay for the service to find a successor for their business.
- I am definitely in favor of it being chargeable, but then there are these municipal and city-based commercial activities that also have similar services.
- I am definitely in favor of it being chargeable, but there must also be a municipal service available.
- There are also those who only deal with big companies, those that specialize in doing micro and small business trades, and then there are only those that do business deals only, not acquisitions, that is, there are very diverse entrepreneurs in the market.
- Then there are the municipal business advisors who do the whole life cycle of a business from the very beginning, from starting a business to ending a business that is all the way to a trade or acquisition.
- If you are a one person company then these paid services can be really expensive as well as the turnover category, there must be such free services as well.
- Profitability depends on how much the initial investment in the service is and how much money is spent on maintaining and keeping the service up to date. Earning logic must be considered during the service definition and planning phase. Whether the earning logic is based on user fees, advertising funding, commissions on completed sales, or something else, consider the impact of different options on the threshold for businesses to use the service.
- I do not know the earning logic of this web service, but would it be maintained by a business organization? Of course, if the online service is managed by such an entrepreneurial organization, then I guess they have to take the cost out of it in some way. I'm not familiar with the services business model and earnings logic so it is a bit

difficult to say, but when asked should it be chargeable, I'm obviously a supporter of paid services.

- Then when you pay, you will probably familiarize yourself more with the matter to get a better understanding of the subject. If the service is chargeable, it will increase professionalism.
- There should be a fee, for example, a small listing fee for the business being sold. Maybe a monthly fee? It's hard to judge if this is a business for anyone, especially since similar existing platforms are already on the market.
- Of course there could be a small fee.

A clear majority of respondents were of the opinion that the Restartup web service should be chargeable. However, many suspect that the web service will not turn into a profitable business. Some respondents state that because the online service would compete with already existing online marketplaces, the service could not be free. The responses also point out that a bigger company can afford to pay for services and that they use experts in their trades, but that small, even one-man business could find a cheaper way to buy or sell their business. The service could seek added value precisely as a service for entrepreneurs in the SME sector.

6.10 What do you think are the biggest risks and benefits of a web service?

9a. Biggest risks?

- The risk is that no matter how carefully you think about these points and try to guide both parties to take all things into account, problems can arise. For example, if this service were such that you could trade there from start to finish, with two friends trading with each other and not using any experts.
- There are more opportunities here for a tool to create quality trades by thinking things through from many different angles, but ultimately finalizing the end result with the help of an expert.
- Remains an unknown small circuit fuss and tries to solve a problem that has already been solved or does not exist.

- The risk is that awareness is not growing fast enough to reach a certain critical point. The fact that there is a critical amount of information out there, makes it known and attractive to sellers and buyers. If the service is not known, then it will not become an attractive channel and no information will be entered there either. Then such a treadmill will inversely affect it and it will wither away.
- When you look at that vast online service, the market situation, it becomes an all-in-one online service that is of no interest to anyone, it doesn't find its own focus, it doesn't find its own problem to start solving, and there is no solution to what works.
- Actually, I've already gone through them, easily leads to the fact that the end results in bad things, though good was meant.
- Entering a competitive market and challenging the existing old ones.
- If you take another view that it wants to encourage a change of ownership, then you grab the spoon in the grapple and really promote it. Then the direction is to listen to the field and hear what is needed.
- The big benefits are getting that information out there to your customer base and guiding it in the right direction. That's where it is. It stays in the mold once created. The assignments don't get there.
- Risks are the data security and the success of building trust.
- It depends on the online services and what information will be given there.
- I don't see the possibility of a business being done all online. In that sense, the bigger risk is that if we get to the end of it, will the seller know the true value of his / her business and will the buyer know exactly what he / she is buying.
- Maintaining the service and keeping the information up-to-date, for example when financing options, taxation, laws and regulations and their interpretations change, is laborious and risky.
- It's when the industry gets a reputation that companies that can't be sold otherwise go there.
- Maintaining the anonymity and secrecy of an individual company is extremely important.
- Remains a marginal service with insufficient volume and users. There is no buzzing and it is economically unprofitable. Initial marketing is very important and expensive.
- Data break-ins.

Responses see risks such as over-reliance on information and guidance from the Restarup web service without the involvement of experts. This can lead to problems, misunderstandings and

disputes. Security, hacking and data leakage are also seen as a big risk. According to the respondents, the web service competes with similar already existing ones and the profitability of the Restartup web service is also questioned.

9b. Biggest benefits?

- Many things have been considered in many ways to get well-grounded, quality trades.
- Increase your understanding of the potential of M&A and accelerate M&A.
- Comprehensive information package free of charge, is easy to find, accessible channel of communication.
- Communicate the needs of both the seller and the buyer forward so that you will then encounter there - of course, free of charge.
- The biggest benefits are that it is accessible to everyone and gives you the opportunity to do business, even in a very small area, and the whole world knows that you are selling or buying a business.
- It should be free of charge and the service should be done in sufficient depth and scope and the database / amount of data that is there. Then it would have the advantage of being an interesting channel.
- It can be very cost effective to serve a wide range of customers, or even small specialty groups that if successful, would be a great way to solve things.
- One such core challenge could be how to make the acquisition knowledge more transparent.
- We may have an expert that starts pricing from 120-150 € per hour and accrues by the hour. There may still be another expert who takes a percentage charge on the actual acquisition price of 4-5%.
- An entrepreneur who is buying or selling a business and is not very experienced in it, so he / she has no idea what kind of expertise the market has to offer.
- The big benefits are getting that information out there to your customer base and directing it in the right direction. That's where it is.
- Ease of use.
- The advantage, of course, is that, for example, the seller can find more potential buyer candidates and then the buyer can search again for businesses to purchase. They both have a chance to find more matches.
- All the information would be available in one place.

- It provides good basic information that does not require time to search.
- Expert costs and, more generally, additional information are also identified.
- But will this new potential web service bring some special value that is not yet on the market?
- Independence of time and place.

According to the respondents, the benefit of the Restartup web service is that it is accessible to everyone, cheap or almost free, and it can also be used in remote areas where expert help is not immediately available. If the e-commerce / service provided good information on the various stages of the acquisition as well as the experts who may be assisting in the acquisition, it was especially supported by the experts. It could also include information on the costs of the various stages of the acquisition. An e-commerce database would make it possible to search fast for companies that are selling and would also allow buyers to communicate their interests.

6.11 Question 10. How and why would you use the Restartup web service?

- In my current role as a business advisor, I would use the web service as an aiding tool for myself.
- I think this could be used as an aiding tool for the buyer as well. There might be some points that still need to be clarified from the seller and this service could compile the process into logical sections that needs to be considered throughout the acquisition and would then together go through it step-by-step and figure it out piece-by-piece.
- Indeed, I would see this service as an aid and a tool. It would be a good idea to be able to find links to where you need additional help and contact information and advice.
- I could produce content for the web service, such as blogs and business stories.
- I would use the service to retrieve information. If I were a seller, I would look for interested buyers or vice versa. Simply for retrieving information.
- Like the web service in general, if I want to find out something, something I don't know.
- I might need it as an information channel yes, but as a marketplace no.
- I do not need it myself, since I am an expert.

- This could be followed, for example, to conducting a market analysis. It could be a good idea that if you are not buying or selling yourself, you could definitely see through it what the market is and how companies are trading and at what price.
- I would use it both as a buyer and a seller. There are hundreds of companies in the city and they are constantly up for sale. I would definitely put companies up for sale there if the service was one that I could sign up for myself and put the company up for sale myself as well as put ourselves as contact. Same if buying.
- It depends on the content of the service, but if it enables a change of ownership, i.e. a company finds a buyer or buyer finds a suitable company for purchase, then of course.
- If I were a seller, finding basic information and then finding and meeting the seller and the buyer.
- If I were thinking as an expert, then one could certainly think that I would be featured there as an expert in social and health field acquisitions.
- I would be looking for a company to buy or buyers for businesses to be sold. After that, everything is in the business of meeting.
- Expanding the business, i.e. buying the business of an operator in the same industry.

Most of the respondents welcomed the Restartup online service. The service would be used to find and exhibit purchases and sales. Only two experts felt that the service would be of no use to them, but even then, perhaps as an information channel or as a marketing channel for their own expert services. Some of the respondents were even ready to enter the service with information about the merger process and stories of completed transactions.

6.12 Question 11. Would the web service have been helpful in a change of ownership?

- Yes, it is precisely so that it provides a comprehensive guide to taking things into account.
- Of course, I see that when there is a sufficiently well-known and good service available on an online platform, then it is of interest and certainly useful.
- After all, this is the kind of challenge that sometimes comes up in mergers and acquisitions for buyers and sellers that they do not really know what to ask and do not know where and from whom. Sometimes that thing is very searchable. At the other end

there are entrepreneurs who have made multiple acquisitions and have well-established ways of doing things, with their own principles and a selection of experts to consider with whom to involve. These extremes in this matter are really far apart.

- I would definitely use it, but that would be just one more channel I would use. There are several company marketplaces on the Internet, and they should be used as widely as possible. When someone specializes in micro or SMEs or listed companies, that is the difference that divides there, depending on the size of the company you are selling or buying. I definitely would use it for sure.
- Possibly I would use it.
- There has been a need, as I have been looking for buyers for client companies. I have put up companies on Yrityspörssi.fi and every now and then someone has taken the bait. Still, the vast majority are tire-kickers.
- I probably would use it.

Most of the respondents were positive about the use of the services provided by the Restartup web service. There are other similar services that the respondents use, but for the most part people would use the Restartup online service along with others. Based on the interviews, the expert group was the most critical and the buyer / seller / entrepreneur respondents were more optimistic.

6.13 Question 12. Do you think that the Restartup web service will create more companies in Finland?

- There's no need for more to be created. It is enough to do more business acquisitions and grow and develop existing businesses.
- It does not necessarily mean that more companies will be created in Finland in such a way that the net increase will be significant. When a company sells a business, then no new company is created, but the old company continues with the new owner. When a company is sold in shares, so is the same thing.
- I would see that the benefit of such a web service is that there is a successor for existing companies, and that as many companies as possible continue to operate, albeit under new ownership.

- I cannot say.
- No, there won't. We try to continue the old ones; after all, no new ones are created here.
- I do not believe so.
- At least, if we think that such well-functioning companies would survive. For example, as an entrepreneur retires, and nowadays, with fewer companies moving from parent to child through generational change, it is certainly necessary to find an outside buyer.
- It is unfortunate if an existing business is run down simply because the entrepreneur has become old.
- Keeping a viable business, it helps.
- Maybe ReStartup, that name is a little bit like that of it helps to preserve companies, and then maybe companies to grow.
- Not only is it a business mediation site, it could also be used to establish a company and become business partners through the service, so of course it will certainly help to set up.
- Some use business companies offered by the municipalities and cities, some individual business consultants set up different businesses, so this is, in my opinion, one more way to market.
- The Restartup web service aims to facilitate and accelerate the change of ownership, but it is of course possible to create new businesses through the indirect effects of the service.
- For example, one might think that the person who sold the business is setting up a new business. Of course, the number of companies may also increase as a result of the creation of intermediate companies (holding companies) to be used in the change of ownership or of divisions prior to the change of ownership. However, what was meant here was specifically referring to new companies engaged in business activities.
- Well, will more companies be created, I see that this kind of service can contribute to the continuity of existing businesses, because we now have the problem that there are no successors for the companies and that is why many good businesses are being shut down.
- I do not believe in the fact that more companies are being created, but I believe that good viable companies can continue after the change of ownership.
- I do not believe so. There may be some successors, but new companies are being set up for other reasons.
- I hope so.

Almost all respondents saw the Restartup web service as a way of maintaining businesses that, without a change of ownership, could even go out of business or wither when the entrepreneur becomes older and as resilience deteriorates. On the other hand, if the service helps a company find a new enthusiastic entrepreneur, the company can often grow and develop. Thus, according to the respondents, the web service does not add more companies, but serves as a tool for the survival of the companies. According to the answers, the web service as a "meeting place" would strengthen or at least increase interest in business.

6.14 Question 13. Is it necessary for the web service to be implemented in several languages? Different industries?

- Not necessarily many at first, but if you think that Finnish is not your mother tongue, then English could be sort of a neutral one. Of course, then the question arises, because this is a Finnish service, if the service should also be provided in Swedish language.
- Not necessarily in different industries since we have such a broad variety of them. For example a certain health sector may have certain issues of confidentiality.
- Business brokers report that there are an increasing number of international buyers. At least English, Russian and Chinese are necessary.
- The online service can be in several languages, at least Finnish and Swedish. When in Finland, official languages are used. Without a doubt English could at least be an additional one. Russia is also an important language in certain areas of Finland. About industries, the service database could be broken down by main / industries.
- I would not consider a separate industry-specific web service necessary.
- We have European conversation in motion about whether this kind of cross-border marketplace service is needed and it is more commonplace in the Benelux-countries where there are no borders between them and where goods and services move. There are some marketplaces that are functional and to my understanding they are in more than one language, but it depends on whether you are doing a national or international service.
- The service could be in Finnish and some elements in English.

- It depends on what it contains and to whom it is directed. I would see that the service is quite similar to Firmakauppa.fi type of customer base, so there is no need for it to be in multiple languages.
- English.
- Yes, it's definitely needed. Immigrants are starting a lot of businesses and surely buying one could be a choice among them. Of course, it could work for more industries. For example, it is better suited to the restaurant industry than for selling expert services, but why not be suitable for others. The languages could be Finnish, Swedish, English and where these immigrants come from, i.e. Arabic and other regional languages.
- It would be good to have it at least in Finnish and English. The service could automatically be in Finnish, but if you want to change the language, it could be English. Since we have a lot of entrepreneurs who use English as their mother tongue, at least English should be offered.
- The ReStartup web service should include sales and purchase announcements in both Finnish and English. For industries so that you could search by industry and region, for example a restaurant in Lapland.
- It can be assumed that both sellers and buyers may be foreign, so the service could be implemented at least in Finnish, Swedish and English.
- Finnish, Swedish and English. If you are thinking of work-related immigration when you are in a country of higher education, it may be difficult to find work directly, then this could be a good option.
- Industry classification can be done roughly, as well as geographical classification.

In addition to Finnish, English was the preferred language for the Restartup web service, but our other mother tongue, Swedish, was also mentioned. In order to serve immigrants, other languages, such as Arabic, were suggested in one answer. No industry-specific service was proposed, but the service should have industry classifications to easily select the industry you want. The responses also highlighted the need for geographical classification. This supports the idea of regional service and thereby knowledge of the regional operating environment.

6.15 Question 14. Do you see international business potential in the ReStartup service?

- Yes, if the service was of the kind that could put businesses there for sale. Especially if it was in English, I would believe that someone outside of Finland could look at it.
- We are having European conversation about the need for such a cross-border marketplace service, which is more commonplace in the Benelux-countries, for example, when there are no border formalities between countries and where goods and services circulate.
- When there is a need for international investment capital in Finland, there is potential for it to be able to sell Finnish companies, for example, to an EU citizen.
- As corporate acquisitions, I see very potential realizations that could be made, mainly to provide Finnish companies with a successor with an international base.
- I'm not sure. I can't answer, but I do say that if I talk to an entrepreneur planning an acquisition, one of them is one that could have an international dimension on the horizon.
- Most entrepreneurs are from the same area and they know each other. If you go to the other end of medium-sized or large company trades, then this market is indeed in the hands of international communities, as they have their own offices in different countries and through them, with the help of experts, handle these matters.
- Well I certainly won't. In fact, all international trades are always done by experts, most often without any marketplaces.
- When it comes to companies of a certain size, there are actually quite a small amount of them. They've been gone through very quickly. I do not understand what international trade could be done, when the companies that are in the web service are bound to be small companies of few people.
- I do not see it.
- I can't really answer that. I haven't had any such cases, most have been small and locally functioning businesses.
- Of course, if the service is also done in English, then it will be found, if the foreigner is looking for business in Finland, then it will find those pages in English, so of course I see international business potential in it.
- If it becomes a very good platform for people to adopt, there are a lot of users and good feedback, why not take it overseas, kind of a platform that can then be done on different continents or whatever.

- The name of the service itself is foreign-language, so if implemented well, it could also have international potential. In principle, however, I think it serves Finnish companies.
- It is necessary to take into account the different laws of various countries, etc., which influence the acquisition and the implementation thereof. If the service is not meant to be a mere marketplace for businesses, the differences will pose challenges.
- The companies in the web service are certainly so small, that I really can't see the potential. As a rule, international buyers move when the turnover starts to be tens of millions, hundreds of millions, and there are not very many of them on the lists of entrepreneur organizations.
- I do not see it until there is reliable evidence in the regional / national market.
- Why not.

Some of the respondents saw the potential of the Restartup online service as an international marketplace, while others thought that the trades in the web service are small, with only a few employees, while firms on the international marketplace would be much larger. Many also argued that there is an urgent need for M&A experts in international mergers and acquisitions. In addition, international specialist expertise is required, including regulatory issues, depending on the industry, which can be challenging in a web-based service.

6.16 Question 15. Do you want to mention something specific about the subject?

- There's a good thing planned, but I don't know how it will turn out. It must be feverishly planned, and I would see that we lack this type of service. Somehow I would think that there is a need.
- The problem with M&A is that there are a small number of good, genuinely marketable companies in relation to the buyer potential. Companies offered for sale are too often overvalued and do not distinguish between entrepreneurial and business skills. An entrepreneur, who does not go for a change of ownership, even if he / she should, stops the development and growth of the company.
- Thousands of companies are coming to a change of ownership situation in Finland and there is a lot to do to maintain their turnover and thereby maintain these international,

economic effects in terms of their direct income tax, purchasing power and so on, and every business transfer situation is an opportunity for growth.

- As an entrepreneur who has worked for a long time, most often an elderly man who has been working for decades in his field, in his own way, is finding new winds to solve business problems and challenges; therefore there is certainly room for growth. They have their own substance, turnover, net sales, cash flow, profitability and so on, payroll and more. When it comes to new winds and new technologies, customs, medias, market breakthroughs, and so on, they still have opportunities for many things.
- Many of these companies, which in principle are already in the process of a change of ownership, may not be in a good state of sale, meaning that they may have low turnover and low profitability that they are just avoiding that one person. There could be a year or two long business development measure to improve the company's sales condition or a program to implement one. Such activation could begin well before the change of ownership. This would be advisable and it would also be worthwhile for entrepreneurs to start early enough to consider how this will be done and at what stage what will be done.
- A good online service is one that meets expectations. The name should also be such as to appeal to the right target audience and tell what it is all about.
- Why is this being done? Why is this needed? In what way these existing providers - as if in the same industry - not already meet this need? The end result at this stage is already known, that it will not be good. We have more than three hundred principals, but at the same time we have 34,000 buyers, so anyone can already infer that which one is missing. Companies for sale or buyers. And then the question is why there are any shortages for sale? That's because there is so little to sell. There are many companies, but there are really too few to buy. And that's a big problem that should be invested in, not that if a good company will find a buyer, because I can assure you, it will. There is no need to make any new moves to that end.
- After all, how many of these company sales and purchase service websites exist, how does this come to market? Yrittäjät.fi website already has this buying and selling to businesses that, in a way, will become an additional tool for e-commerce for businesses who are market-based, business-based, and for those in the public sector as well. But that's what the customer ultimately chooses. Personally, I would at least welcome this tool from Yrittäjät.
- It would be a good idea for a business acquisition or online service to identify which industries are getting hot in the business and which are the so called sunset industries. If

the industry is hot, it may increase the sales activity of the companies, and if it is a commercial service, then it could focus particularly on enabling sellers and buyers to meet, as some entrepreneurs are so blindfolded that they do not look at all what is happening in their industry. Nothing costs the entrepreneur as much as selling the company too late. Generally speaking, selling too early costs less than selling too late. You never know what's going on in the market, but if you recognize which industries are getting hot, this kind of service could inform and activate people.

- Key questions: What real added value does the service bring to the market? How does it differ from existing services? What competitive advantage does it have? What is the cost structure? What is the earning logic?

Question 15 asked respondents for free comments on Restartup activities, and there were many. Some of the replies raised doubts about the need for a web service and found that it overlaps with existing services. On the other hand, respondents were concerned that current business owners were not thinking about selling their business in time. By a new entrepreneur, the company could get new life and grow. Restartup online services, along with proactive information from business organizations, could accelerate timely change of ownership and contribute to business continuity by providing a new, easy-to-use marketplace for both business sellers and buyers.

6.17 Data collected from international actors

The interview frame was modified and targeted to provide comparative data from the following countries: Sweden, United Kingdom, Belgium, Netherlands and Germany, three of which are treated as one area. Respondents were selected from BusinessFinland and Embassy experts in the target countries, who, according to their job descriptions on the Internet, had experience in commercial operations in the target countries. The structured interview frame was sent to the selected respondents twice and the survey reminder twice. In addition, respondents were called twice. After the round, respondents were either not interested in the subject or felt that they did not have sufficient expertise or knowledge as to whether a similar service was available in the target countries. I contacted the German representative both by telephone and e-mail, but he did not know or have knowledge about Restartup activities in Germany, so he did not have to provide

any comparative information for this study either. He estimated that this could be reviewed through the German Chamber of Commerce in Finland and provided the following link, <https://ahkfinnland.de/>. Based on the above, it was impossible to carry out the international comparison planned in the original terms of reference.

7 CONCLUSIONS

Based on the semi-structured interview study, the interview questions and other material, the following conclusions can be drawn from the interviews, the broad, diverse and long-term experiences of the interviewees and their analysis.

The general attitude towards the need for interviews and the service to be evaluated was very positive. Restartup, a web-based service that can be utilized for a change of ownership / merger, can be useful and useful in a variety of situations. Responding experts, researchers, entrepreneurs and those who have done a change of ownership responded to the service positively. The situations in which the service offered could be utilized are as follows: When an entrepreneur periodically contemplates selling a business or has already made a sales decision and needs help with, among other things, the basics of how the process progresses. However, it should be noted that the age and background of the person planning or purchasing a business is a significant factor in the introduction or even experimentation of a web-based service. This is probably because many still want to exchange ideas face to face in such a big matter and the fear of, for example, entering company-specific information into an electronic, web-based system does not seem safe. The research question had to assess the need for the Restartup service and the related features.

The need for a service therefore exists and the customer must be able to assess his or her own need for the service, depending on what role he or she has. The service should be easily accessible and the service may be chargeable to the user as it competes with other similar services or websites. Chargeability commits both the service provider to a certain level of quality and safety and it also eliminates those who use the service "just for fun". The service may also include free sections. The service is part of the overall process and the service acts as one unifying tool for both the seller and the buyer. The service guides the change of ownership process and is intended to provide guidance, background, direction and support. The service was found to be particularly supportive for SMEs in their change of ownership situations.

Concerning the features of the service, the conclusion can be divided into three different categories: technical, content and demand-driven feature requirements.

Technical features: easy to find, guiding, directing, easy structure and easy login. The service must provide / direct the user to obtain the documents and documents required for the change of ownership automatically. The service should work on different devices and some could also work on mobile. The service should have search functions, preferably on a sector-by-service basis, and should provide extensive security for users, and therefore authentication must be reliable (NDA Agreement). Besides security, personal data must be processed in accordance with GDPR regulations. In addition the technical requirement is a user interface in Finnish, Swedish and English.

Content features: The service should provide clear guidance and should be informative and guiding for the customer. The information must be up-to-date with regard to content, cost information, documents, security and legislation. For the content experience-based information that could be produced in a participatory way was desired. In terms of content, potentially regional information should also be available. There is a desire for content from experts who can be asked for advice or guidance as the process progresses. Communication from the Yrittäjät-organization and activating it proactively for changes of ownership could be implemented through this service. Clarity and ease of use are also perceived as a content characteristic.

Demand-driven features: The demand-driven feature of the service includes the feature that the service must be available to all. This meant that the service would reach users geographically and its accessibility should be safeguarded. Needs can be driven by the seller, the buyer or the customer who is interested in entrepreneurship.

Other observations that may be related to the conclusions are the following issues raised by the interviewees. The web-based service may not end up being a real marketplace, but it will activate and facilitate a change of ownership or acquisitions as entrepreneurs age. The service can contribute to the survival of companies and even contribute to the development of companies. Internationalization, especially through acquisitions, was also seen as a potential activity. The service acts as a single tool and would give the seller, in particular, additional information on the effects of the transaction on the entrepreneur himself. On the other hand, the need for the service was criticized for not adding value to already existing web-based services or questioning its profitability. Almost all interviewees stated that a web-based service as a meeting place for different parties would enhance, or at least increase, the interest in business that brings national competitiveness and jobs across the country.

This research work was conducted during the autumn of 2019 and spring 2020, based on the existing need to realize the development of the national age structure and the aging of business owners. The Finnish version of the thesis was returned to the commissioner, Pohjois-Pohjanmaan Yrittäjät, in December 2019 and during the spring of 2020, the finalized English version of the thesis was presented at a presentation seminar.

After observing the media and the COVID19-epidemic that erupted during the spring, it can be said that my personal interest in the subject has increased, because the business life of Northern Ostrobothnia has also been subjected to structural changes affecting companies due to the prevailing epidemic. I think the subject has been thought-provoking and supports a digitalizing society. I think the subject could be explored even further.

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