

Entering the Finnish Food and Beverage Market

Case Company: Phuc Long Coffee & Tea

Abstract

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Abstract <p>The Phuc Long Coffee & Tea brand is well-known throughout Asia, and it has gained iconic status in Vietnam. They are constantly pursuing expansion of their product ranges and brand names into international markets. The potential of the product prompted the author of the thesis to investigate the Finnish food and beverage industry to determine if Phuc Long could enter the market.</p> <p>Quantitative and qualitative approaches have been used in this thesis. The primary qualitative and quantitative data was collected through an online survey. The target audience of the online survey was the young people currently living and working in Finland. The questions are structured, rehearsed, and scripted from the start to be both open and in-depth.</p> <p>Using situational analysis methods such as PESTEL, Porter's five forces, data analysis, the study provides an overview of the case company as well as information regarding the Finnish market environment. These enable the authors to analyse the market's characteristics, the case firm's qualities, and the relevant market and case company elements.</p> <p>The study shows that Finland could be a potential target country for the case company as the country is willing to raise the number of foreign investment and companies. The living condition in Finland are high and people are become more open to the international brands. Nevertheless, Phuc Long Coffee & Tea can rely on the author's market approaches and research to get more precise plans in place even though the Finnish market is growing more unpredictable due to external environment has been under rapid changes caused by uncertain economy, rising inflation, and ongoing energy crisis causing pressure on consumer prices. Therefore, the author recommend Phuc Long Coffee & Tea should not enter to the Finnish market at the moment as the external risk are very high.</p>		
Keywords Brand, food and beverage, internationalization, market study, market-entry, potential market.		

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1 Introduction

1.1 Research Background

Most, if not all, people around the world like a warm drink first thing in the morning and last thing at night (Desilver 2013). There was a decrease of 87.78 million dollars in value for Finland's tea and coffee exports in 2019 compared to 2018. This caused 2019 production to fall to 327,14 million dollars. A total of \$472.50 billion will be made from the sale of coffee and tea around the world in 2022. For the years 2022–2025, the market is anticipated to develop at a CAGR of 5.28% (Statista 2020.). As a result of COVID-19, the global coffee and tea industry saw a decline in sales to the tune of \$142 billion in 2019, yet by 2020, traders had stabilized the market and created a profit of \$149 billion through online channels.(Linchpin 2022.)

According to Hollensen, organizations from all over the world compete for the same consumers, resources, talent, and intellectual capital. Not every business has the capacity to expand internationally. The amount of internationalization preparedness of a firm is determined by its foreign experience, present market position, and if the company is more engaged in a highly limited industry. Internationalization is a difficult process. Many aspects must be evaluated in order to choose the best option. (Hollensen 2012.)

Global marketing, according to Hollensen, involves finding and meeting the needs of global customers more effectively than competitors, and coordinating marketing efforts on a global scale (Hollensen 2012, 11). The purpose of the thesis is to assist readers in better comprehension of the local cuisine of Asia in general, and Vietnam in particular. In particular, the two thesis authors' ultimate goal is to introduce Phuc Long, a Vietnamese coffee and tea brand, to the Finnish market.

The author of the thesis chose Phuc Long, a Vietnamese coffee and tea brand, as the case company. The company was founded in 1968 in Lam Dong province, and it is Vietnam's largest tea plantation and tea producer. Phuc Long presently has 80 shops across the whole length of Vietnam. Furthermore, they expanded the distribution of tea and coffee goods to all systems: supermarkets, convenience stores, and e-commerce channels. (Phuc Long 2022.) Furthermore, Phuc Long has gradually internationalized its brand, with the firm opening its first international store in Garden Grove, California, USA, in July 2021 (Saigoneer 2021). This is a big step for the company, and it further demonstrates that Phuc Long is a high-quality tea and coffee brand; as a result, its popularity has increased, and they have become a trusted brand among domestic and international consumers.

Increasing numbers of restaurants are offering creative takes on traditional dishes from countries like China, Vietnam, Thailand, and Korea. (Sanholdt 2021). According to the authors, there is a bright future for this type of Asian food in Finland, especially among young consumers. Hence, the authors conduct this research to ascertain if Finland represents a promising opportunity for the Phuc Long brand. The purpose of this article is to examine whether or not Phuc long's concept for a coffee and tea shop has potential in the Finnish market.

1.2 Thesis Objective, Research Question and Limitations

In order to operationalize the research topic, it is necessary to develop well-articulated study objectives. The presence of well-defined research objectives indicates that the researcher has a specific goal in mind. There are a number of ways in which research objectives may be expressed, but they always revolve on the topic or problem at hand. (Saunders et al. 2016, 45-46, 60.)

The primary goal of the thesis is to investigate food and beverage market and especially tea and coffee market in Finland. The young generation is the primary study target of the thesis (which is the people between the ages of 16 and 40). Furthermore, the purpose of the thesis is to conduct studies in order to assist the case company in realizing the potential of the Finnish market, as well as to understand more about culture, economics, consumer habits, social trends, and events. Overall, as stated above, this is a thesis on establishing and analyzing the Finnish market in order to assist Phuc Long in entering this market.

The research questions, aims, and objectives are all clearly specified, which is one of the characteristics of a good thesis. It should be assured that the research question is clearly tied to the original idea. The most crucial need is that the questions given have symmetry and generate the same outcomes - values as the original topic. (Saunders et al. 2016, 30, 60.)

The thesis has an effective question system to help readers comprehend. The question system comprises the main question, as well as specific sub-questions that help the research achieve its goals.

The main research question is:

- Is Finland a potential market for Vietnamese Phuc Long Coffee & Tea shop concept?

The sub-questions are:

- How competitive is the food and beverage market in Finland?
- Who is the target audience of Phuc Long Coffee & Tea in Finland?
- What are the possible risks of entering the Finnish market?

When it comes to doing research, there are always limitations. The purpose of this research is to assist Phuc Long in entering the Finnish food and beverage market. For this thesis, the focus is on the Finnish market, other market areas are not studied. It also has a limitation in scope because it primarily studies the food and beverage industry. Regardless of the scope of the study, all references, data, and literature will be applicable to the Food and Beverage market. The research focuses on Finland's Food and Beverage market, as its name indicates.

1.3 Theoretical Framework

Following the development of a research idea and the identification of a topic to answer a research question, the next stage in a research study is to review the theoretical framework of the thesis. The fundamental purpose of the theoretical framework is to become acquainted with previous work or research in the chosen issue area. A thorough literature search is required for factual knowledge in order to describe and explain all of the topic's terminology and concepts. (Godwill 2015, 37.)

It is never straightforward for a firm to enter the worldwide market; they must confront many more challenges than they do domestically. They want an internationalization strategy with regularly updated facts about the country in order to go international simply and successfully. As a result, in order for a study to produce effective findings, proper models must be used. The authors chose Svend Hollensen's methodology to learn about the five stages of internationalization as the major framework after researching the appropriate papers. The diagram below illustrates Hollensen's model through the five stages.

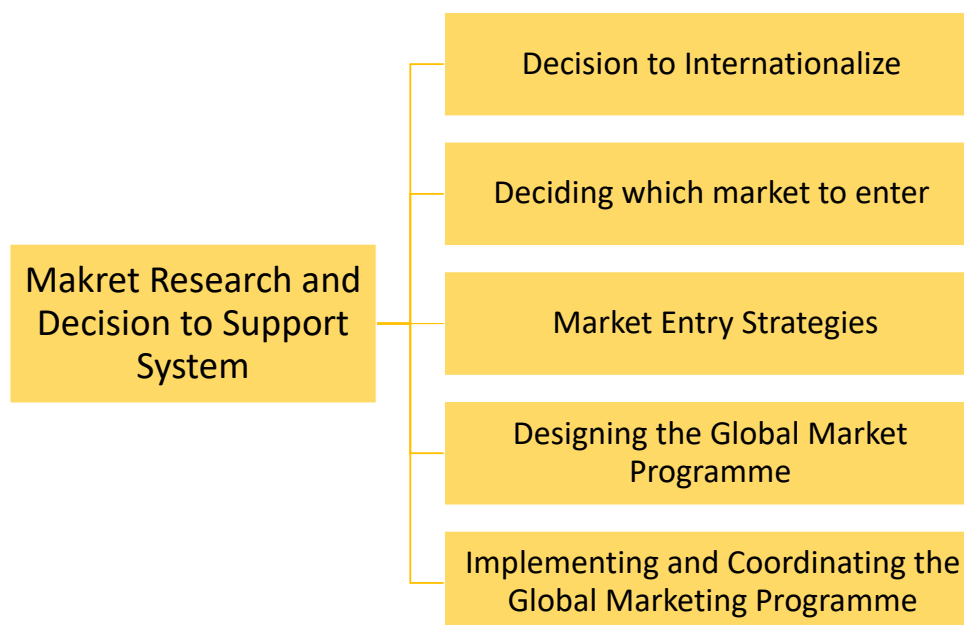


Figure 1. The five-stage decision model in global marketing (adapted from Hollensen 2012, 5)

The following chapter will go through Hollensen's model in greater depth. The theoretical part introduces the model and comprises two of the first phases, the decision to internationalize and deciding which market to enter on which this study focuses. The author selects two phases to go deeper into the examination of internationalization decisions and market entry.

Chapters 2 and 3 offer the theoretical basis. The internationalization process, the Finnish market analysis, and Hollensen's five-step decision model are all detailed in the following chapters.

1.4 Research Methodology and Data Collection

The research methodology and the data collection of this thesis are presented in the figure below.

RESEARCH METHODS	RESEARCH SOURCES	RESEARCH APPROACHES
<ul style="list-style-type: none"> •QUANTITATIVE •QUALITATIVE 	<ul style="list-style-type: none"> •PRIMARY •SECONDARY 	<ul style="list-style-type: none"> •DEDUCTIVE

Figure 2. Research methodology and data collection of the thesis

Research approach

Both inductive and deductive thinking methods may be found in a wide range of studies. While deductive research focuses on the goal and testing of a hypothesis, inductive research is primarily concerned with the production of new theories. This distinction is the most important one in research. (Gabriel 2013.)

Self-observation without any other source of knowledge is used in the inductive technique. Afterward, researchers gathered their own data and analyzed the results. At this point in the research process, the investigator uses the facts and patterns he or she has discovered to construct a hypothesis. (Wilson 2010, 7.)

The following figure illustrates the bottom-up process in the inductive method.

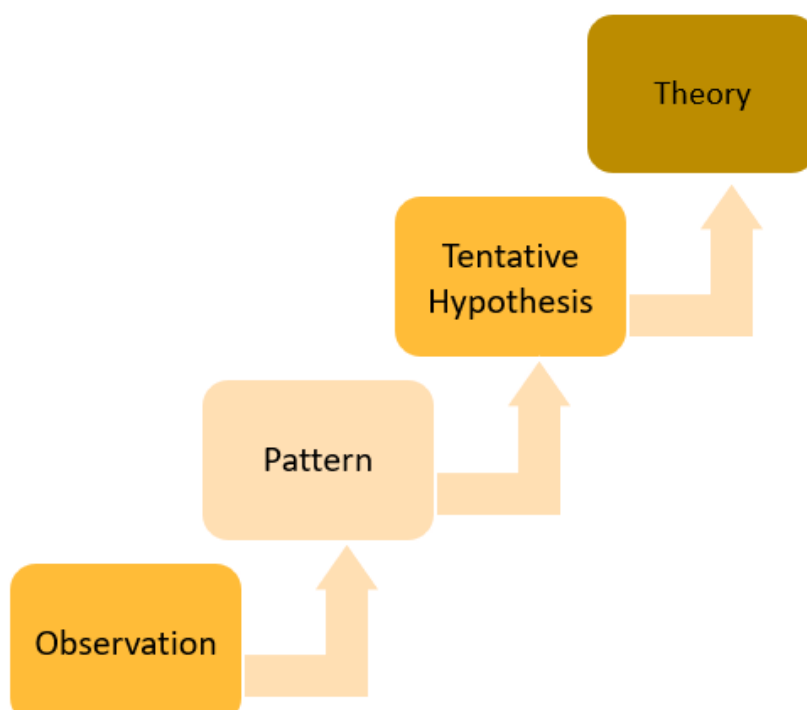


Figure 3. Inductive Research Approach

In contrast to inductive research, which works from the bottom up, the deductive technique works from the top down. Researchers using the deductive method examine ideas in order to confirm a theory's validity. The writer might begin by formulating a hypothesis on the topic at hand. That narrows down to more specific hypotheses that may be investigated. Finally, writers may use specific data and facts to corroborate or refute their initial hypothesizing. (Wilson 2010, 7.)

The following figure illustrates process in the deductive method.

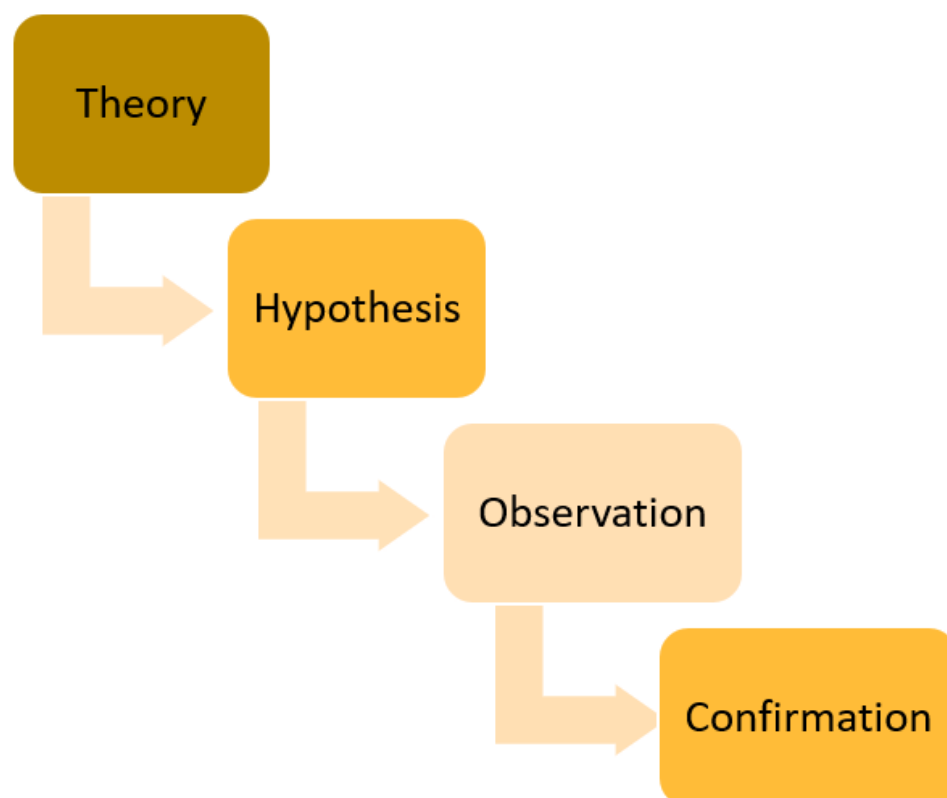


Figure 4. Deductive Research Approach

In this thesis, deduction will be used as the approach because the authors will use the collected data to penetrate the Food and Beverage market in Finland to consider and propose factors potential for Phuc Long.

Research methodology

Kothari (2004) defined research as a systematic and scientific search for relevant information about a particular subject. According to Clifford Woody, research involves specifying and redefining the problem, shaping the problem into a hypothesis or proposed solution, gathering, arranging, and analyzing data, then making inferences and drawing conclusions, and finally carefully examining the conclusions to see if they are consistent with the construct hypothesis.

In this thesis, two research methods “quantitative” and “qualitative” will be applied to obtain initial data on the topic and form a conclusion. Quantitative research is a method of collecting and making statistics of numerical data, applied to objects that can be collected by numbers (Gupta & Gupta 2011, 13). In addition, the measurement must be objective, quantitative, and have measurable value (Mamun et al. 2014, 8). Besides, qualitative research is used to understand the basic motivations of human behavior, which is an

important step to collect information about customer behavior. Interviews will be conducted to complete a qualitative study. (Gupta & Gupta 2011, 14).

However, the purpose of this thesis to study whether the food and beverage market in Finland is suitable for Phuc Long to enter. Both qualitative and quantitative research methods will be used to collect data and research on customer preferences, individual behavior and costs for food and beverage services, especially Phuc Long's typical Asian tea drinks.

Data collection

To answer research questions, evaluate the current status and outcomes, and estimate future trends, an organized strategy to gather and analyze data is known as data collecting (Simplilearn 2022). Primary data and secondary data are the two categories into which the information is broken down. Data gathered directly from surveys is known as primary data, and the researchers themselves are in charge of the data-gathering method (Kovalainen & Eriksson 2008, 77-80). Although it will take a lot of time and money, primary data will ensure more accuracy and clarity. However, if data is collected and researched from others, available for reference and reuse is called secondary data, secondary data is commonly found in newspapers, the internet, and books. (Surbhi 2020.)

This thesis will use both primary and secondary sources to collect the needed data. Primary data come from a survey conducted mostly to Finnish young people. Consultation of publicly accessible sources, such as articles, books, online sources, and lecture notes, is used to apply secondary information.

1.5 Thesis Structure

The figure below shows the structure of the thesis research.



Figure 5. Research Structure

The thesis opens with an introduction to the background, objectives, research questions, and limitations. In addition, there are also research methods and data collection will be used in the essay.

Chapter 2 will present the theoretical basis of internationalization, the five stages of Hollensen's decision model and market analysis. These theories cover the content of moving a company abroad and the steps to analyse the market and how to select effective campaigns. Chapter 3 is also the theoretical basis for macro market analysis, industry analysis and conceptual analysis. This will help researchers understand effective steps and campaigns to reach new foreign markets.

Chapter 4 will talk more deeply about the case company, Phuc Long. Includes basic company introduction such as mission, vision, services and products. Also mention the effective campaigns that Phuc Long used.

Chapter 5 will focus on collecting data to answer the research questions. The first will start with the analysis of the Finnish market using the two tools PESTEL and Porter Five Force

and analyse the competition taking place in Finland in the Food and Beverage market. Then came the analysis of the collected data, from which it was possible to determine whether Phuc Long can break into the Food and Beverage market in Finland.

Chapter 6 is the final chapter of the thesis. It summarizes the main sections, answers all the research questions, and draws final conclusion.

2 Internationalization Process

2.1 Internationalization

Until now, no one has clearly defined what the concept of internationalization is. However, many authors have studied and given their definitions. Calof and Beamish (1995) define internationalization as the process of adjusting the operation, strategy, etc of an enterprise to suit the international environment (Kojastehpour & Johns, 2014, 239). According to Hayes (2021), the process is when a business wants to expand their global footprint beyond its home market, it describes how to design a product that is suitable for many countries. In simpler terms, a company is internationalizing when they are developing their business and their products in the international market, suitable for consumers in different countries.

There is a term quite similar to internationalization and that is "globalization". Since both refer to multinational operations, neither of them has a clear universal definition so far. According to Upen (2019), the basic difference between globalization and internationalization is as follows: The process of developing a business of a particular local company in the worldwide market is called internationalization, while the process of integrating local markets of countries into a global market is called globalization.

There are five common ways for businesses to enter the market: The first is the most common and least risky method to initiate internationalization, which is exporting. The second method is direct investment, where the company has either a factory in a foreign country or a merger with a company in the target country. Direct investment helps businesses save money on shipping and taxes, but it is also the most expensive and risky method. Next is the licensing method, where a business licenses other companies to manufacture and sell its products. A portion of the fee will be paid by the licensee for continued use of the licensor's branding name. The fourth method is franchising, it is the same as the licensing method but this time the business has some authority to control the marketing and production processes. This method saves money for businesses instead of having to build or buy a local company. The final approach is a joint venture, where the business partners with a company in the target country to leverage their knowledge of the market to enter new markets. (StudySmarter 2022.)

Moreover, when internationalizing, businesses need to clearly understand the steps to prepare, there are 6 basic steps to penetrate a new market. The first step is to determine why the business wants to expand internationally. Organizational and environmental aspects can both provide motivation for internationalization. Once the motivation has been identified, the second step is to conduct a SWOT analysis to determine the company's

strengths, weaknesses, opportunities, and threats. The third step is selecting the products to sell in the target market. In this step, the company should focus on the products that are qualified for the international market, including their features, product names, and distinctive designs. After deciding which products to develop, the fourth step is to identifying the optimal market to enter. To determine this, businesses must spend their time and effort in doing the market research and weighing the pros and cons of all potential markets. The fifth step is to determine how to enter the market in accordance with the business's purpose (the 5 ways mentioned above). The final step is to determine the entry point: Businesses must determine the best time and channels to enter a new market. (StudySmarter 2022.)

2.2 Hollensen's Five Stage of Decision Model

Choosing the right market is a factor for businesses to internationalize. To decide whether a business is suitable to enter the target country market, Hollensen (2010, 19) proposed a method of assessing the internal strength and potential of the company in the market, it is called Hollensen's five-stage model. The stages include:

Stage 1: Internationalization decision

It is necessary to consider and evaluate whether the company is better off to continue to expand abroad or just operate inside the country. This step provides businesses with the methods and tools to learn the aspects of the world at large that they need to know to continue internationalization. Analysts will assess a company's opportunity by analyzing its internal operations and position relative to its competitors in order to change the system if necessary to stay competitive. (Hollensen 2012, 3 -4.). After Stage 1, the business can know whether its company satisfies the other markets or not.

Stage 2: Decide which market to enter.

After deciding to implement internationalization through internal assessment, enterprises will begin to pay attention to the factors affecting their process from the outside. To know if a country is a suitable market, they need to consider the local economic, political and cultural factors. According to Hollensen (2012, 117), these are important factors in identifying new markets.

Stage 3: Market entry strategy

At this stage, businesses need to find a suitable approach to the new market. Each market has different qualities, no market is perfect for the company and no one is perfect for a particular market.

There are three types of modes to enter the new market: export, intermediate, and hierarchical. To achieve the highest level of success, businesses will often use the right mix modes to penetrate the international market. (Hollensen 2012, 216-217.)

Stage 4: Designing the global marketing program

At this stage, to design an appropriate marketing plan, businesses need to use tools to analyse deeper aspects of the market such as 4Ps and 7Ps, commonly known as marketing mix methods (Hollensen 2012, 311). The 4 Ps is a concept created by E. Jerome McCarthy in 1960 for the Marketing Mix strategy and they focus on the concepts of Place, Price, Product and Promotion. The 7P model, on the other hand, is a combination of the 4Ps with 3 additional segments, which refer to People, Process, and Physical Evidence. (Sramkowski 2021.)

Stage 5: Implementing and coordinating the global marketing program

This is the final stage of the Hollensen model, emphasizing coordination, adapting well to partners and new markets. Enterprises should learn about the cultural background of their partners and new customer groups in this market to avoid taking unnecessary risks (Hollensen 2012, 441-443.)

2.3 Market Analysis

Market analysis is the basis of customer-centric marketing management by clarifying a company's customers' needs, demands, and actions, as well as their present and future values (Kuada 2008, 18-19).

Internal Analysis

Internal analysis is a component of strategic analysis that focuses on revealing the organization's most valuable resources, capabilities, and strengths in light of the external environment. Diagnostic tools like functional analysis, strategic profiling, value chain modeling, etc. are commonly used for this purpose. An organization's strengths, limitations, and unique skills can be better understood after doing this study. (García-Merino & Santos-Álvarez 2011, 56.) The worldwide capabilities and competitiveness of a firm may be assessed with the use of a SWOT analysis. Education, foreign experience, and reputation in the firm's area of specialty are examples of variables that might be considered strengths and weaknesses originating from within the organization. (Hollensen 2012, 6.)

External Analysis

One of the most important parts of developing a strategy is doing an external examination of the environment in which a growing firm works. Strategic planning for corporations and businesses can benefit from an examination of the macroeconomic environment, regulatory structure, and industry. The strengths and weaknesses of a corporation are shown through this analysis. (García-Merino & Santos-Álvarez 2011, 55.) External factors might have an unavoidable impact on a business. Still, it is to single them out and prioritize them. Considerations of the external environment may involve an examination of political, economic, sociocultural, and market dimensions, among others. The strengths, weaknesses, opportunities, and threats of an organization may all be examined with the use of a SWOT analysis. (Hollensen 2012, 6.) In order to analyze the external environment, Porter's (1980) five forces model is by far the most used (García-Merino & Santos-Álvarez 2011, 55).

3 Entering New Market

Hollensen's five-stage decision model is a systematic approach to assessing a company's internal resources and its market opportunity. Among the activities involved are the definition of marketing objectives and the development of a strategy for implementing the international marketing mix. The approach is often employed in the process of developing an international corporate strategy. (Hollensen 2010,19.)

Market choice is essential for a variety of reasons. Step two of Hollensen's five-stage decision model - deciding which market to enter, entails researching the various ecosystems present in the target nation. According to Hollensen 2012, before entering a new market sector, a corporation has to conduct thorough research into the factors that contribute to the sector's worldwide competitiveness. Resources, talents, and connections are examples of these factors. If a business wants to break into a market, it needs to adjust to the needs of consumers, rivals, and regulators. After conducting research at the macro, industry, and corporate levels, we will have a firm grasp of these factors.

The second phase of the company's internationalization process involved extensive research on the external factors involved. Political considerations, economic considerations, and social and cultural considerations all play a role in the business's final choice. When deciding if a country is a good market for a business, these aspects are crucial. (Hollensen 2012, 117.) To maximize their chances of success, they need to select the suitable destination.

3.1 Macro-level Analysis

To evaluate the context in which a company works, business leaders frequently employ the PESTEL framework. Originally known as a PEST analysis (for "Politics, Economy, Society, and Technology"), this framework has evolved over time to now take into account environmental and legal considerations. (Peterdy 2022.)

The PESTEL tool's structure is seen in the diagram below.



Figure 6. PESTEL Framework (adapted from Professional Academy 2022)

POLITICAL

These factors establish how much governmental and policy interventions can influence an organization or industry (Oxford 2022). Foreign trade policy, tax policy, labor legislation, environmental law, and trade restrictions are all examples of government policy. Moreover, the government could have significant effect on a country's educational system, infrastructure, and health laws. In determining a market's prospective success, these are all crucial considerations. (Bruin 2016.)

ECONOMIC

A factor in the economy has a direct effect on the economy and how well it does, which in turn has a direct effect on the organization and how well it does financially. Interest rates, employment growth or loss, raw material prices, and currency exchange rates are all relevant variables. (Oxford 2022.)

These elements can be further classified as either macroeconomic or microeconomic. In any economy, macroeconomic considerations deal with demand management. Some of the primary tools governments employ in this regard include regulating interest rates, establishing taxation policy, and allocating government funds. (Professional Academy 2022.)

SOCIAL

Market research needs to center on consumers because consumers are the market. Analyzing population statistics is the first step in every social science project (Kotler & Armstrong 2018.) Most of the time, it's harder to measure social factors than it is to measure economic ones. They refer to changes or improvements in how people live and spend their free time, which can have an effect on business. (Peterdy 2022.)

Demographics (age, gender, race, family size), consumer attitudes, opinions, buying habits, population growth rate, employment patterns, sociocultural shifts, ethnic, religious trends, and living standards are all examples of social influences. (Washington State University 2022.)

TECHNOLOGICAL

Technologies are widespread and fast evolving in today's corporate environment (Peterdy 2022). Our ability to produce remarkable new things is largely attributable to the rapid development of modern technology (Kotler & Armstrong 2018). The rate at which technological progress can influence a market or sector is a consideration of technological considerations. Variables include, but are not limited to, developments in digital or mobile technologies, automation, research, and development. While it's easy to become immersed in the latest and greatest in digital technology, it is equally essential to stay focus on how manufacturing and logistics have evolved. (Oxford 2022.)

ENVIRONMENTAL

The physical environment and natural resources are both parts of the natural environment, which is called the environmental (Kotler & Armstrong 2018.). Changes in our physical environment may provide dangers and possibilities for businesses. Therefore, environmental considerations arose as a natural extension of the original PEST framework. (Peterdy 2022.)

Environmental considerations are growing in significance as CSR (Corporate Sustainability Responsibility) and sustainability are increasingly regarded as essential to the success of any firm. Climate, recycling, carbon footprint, waste disposal, and long-term sustainability are all relevant factors to consider. (Oxford 2022.)

LEGAL

In order to function successfully, a company must be aware of the local regulations and guidelines in effect. In addition, they need to be up-to-date on any changes to the legislation and how such changes may affect the company. Employment legislation, consumer law, health and safety, international rules and constraints, and international trade are all

important considerations. Although government policy ultimately determines the outcome of political considerations, compliance with legal elements is obligatory. (Oxford 2022.)

3.2 Industry Analysis

The competitive structure of an industry and its potential for profit are both based on the Five Forces. Company profits are primarily determined by two factors: the structure of the industry in which it operates and the company's location within that structure. (Harvard Business School 2022.)

With the use of Porter's model, businesses are able to assess both internal and external variables influencing their sector. These are what define the industry's profitability. There are five distinct parts to this model. Each of these factors - intense rivalry from other markets, the emergence of cheaper alternatives, rising consumer and producer power, and a shrinking profit margin for sellers - represents a potential danger to the industry as a whole. (Porter 1979.)

The diagram below demonstrates these forces.



Figure 7. Porter's Five Forces model (adapted from Porter 1979)

The degree of rivalry

The first force represents the prevalence of rivals operating within the same market, and hence the threat that they provide to the business. A more robust market may expect a greater variety of goods and services as a result of more competition. The company's standing in the market will suffer as a result. Once they see how the firm can help them

increase their earnings, manufacturers and suppliers will be more likely to work with the business. (Porter 2008, 78-93.)

The threats of new entrants

In reaction to the danger of new market entrants, existing firms may be pushed to decrease prices and boost expenditure (Harvard Business School 2022).

Indeed, competition increases supply and exerts downward pressure on prices and costs. Therefore, the profit potential of an industry is constrained by the threat of new entrants. This risk is related to the degree to which certain entry barriers, including as economies of scale, the cost of increasing brand awareness, the difficulty of acquiring access to distribution channels, and government laws, are overcome. (Harvard Business School 2022.)

When evaluating the potential threat posed by new entrants, it is essential to analyze their skills. When, for example, there are existing established enterprises in the field operating in other regions, the competition from new entrants is increased. (Harvard Business School 2022.)

The threat of substitutes

Competition from similar substitute items is a real concern for businesses operating in the same market. Substitute goods compete with one another by providing the same features and advantages as the original good at a cheaper price. As time goes on, technology advances and new options appear on the market. Substitutes pose a threat whenever they outperform established competitors in terms of price and functionality. Firms are unable to increase prices due to the market due to the presence of replacement items since they are compelled to compete to survive. (Porter 2008, 78-93.) Is the consumer willing to try a comparable product, and if so, at what price? No assurance can be given that the replacement will be as effective as the original. (Hollensen 2020, 109.)

The threat of buyers' growing bargaining power

If there is already strong rivalry, it may be best for a company to wait before entering the market. When there are many other options for a given service or good, consumers can have significant influence over providers. Companies must set pricing in response to market conditions. When demand drops, so does the price. (Keller 2021, 332.)

The threat of suppliers' growing bargaining power

Suppliers' flexibility in raising input costs is the third factor considered by the Porter model. It's affected by factors including how easy it is to move from one supplier to another, how

rare the product or service's major inputs are, and how much it costs to switch. Having to rely on only one supplier increases a company's dependence on that provider when the number of suppliers in an industry decrease. (Investopedia 2022.)

This gives suppliers more leverage to raise input prices and push for additional trade benefits. In contrast, a corporation may keep input prices down and boost profits when there are many suppliers or low switching costs between competitor providers. (Investopedia 2022.)

3.3 SWOT Analysis

SWOT is an analytical model commonly used in business to talk about the current state of the business. The four letters in the SWOT are Strengths, Weaknesses, Opportunities and Threats, respectively. SWOT is used to evaluate the internal and external factors of the business, thereby making new plans leading to a more potential future. (Kenton 2022.)

The SWOT model can be represented as follows.

SWOT ANALYSIS

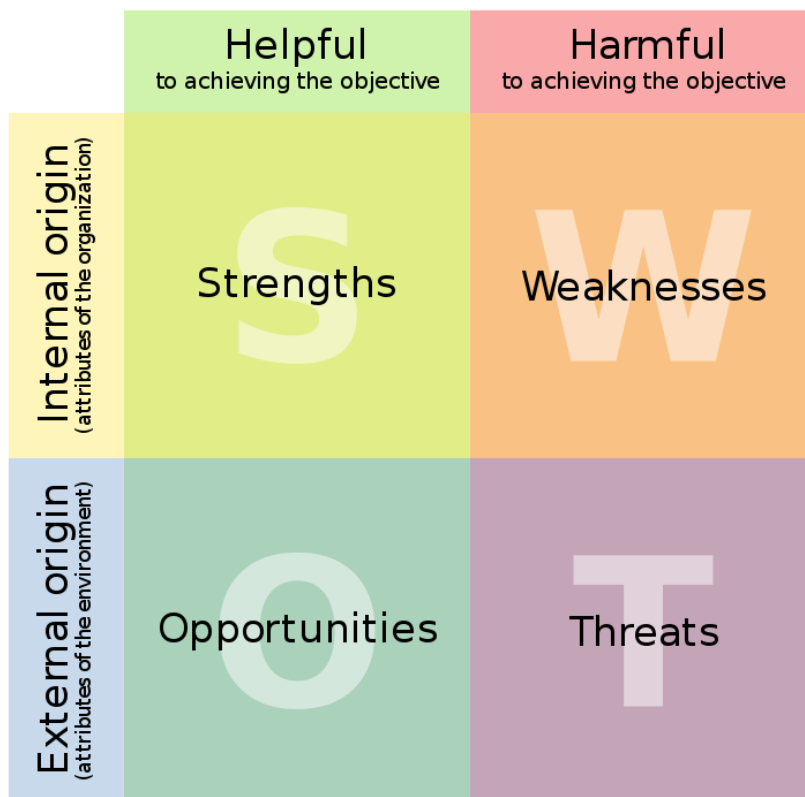


Figure 8 SWOT Analysis (adapted from Wikipedia 2022)

The SWOT model can be divided into two parts to make it easier to visualize. The Internal section includes Strengths and Weaknesses, which are available elements of the business. External includes Opportunities, Threats are external factors that businesses must prepare.

Internal

Strengths describes the strengths of a business or organization, which can be said to be different from competitors such as: features, loyal customers, technology, etc. Weaknesses describe factors causing businesses to stall, making them not reach the best situation such as: lack of supply, slow shipping, etc. (Kenton, 2022.)

External

Opportunities are external factors that can benefit the company that can be considered a competitive advantage if you know how to capture it, for example: potential market, cheap

new supply, etc. Threats refer to factors that are potentially dangerous to businesses such as the possibility of high taxes, bad factors affecting supply. (Kenton, 2022.)

4 Case Company: Phuc Long Coffee and Tea Company

4.1 Case Company Introduction

Phuc Long (PL) is a well-known coffee and tea company in Vietnam. The company was established in 1968, starting with pure Vietnamese coffee and tea products. Until the 80s, PL had three branches in Ho Chi Minh City - the most populous city in Vietnam, where Phuc Long brought its products to domestic and foreign customers. The company branded as Phuc Long Trading Production Limited was officially established in 2000. 7 years later, PL built its own plantation and tea and coffee processing factories with modern equipment and certified to ensure food safety and hygiene standards, bringing quality "homemade" products to the domestic and export markets. In 2019, PL had 70 stores across the country and was qualified in terms of brand and scale to participate in larger markets such as the US, the Philippines and Japan. Up to now, PL's products, especially tea and coffee, have been present in most distribution channels in Vietnam such as supermarkets, online supermarkets and convenience stores, even cooperating with some restaurant. In addition, in 2021, Phuc Long has its first store in the US and is continuing to develop and expand its system to the international market. (Phuc Long 2022.)

4.1.1 Mission and Vision

Mission

Phuc Long wants to provide its customers high-quality teas and coffees made from original ingredients in Vietnam. Currently, Phuc Long's factories and facilities have been invested in and upgraded to meet the needs of both domestic and international clients. Moreover, Phuc Long is now able to compete with many beverage chains on the market today. PL's primary customer market is consumers of tea, coffee and other pastries at an average price, which is suitable for the pocket of the majority of people such as office workers, tourists and student. (Phuc Long 2022.)

Vision

Phuc Long's vision is to become a large company specializing in the production and export of Vietnamese tea and coffee, while constantly developing and expanding its market. They want to build a Vietnamese brand with the integrity of quality and class in each product and service, thereby constantly building their position in the international market. (Phuc Long 2022.)

4.1.2 Strategy

Phuc Long's typical strategy is "selective distribution strategy", products of PL are not only sold in official stores but also be found in other distribution channels such as supermarkets, trade centers, retail stores and convenience stores. (Quang Anh 2022.)

To promote, Phuc Long uses two strategies "Push Strategy" and "Pull Strategy". The most effective one is "Pull Strategy" - an attraction strategy. This is the strategy that Phuc Long used to advertise itself by widely distributing it across branches, in convenient locations, and in many groups of facades with many passersby, making it easier to promote and advertise the brand to the public. (Quang 2022.)

In Ho Chi Minh City, it is not difficult to identify the wave of the chain store "Phuc Long Coffee & Tea House" with 47 branches. In particular, many are located in prime locations, with many fronts having a large number of people passing by, for example, in the famous building Bitexco, Landmark 81, Vincom, etc. (Doan 2021.)

In addition, Phuc Long also implemented a campaign to promote image building through digital channels such as Facebook, Youtube and Instagram (Doan 2021). This strategy brought Phuc Long's Fan page on Facebook platform to more than 500,000 followers.

Phuc Long's "Push Strategy" (push the products come closer to customers) means that instead of just selling and processing products to customers in a traditional store, they also use other selective distribution channels to sell their products, distribution channels, etc. The distribution that PL most often uses is supermarkets, commercial centers and convenience stores. (Quang 2022.)

4.2 Company Products

With any brand, location, service, and style can be differentiating features to attract customers, but to make them stick around and come back many times, the core of success still lies in the product (Nguyen 2022). The unique and different flavor of Phuc Long's products is a USP (Unique Selling Point) that they use to build their brand. All Phuc Long products have a very strong tea and coffee taste and leave a light aftertaste, typically their milk tea, although the milk is very fragrant, the tea taste is still very clear. (Doan 2021.)

Phuc Long's products are diversified into two main groups:

1. Packaged products include two main groups: Tea and Coffee. For packaged products, Phuc Long brings the best quality to customers along with outstanding packaging, brand logo and characteristic blue color, besides the constant change

to suit the needs. customers, suitable for holidays. All products are conveniently displayed at all stores making it easy for buyers to find and choose. The pictures below are some Phuc Long tea packages.



Image 1. Phuc Long's tea packages

2. The things sold in the store are diverse and of consistent quality. In addition, clients may enjoy Phuc Long's products in a modern, warm atmosphere with groupings of high-rise architecture. (Doan 2021.) The image below shows the different types of cups of PL.



Image 2. Three different types of Phuc Long's cups

Regarding the price, Phuc Long uses the "Good-value Pricing" method. Comes with appropriate and effective pricing strategies: "Product Line Pricing"; "Promotional Pricing"; "Combined Pricing Strategy – Combined Pricing". (Doan 2021.)

The pricing policy of Phuc Long is also rationally based on the available tea and coffee strengths. Due to the company's diverse customer base, its prices fall within the middle range, making them affordable for most people. (Doan 2021.)

Drink prices at Phuc Long Coffee & Tea range from 1.45-2.60 euros (ie 35,000-65,000 VND) (Nguyen 2022). This price of Phuc Long is only 30-40% of other coffee shops in Finland such as Espresso House, Fazer Cafe.

5 Research and Data Analysis

5.1 Target Market

The empirical research part will start with a target market analysis. First the external environment in Finland will be investigated followed by an industry level analysis. In this section, we will use market research techniques to determine if Finland is an ideal market. PESTEL analysis is a helpful method for studying the macroeconomic environment, which can help a company learn about the opportunities in the economy. Additionally, the company can utilize an analysis method called Porter's Five Forces Analysis. It is an industry-level analysis tool helping to understand the industry from five different perspectives. In this thesis, the industry-level analysis will provide an understanding of the Finnish coffee shop market. This model can also be used to find profits and potential in any part of the economy. In addition to analyzing investment goals and identifying objective and subjective factors that strongly affect the construction and development process, this study will apply the SWOT analysis technique. All of these studies help businesses innovate and grow, which in turn helps them compete more effectively in the market.

Political factors

Businesses operating in Finland should account for the country's tax rate. Finland has the fifth-highest value-added tax rate in the European Union at 24%. Industries, including the pharmaceutical, publishing, transportation, and hotel industries, as well as the food and beverage service industry, are subject to two reduced tax rates (10% and 14%).(Vero Skatt 2022.) As a result, a value-added tax of 10% applies to Phuc Long.

Finland's parliamentary republic had a semi-presidential parliamentary system. However, constitutional amendments in 1999 and 2012 have transformed Finland into a parliamentary democracy with 310 independent local governments (European Committee of the Regions 2020). The corruption perceptions index is a yearly survey of experts and businesses from across the world on the level of corruption in the public sector in 180 nations and territories. Once again, Finland ranks highly on Transparency International's Corruption Perceptions Index as one of the least corrupt countries in the world. Finland, Denmark, and New Zealand all got an 88 out of 100 this year, making them the least corrupt nations in the world. (Yle 2022.)

According to the Global Economy (2022), the average value for Finland throughout that period was 1.34 points with a low of 0.85 points in 2019 and a top of 1.75 points in 2002. The latest figure from 2021 is 0.98 points. The study evaluates the potential dangers of political and assimilated events connected to international deals lasting longer than a year.

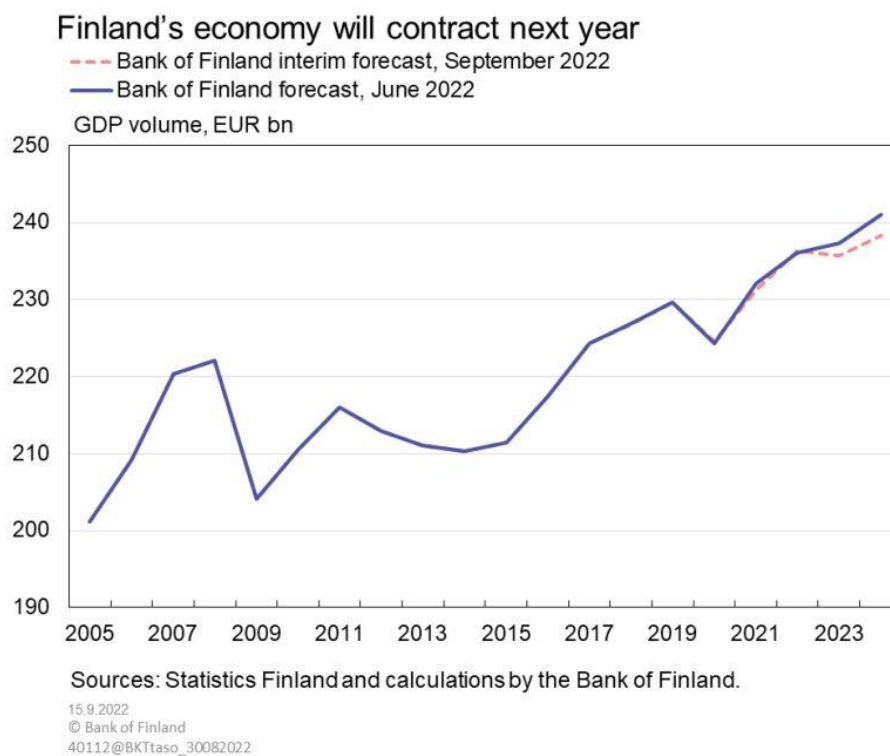
There are seven categories in which nations are ranked, from lowest to highest (low to high). This demonstrates that Finland is a safe and secure country with less political risk, making it an attractive option for the case firm to join the Finnish market.

Since joining the European Union in 1995, Finland's economy has shifted from its traditional foundations in agriculture and forestry to become a global centre for technology and design. One-third of the economy's gross domestic product comes from exports and imports, showing the country's close ties to the global economy. Despite having a relatively small population (just 5.5 million), Finland has an outsized economic impact. Preliminary data from indicates that Finland's GDP will be \$271 billion in 2021, with a per capita nominal GDP of \$48,871 (higher than Canada or the UK). It's the only country in the Nordic region that uses the Euro. (International Trade Administration 2022.)

The success story of Finland's transition to a highly industrialized, knowledge and innovation-oriented economy on the back of free trade and openness to investment in a globalized market. Therefore, foreign investors find Finland's economic climate to be welcoming. Finland's accessibility, skilled labour supply, and dependable infrastructure are all attractive to multinational corporations. The Finnish labour is highly skilled and experienced, as well as extremely productive and dedicated. When compared to other countries, Finland has relatively low labour expenses in terms of both the quality and quantity of its products and the level of education and experience of its workforce. When it comes to indicators of human capital, Finland ranks among the highest in the world. (Business Finland 2022.)

Economic factors

The Bank of Finland's interim forecast is based on information available as of September 7, 2022, and on assumptions about Finland's external environment and future financial market factors were modified on August 22, 2022. Increased service sector demand, as well as investment and reserve activities, are expected to spark a rise in Finland's economic growth in the first half of 2022. In the summer of 2022, the outlook for Finland's economy worsened. Russia's invasion of Ukraine triggered an energy crisis that slowed development in late 2022. Households' purchasing power is being reduced by unusually high inflation, and consumer confidence has decreased, resulting in low levels of private consumption. Forecasts predict growth in the Finnish economy at 2.2% in 2022 and 0.3% in 2023. By 2024, the economy's growth rate will be back above 1%, not far from its potential rate. long-term projections for the economy. (Bank of Finland 2022.)



Picture 1. Bank of Finland Interim forecast (Adopted from Bank of Finland 2022)

The outlook for growth in the global and euro area economies has greatly declined. The energy crisis is predicted to slow GDP growth in the Euro area to 0.9% in 2023, with negative risks to the predictions. The rise in prices, along with increased uncertainty and weakened confidence, will have an impact on economic growth in the Euro region around the next year (2023). Because of this, demand in Finland's export markets will develop at a slower rate. (Bank of Finland 2022.)

There will be slower growth and more inflation in the coming years as energy costs continue to rise. Now that high energy costs are being pushed on to the prices of food, consumer goods, and services, the basic inflation rate in the euro area has surged above 4%. The estimate assumes that the market rate of interest increase will be greater than previously expected, but will eventually level off at around 2%. Private investment and spending will slow as a result of interest rates rising. Businesses are having trouble turning a profit as a result of inflation and the weakening of the euro. In the future, crude oil prices are expected to decrease slightly but still remain rather high. (Bank of Finland 2022.)

Forecast assumptions					
	2020	2021	2022^f	2023^f	2024^f
Volume percentage change on the previous year					
Euro area GDP	-6.2	5.2	3.1	0.9	1.9
World GDP (excl. euro area)	-2.3	6.4	2.9	3.0	3.4
World trade (excl. euro area)*	-8.0	12.5	4.6	2.7	3.4
	2020	2021	2022^f	2023^f	2024^f
Finland's export markets**, % change	-8.3	10.4	2.9	1.6	3.3
Oil price, US dollar/barrel	41.5	71.1	105.4	89.8	83.6
Export prices of Finland's competitors, euro, % change	-3.8	10.0	19.9	4.3	1.4
3 month Euribor, %	-0.4	-0.5	0.2	2.0	2.1
Finland's nominal effective exchange rate***	108.6	109.4	106.1	104.5	104.5
US dollar value of one euro	1.14	1.18	1.05	1.01	1.01
*Calculated as the weighted average of imports.					
**The growth in Finland's export markets is the import growth in the countries Finland exports to, weighted by their average share of Finland's exports.					
***Broad nominal effective exchange rate, 2015 = 100. The index rises as the exchange rate appreciates.					
f=forecast.					
Sources: Eurosystem and Bank of Finland.					

Picture 2. Rising energy prices are eroding growth and pushing up inflation (Adopted from Bank of Finland 2022)

Finland is trailing behind its Nordic and Baltic neighbours in terms of FDI outward despite its openness to trade and entrepreneurship. In 2019, FDI contributed 31% to Finland's GDP. This figure is lower than the median of 49% among the Nordic and Baltic countries, and it represents a decline from 2010. Antti Aumo, director general of the Finnish Investment Agency, has said that attracting more foreign investment is essential to boosting Finland's competitiveness. Although just about 2% of Finnish businesses are owned by foreign investors, their influence on the country's economy is substantial. The OECD report's call

to action to boost efforts to encourage foreign investment is positive. (Business Finland 2021.)

Global economic growth is being restrained by Russia's conflict in Ukraine. The general level of pricing has also been increasing at a noticeably faster rate. Energy, raw resources, and food prices are all rising faster due to the war, and their availability has also gotten worse. The overall amount of goods and services consumed by Finnish families is declining as a result of the unstable state of the economy and the increase in prices. (Bank of Finland 2022.)

Russia's war in Ukraine is stifling Finland's economic recovery



© Bank of Finland

Picture 3. Ukraine war reversing Finland's economic recovery (Adopted from Bank of Finland 2022)

Due to the increased uncertainty and the general pace of price growth, families' overall consumption of goods and services will decrease which result inflation. The amount of goods and services that a particular household's income can purchase will reduce when prices rise as a reduction in the buying power. In addition, when the epidemic recedes, there is an increase in demand for a variety of services. Families who are under income pressure will attempt to balance this by utilizing any savings they built up during the outbreak. (Bank of Finland 2022.)

From November 2019 through March 2021, consumer confidence in Finland was consistently low. The CCI for Finland remained positive at 1.2 in November 2021. In April of 2020, as a result of the coronavirus (COVID-19) epidemic, consumers' expectations for Finland's economic development fell again. Customers, however, continued to have a positive outlook on their personal financial situations. (Clausnitzer 2022.)

Statistics Finland (2022), consumer interest in investing in long-lasting products is at an all-time low. The Finnish Consumer Confidence Index fell to a record low of -18.9 in September 2022, from a level of -14.9 in August. The International Chamber of Commerce (ICC) defines consumer confidence as inclination to save and spend in reaction to optimistic projections about future market performance. *If people have more faith in the economy, they are more likely to spend money, which is good for the economy. When people stop having faith in the economy, they start saving money instead of spending it* (Ganti 2020). In September of 2022, Finnish consumers have a pessimistic assessment of the country's economic future. Given the consumer patterns in Finland for 2022, the forecast for current conditions appears to be intense. (Statistics Finland 2022).

Social factors

It is estimated that there will be roughly 5.55 million people living in Finland by the year 2021. About 1.38 million people are between the ages of 20 and 39, and 1.38 million are between the ages of 40 and 59, making up slightly more than half of the total population. Between 2016 and 2021, the number of people aged 60 and older increased while the number of people aged 15 to 29 fell. More than 1.6 million individuals will be age 60 and up by the end of 2021. The country is aging as seen by the rise in the number of people aged 60 and over. (Clausnitzer 2022.)

As a result, Finland is experiencing a lack of workers at a time when its population is getting older. Finland is actively seeking to increase its foreign worker population as its population ages. In order to sustain its welfare system, the Nordic country will need to import 50,000 foreign employees by 2030, and then another 10,000 years after that. (Hivert 2022.)

The average Finn would rather go out drinking than remain in and watch TV. Cafes make up over half (46.9%) of the 2,760 total eateries with proper licenses (Ruokatieto 2019). By 2026, non-alcoholic beverage sales will account for 41% of total market revenue and out-of-home consumption will account for 11% of total market volume (e.g., in bars and restaurants) (Statista 2022).

The average annual consumption of coffee has been hovering around 10 kilograms for the past decade. Coffee consumption in Finland fell to 9.4 kg of roasted coffee per person in 2021, down from previous years. Coffee consumption in Finland is high compared to other countries. (Statista 2022.) In Finland, nearly all coffee is consumed at home or at work. The Finnish social rule for enjoying a cup of coffee is to take a break with coworkers or friends while remaining silent. (Korhonen 2018.)

Technological factors

According to a recent analysis by the United Nations development program, Finland is the most technologically sophisticated country in the world (UNDP) (European Commission 2022). They have long been seen as innovators in the scientific and technological communities. In the past, Finland's prominence on the global stage was due largely to the success of two companies: Nokia on the mobile phone front and Kone on the elevator front.

Statista (2022), Internet use in Finland with forecasts for 2023 and 2027. In 2022, the number of Finns using the Internet is 92.68 percent. Between 2023 and 2027, it is predicted that the percentage of individuals having Internet connection may grow every year. The forecasts put the worldwide Internet penetration rate at 97.43% by 2027. This demonstrates the widespread interest and use of Finnish technology. For this reason, Phuc Long's promotion strategy in Finland will primarily use digital marketing and social media outlets.

Finland's primary export industry is centred on the technological sector. More than half of Finland's exports come from the country's technology sector; therefore, the success of these enterprises is crucial to the country's welfare system. Since 70% of Finland's research and development spending goes toward technological advancement, technology businesses play an essential role in the country's progress. (Teknologioteollisuus 2021.)

Environmental factors

The seasons of Finland are spring, summer, fall, and winter. Finland's northern geography means that its winter lasts the longest. The drinking habits of Finnish customers are affected by this. Therefore, Phuc Long should think about including hot drinks on the menu to please customers.

Sustainable development is encouraged by Finland's environmental administration. The primary goals are to enhance housing conditions in Finland, provide attractive and secure living environments, protect biodiversity, and lessen environmental harm. (Finland Environmental Administration 2015.)

Finland offers several effective examples of how to preserve the natural environment. Finland's successful environmental protection strategies are based on extensive and accurate environmental data and a high degree of technological capabilities. Finland can make large environmental investments since it is one of the world's wealthiest industrialized nations. Finland's low population and mostly unaffected natural surroundings are also beneficial to conservation efforts. (Lyytimäki 2014.)

Legal factors

Finland's legal system follows the civil law model. Laws codified in writing have ultimate authority in Finland. Finland is a member state of the European Union and is therefore subject to EU legislation. In Finland, a limited liability corporation (LLC) is the most popular business structure, constituting the great majority of all businesses. The business must comply with the Limited Liability Companies Act, which lays out the steps necessary to form a company and includes certain fundamental provisions for its management. Most of the time spent getting a business off the ground is spent obtaining a bank account, which is a necessary but time-consuming step due to stringent anti-money-laundering regulations. (Skurnik & Pelkonen 2019.)

The figure below illustrates the main characteristics of Finland through PESTEL.

PESTEL	Main characteristics
<i>Political</i>	<ul style="list-style-type: none"> • Overall tax policy - VAT (Value Added Tax) is at the standard rate • Parliamentary democracy (Low corruption level) • Low political risk • High environment protection • Free Trade area
<i>Economic</i>	<ul style="list-style-type: none"> • Unstable economic environment (Inflation) • Facilitating foreign investment • High energy prices • Decrease consumer confidence
<i>Social</i>	<ul style="list-style-type: none"> • Comprehensive social security • High education level • Helsinki is the most populous area • Old and aging population • Young people frequently drinking outside • Highest amount consuming coffee and tea

<i>Technological</i>	<ul style="list-style-type: none"> • High technology - technological leader of Europe • Invest highly in R&D • Large internet users
<i>Environmental</i>	<ul style="list-style-type: none"> • Excellent environmental protection policy • Capable of financing important environmental investments • Among the cleanest countries in the world.
<i>Legal</i>	<ul style="list-style-type: none"> • Clear civil law • Most prevalent company structure: private limited liability • Strict employment legislation

Table 1. Finnish Market's Main Characteristic

5.2 Porter's Five Force Analysis

With the use of Porter's Five Forces Analysis, a business may assess the competitive landscape of an industry, as well as the opportunities and threats that exist within it, and use this information to guide future product development. Buyer power, threat of replacement products, supplier power, threat of new entrants, and competitive rivalry are all components of the model. (Porter 2008, 80.) Phuc Long's present and desired competitive positions may be considered with the help of the model.

With the help of the summary of Porter's Five Forces Analysis provided below, the writers get insight into Phuc Long's position within the Finnish food and beverage industry.

Threats of new entrants

In Finland, the opening of new coffee chains is always a possibility (Timonen et al. 2012). When starting in a new market, Phuc Long should implement an efficient marketing plan, such as customer discounts, to attract more clients who are likely to become loyal customers. Therefore, there is a risk that they would convert loyal clients of other competitors into committed customers of Phuc Long.

To be successful in a new market, Phuc Long will need to compete with established companies that already provide similar products and services. The product quality and the staff's responsiveness to customers are the major concerns. The majority of the ingredients are identical, however there are significant differences in their preparation and manufacture. Phuc Long has the advantage of having one of Vietnam's largest tea and coffee plantations (Phuc Long 2022).

Finnpartnership (2017) reports that consumers in Finland are paying more attention to dark roasted coffees. Given the high quality of their coffee, this could be a point in Phuc Long's favor. To attract a wider range of clients, Phuc Long would be wise to split their coffee offerings between two distinct categories: Italian coffee and Vietnamese coffee.

In Finland, the initial investment for a coffee shop might range from 20,000 euros to 100,000 euros, depending on the shop's concept (Coffee Start Up 2022). Phuc Long can use this funding to open a little store in Helsinki, the capital of Finland. Once it is established that the sustainable brand has been widely covered, other coffee and tea franchises can be established in other areas.

Rivalry among existing competitors

There are three major coffee retail chains in Finland that compete with Coffee House, owned by the Finnish S-Group; Robert's Coffee, founded by Paulig; and Wayne's Coffee, based in Sweden (Timonen et al. 2012). Even though there are plenty of other cafes in Helsinki, these three stand out as potential rivals to Phuc Long because of their emphasis on serving specialty coffees. About 300 cafes may be found in Helsinki, as reported by the Finnish Restaurant Guide. In this total, cafes and cafe-restaurants are combined. This equates to roughly 2000 customers frequenting each coffee shop.

There are roughly 12 Wayne's Coffee locations, 16 Robert's Coffee locations, and 5 Coffee Houses in the capital region. There are 11 hot beverages and 10 cold beverages to choose from at Wayne's Coffee. In addition, they provide a total of six fresh food selections, some of which are soups, bagels, and wraps. Wayne's Coffee offers both savory and sweet baked goods, including muffins, brownies, cookies, and cinnamon buns. The range of goods sold by Coffee House is equivalent to that of Wayne's Coffee. On the other side, beverages are Robert's Coffee's main focus rather than food. (Timonen et al. 2012.)

Increased demand for gourmet coffees indicates promising growth opportunities. As a result of their success, both Robert's Coffee and Wayne's Coffee are on the lookout for further franchise opportunities. This suggests that there is a need for more coffee shops in Finland,

and that Phuc Long may open there without having to take customers from existing businesses.

Bargaining power of suppliers

To face the challenges of supporting the company's rapid growth, Phuc Long needed to locate experienced personnel with a diverse set of leadership and technical talents. Knowledge and expertise in purchasing, production, and distribution are essential. The company's logistics department is dedicated to cutting down on the time and money spent on shipping its coffee products around the world.

As all of the raw materials for tea and coffee are derived from tea plantations owned and managed by Phuc Long in Thai Nguyen and Bao Loc (Phuc Long 2022). The production technique of Phuc Long is highly effective. Phuc Long supplies raw materials that are used in the manufacturing process. Other ingredients for beverage production are readily available, therefore Phuc Long is not currently under competitive pressure from suppliers.

Raw minerals are in high demand in Finland, however supplying the country is challenging due to many issues. In addition, Phuc Long must be supplied in Finland if the goods cannot be delivered. As of right now, there is no authorized distributor of Vietnamese coffee and tea in Finland. This problem will be handled by Asian markets importing and selling Western ingredients to their customers. The growing demand for Vietnamese coffee in Finland has been met by the emergence of Asian supermarkets, which are presently the sole distributors of the product in that country.

Consequently, Asian shops have a substantial competitive edge in Finland. Phuc Long, on the other hand, can outperform the provider despite using the same raw materials and being processed in the same way as Finland.

Bargaining power of the buyer

Finnpartnership (2017) states that Finnish customers care deeply about the provenance of their coffee beans, leading them to prefer higher-priced kinds like single origin coffee. Dark roast coffee is becoming increasingly popular, despite the fact that light roast coffee remains the most widely traded variety internationally and commercially. Black coffee made about 40% of all commercial sales in 2016.

More than 90% of the food and beverage market in Finland is supplied by just three companies: S-Group, K-Group, and Lidl (2020). There are a lot of coffee suppliers in Finland, and many of them sell to these three stores. Small-scale roasters with speciality segments offer their coffee through the Internet, local supermarkets, and large roaster merchants. (Finnpartnership 2022.)

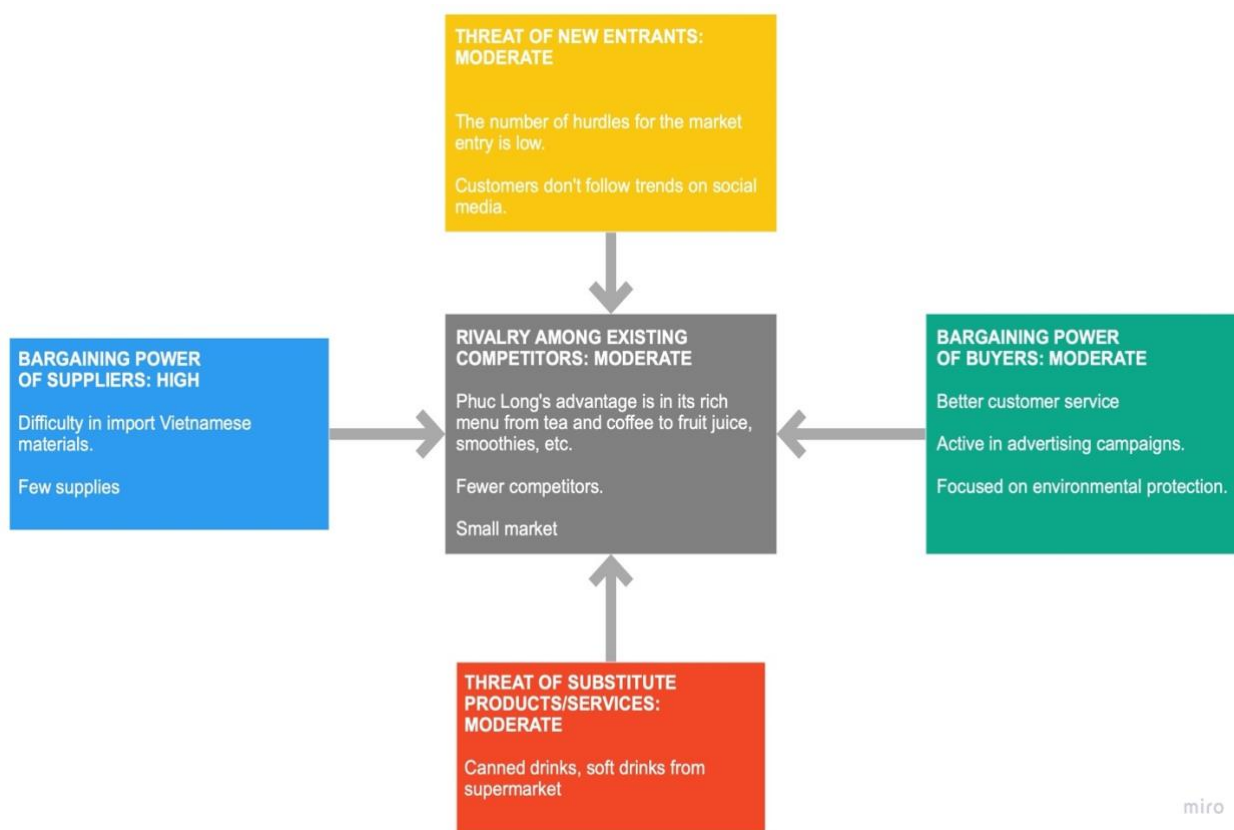
According to the study mentioned above, Finland's growing interest in specialty coffee reflects its increased internationalization. Phuc Long's tea and coffee products are available for distribution to major retailers in Finland, as well as direct sale at Phuc Long shops.

Threats of a substitute product.

A home espresso machine is a potentially dangerous alternative. Consumers may become more interested in saving money by brewing their own specialty coffees at home as the demand for gourmet coffee rises. Comparing 2019 and 2020 sales figures, the company's profit from the sale of coffee machines climbed by 185%. An at-home coffee maker appears to have become a standard item over time. (Finland Today 2021.)

However, a cup of coffee isn't the only reason to visit a coffee shop. More can be done there than at home, and the atmosphere is unique. Phuc Long promotes the idea of their business as a destination in and of itself. A mellow hangout for socializing, studying, and perusing the daily paper over a cup of specialty coffee. People can stop by Phuc Long on their way to or from work and pick up a cup of coffee to go. (Phuc Long 2022.)

Figure below shows the results of the analysis.



miro

Figure 9. Porter's five forces analysis

5.3 Data Collection

The figure below illustrates the process and timing of two authors searching and analyzing the data for the thesis.

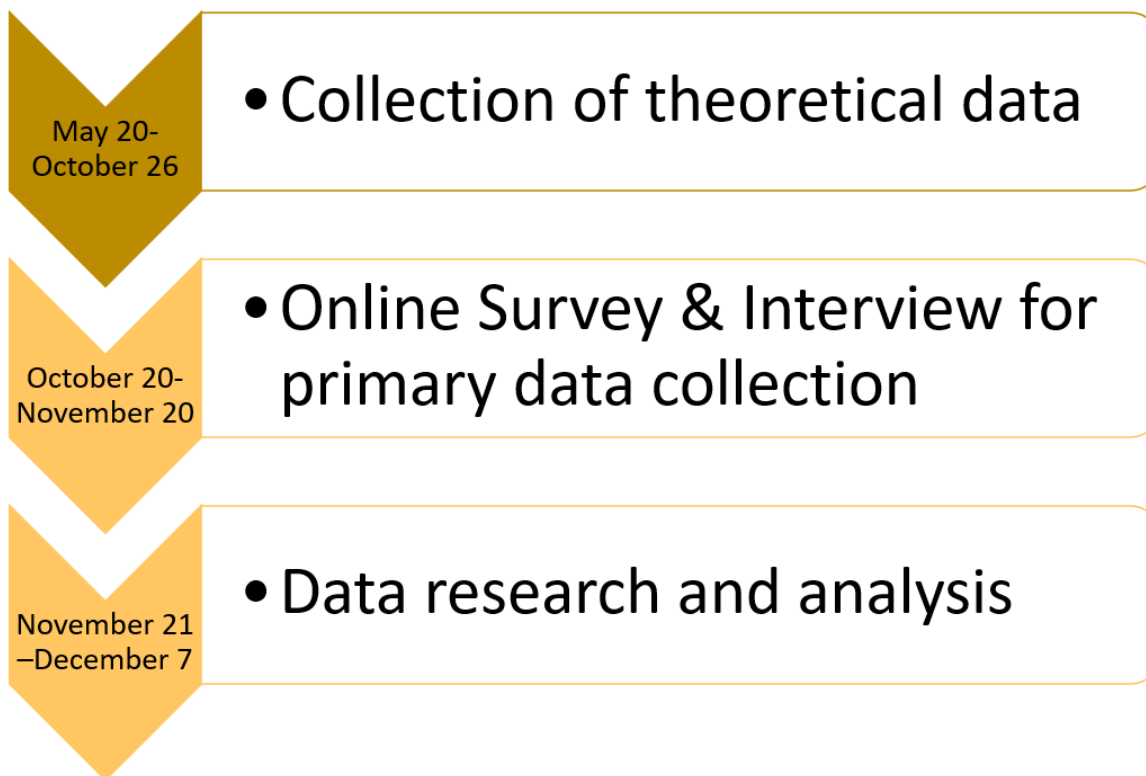


Figure 10. The process of Data Collection

As mentioned in the introductory chapter, research is built on the foundation of information: primary and secondary sources. The two authors collected primary data through an online survey via Google Forms in October and two face-to-face interviews in November 2022. Previously, secondary data was collected from articles, books and other related resources on the Internet. Through the answers and collected data, it is possible to know if Finland is a suitable market for Phuc Long to enter and at the same time answer the research questions. The questions are used in English to approach, the interviewees are mainly young people living in Finland. The authors decided to use Google Forms to collect data from online participants, thereby quickly collecting information such as personal information, interests, habits and views of each person. The research questions in the introduction are for research purposes. The survey was made public on Facebook, a social network popular with targeted refinancers and student groups at LAB College of Applied Sciences via Whatsapp and email. The survey took place from October 20 to November 20, yielding a total of 71 results.

5.4 Data Analysis

Survey Collection

The survey consisted of eighteen questions. Questions 1 through 6 in the survey are intended to collect information relevant to survey respondents, including their gender, age, occupation, region, and median income. In the next section, we have 7 questions, questions 7-10 and 13-17 are about customers' preferences and habits and about the criteria for evaluating drinks and the purpose of going out for a drink, questions 10-12 are about familiarity with Asian food and drinks, and finally questions 17, 18 about brand awareness for Phuc Long.

The findings in questions 1 and 2 are described as shown below

1. What is your gender?

71 câu trả lời

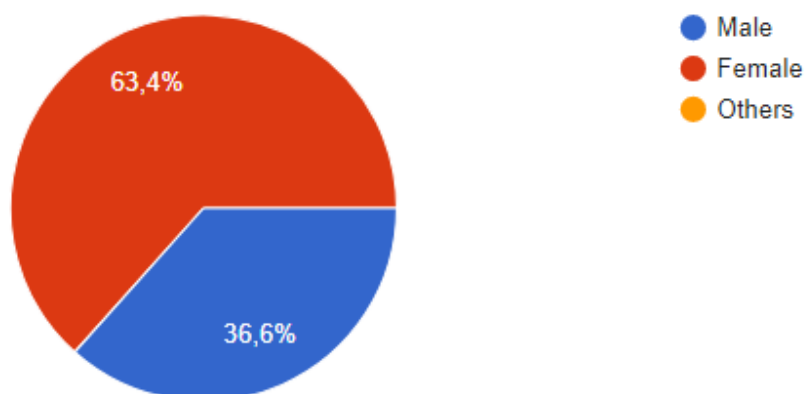


Figure 11. Question 1: Genders

2. How about your age?

71 câu trả lời

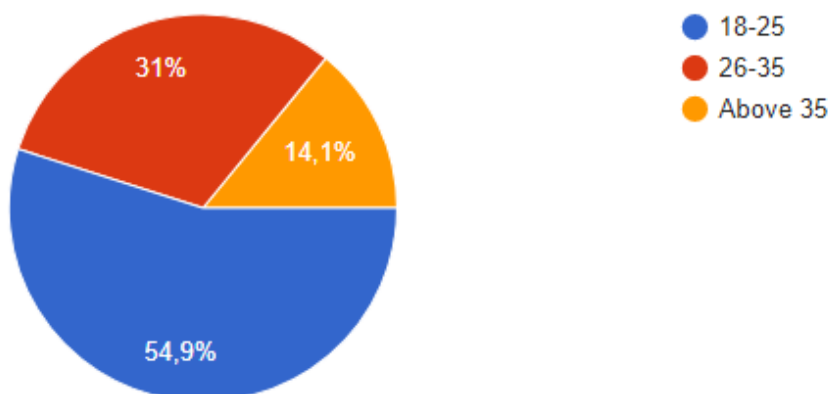


Figure 12. Question 2: Ages

Questions 1 and 2 asked about the gender and age of the participants, helping the two authors to understand which groups had the most responses and interest in the survey's topic. Thereby, it is possible to know which group of people Phuc Long can target to collect ideas to adapt to the local market. Up to 63.4% of survey respondents are female and the remaining 36.6% are male. In which, the age group that accounts for the largest share falls between 18-25 with 55%, the age group from 26-35 accounts for 31% and those over 35 years old account for 14%.

The age of the survey participants accounted for the majority of 18-25 years old. At this age, most of them are young people, so the spirit of openness and easy acceptance of new products is also easier. It follows that the company should build products and business strategies for target customers who are young people. Phuc Long Coffe & Tea can choose places and cities where people aged 18-25 are living.

The figure below shows questions 3 and 4's responses in the survey.

3. Which city in Finland do you live?

71 câu trả lời

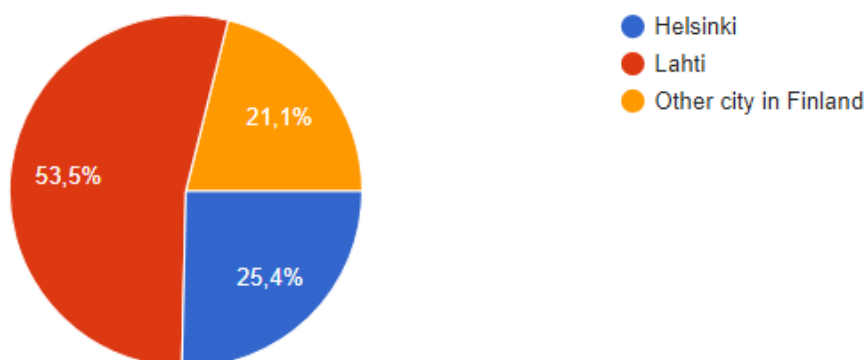


Figure 13. Question 3: Accomodations

4. What is your occupation?

71 câu trả lời

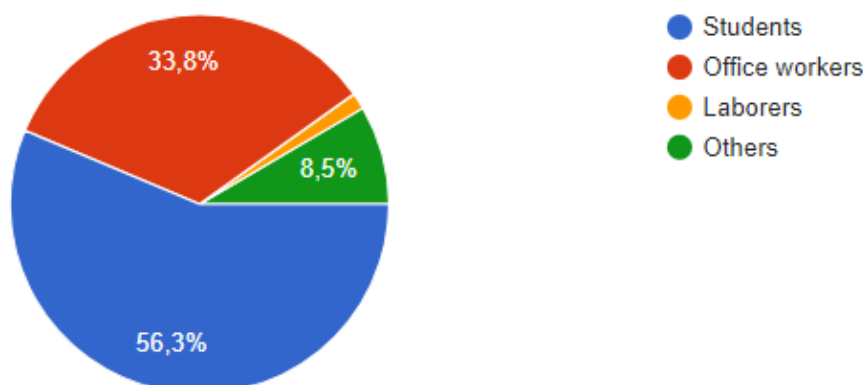
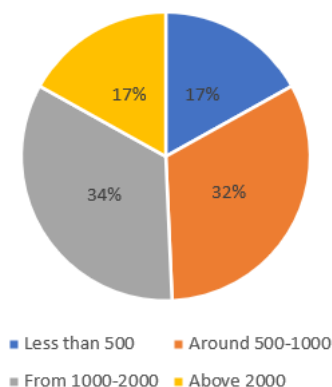


Figure 14. Question 4: Occupations

The majority of surveyed customers are from Lahti, followed by 25.4% from Helsinki and the rest goes from other Finnish cities. In which students made up the largest proportion with 56.3%, followed by office workers with 33.3%. Other occupations comprise 8.5% of the workforce, compared to only 1.4% for laborers. Some of the other occupations we collected include: Chef, Account Manager, Lecturer, Tattoo Artist, Nurse and Freelancer.

The pie charts below illustrate statistics from survey questions 5 and 6.

5. How much is your income?



6. How much money do you spend on drinks outside on a monthly basis?

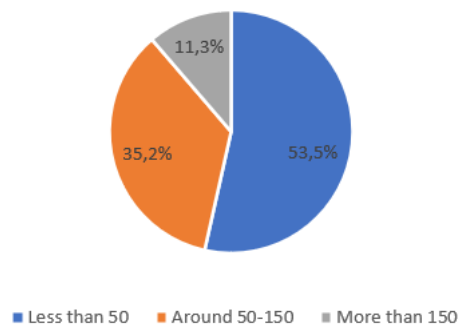


Figure 15. Question 5: Income, and question 6: money spend on drinks outside per month

After compiling the survey data on age, occupation, and income, it becomes clear that the majority of people between the ages of 18 and 25 are either students or recent graduates, hence their income is quite low. More than 30% of the older age group falls between the 500€-1000€ income group, which is about equal to the 1000€-2000€ income range. From this point forward, businesses should concentrate on establishing a reasonable price relative to the income of their target customers.

Due to the fact that the survey participants are low-income students, 52.1% of the amount spent on drinks outside the home is less than 50 euros. In addition, 33.8% of all those who regularly spend money on drinks outside of their home spend between 50€ and 150€. The company needs to provide a competitive price and attractive discounts to draw in a large number of clients.

The graphs below illustrate statistics from survey questions 7 and 8.

7. What kind of drink are you likely to consume?

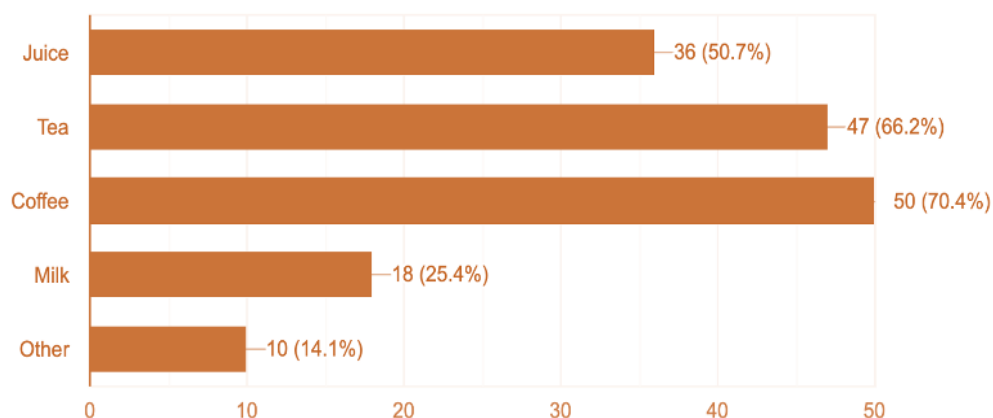


Figure 16. Question 7: Favourite drinks

8. Do you need a special occasion to go out?

68 câu trả lời

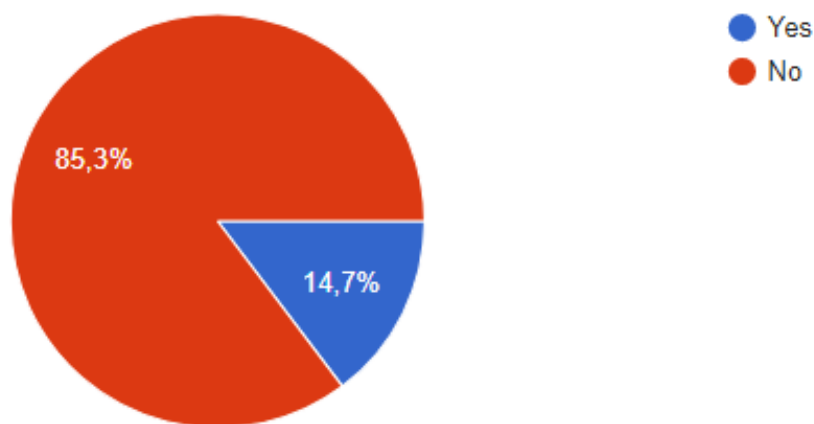


Figure 17. Question 8: Special Occasion

7th and 8th questions are to survey which non-alcoholic drinks received the most attention and also to survey people's drinking habits for special occasions of the year. According to the results obtained, Tea and Coffee are the two most popular drinks with 66.2% and 70.4% respectively. Followed by juice with 50.7% and milk with 25.4%. And according to the results obtained in question 8, most people do not need a special day to go out, with 85.3% of people agreeing with this statement.

Figure 18 illustrates that the majority of participants (85.3%) said they did not require a special reason to go out. Ten people indicated they needed a special occasion, such as a holiday or a day with great weather, or to get together with coworkers or friends outside of normal office hours.

The graphs below show the collected data about questions 9.

9. What factors influence your decision to purchase a beverage? (On an increasing scale from 1 to 6)

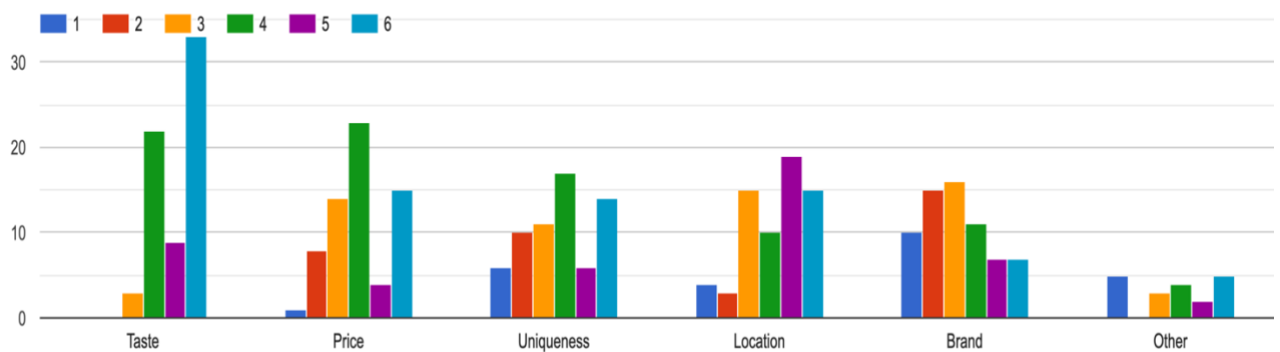


Figure 18. Question 9 : Factors to buy a drink.

A majority of survey takers are enthusiastic in trying taste. However, Phuc Long's products are still too unique to be successful on the European market as a whole or in Finland specifically. This feature may be beneficial in terms of standing apart from the competition, but it will hurt the company's chances of attracting new customers. Therefore, studying and creating goods for these markets is crucial.

As students consist mainly of survey respondents, it stands to reason that they would focus on price increases if given the option. As a result, companies could create a budget coffee brand aimed at students. They have a poor purchasing power, hence they prefer cheap drinks.

Regarding the amount of uniqueness, according to the collected survey data, many clients are more interested in uniqueness. As Phuc Long is an Asian brand, the product is distinct from others sold in Finnish stores, which is an advantage. Businesses can identify themselves further by adorning their storefronts in the Vietnamese style, similar to ones that have been launched in the United States - with their trademark red tile roof.



Image 3. Phuc Long Coffee & Tea first store opened in USA - California

Regarding the location, because the majority of customers are students, they are very interested in the location of the store. Because this group mostly uses public transport, it is essential to arrange stores near schools and dormitories to facilitate customers' purchases.

About the brand, the number of votes not interested in the brand is insignificantly higher than the number of people who are interested. Therefore, in addition to building high awareness, businesses should pay more attention to the development of products.

In addition, many people are interested in the expertise and service attitude of employees, so recruiting and training employees is also extremely important. Besides, there is a very good idea that customers will be more willing to buy in shopping malls, so the Kiosk model being applied in Vietnam will be suitable for businesses to increase coverage as well as building self-identity.

The figures below illustrate information about questions 10 in the survey.

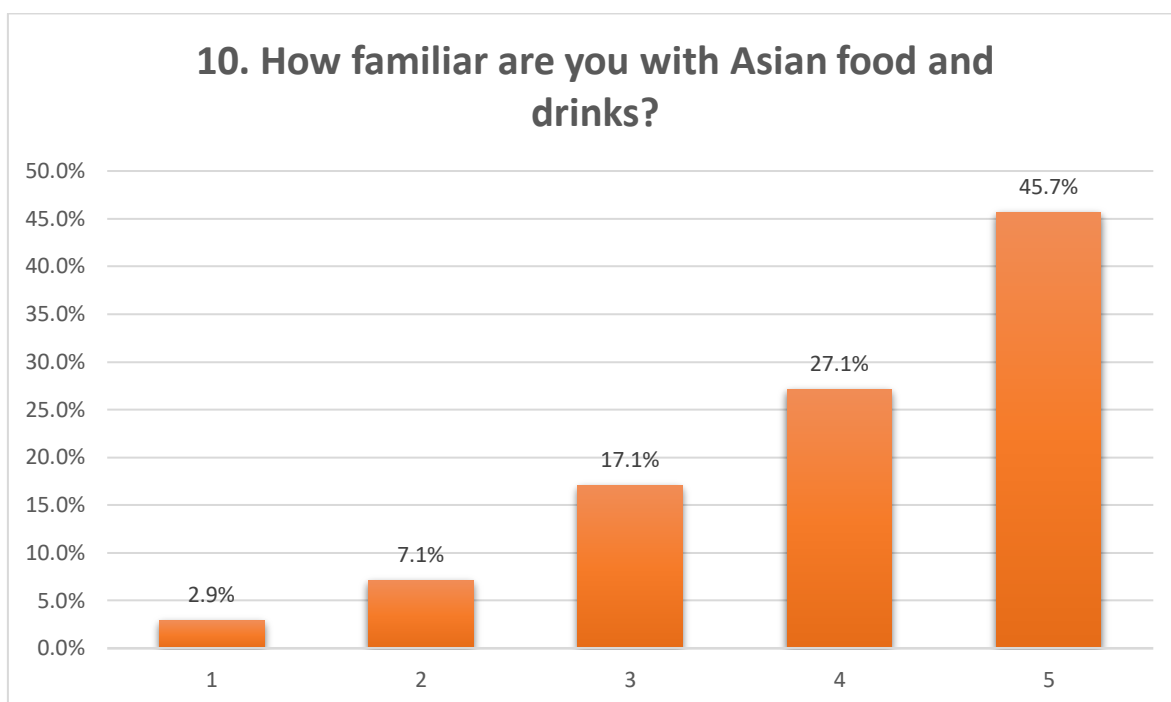


Figure 19. Question 10 in the research survey

More than 50% of beverages surveyed consume Asian food and drink, so it can be said that this is an advantage when customers are willing to use food and products from Asia. This shows a positive outcome for Phuc Long's beverage business opportunity in Finland.

The figures below illustrate information about questions 11 and 12 in the survey

11. Have you ever tried Asian's tea or coffee?

71 câu trả lời

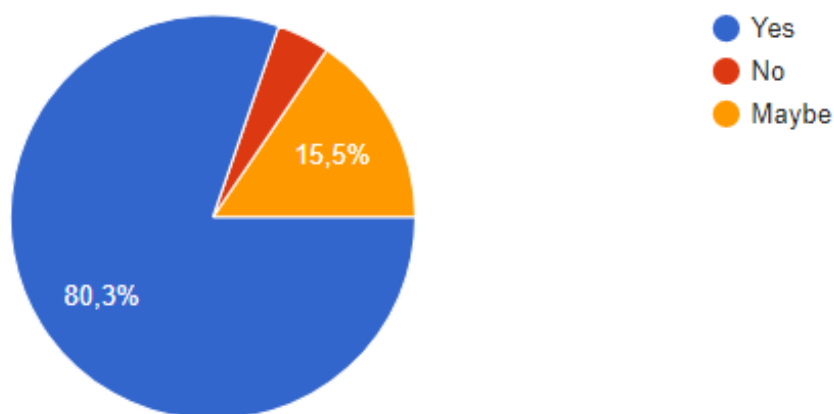


Figure 20. Question 11: Have you tried Asian's tea or coffee

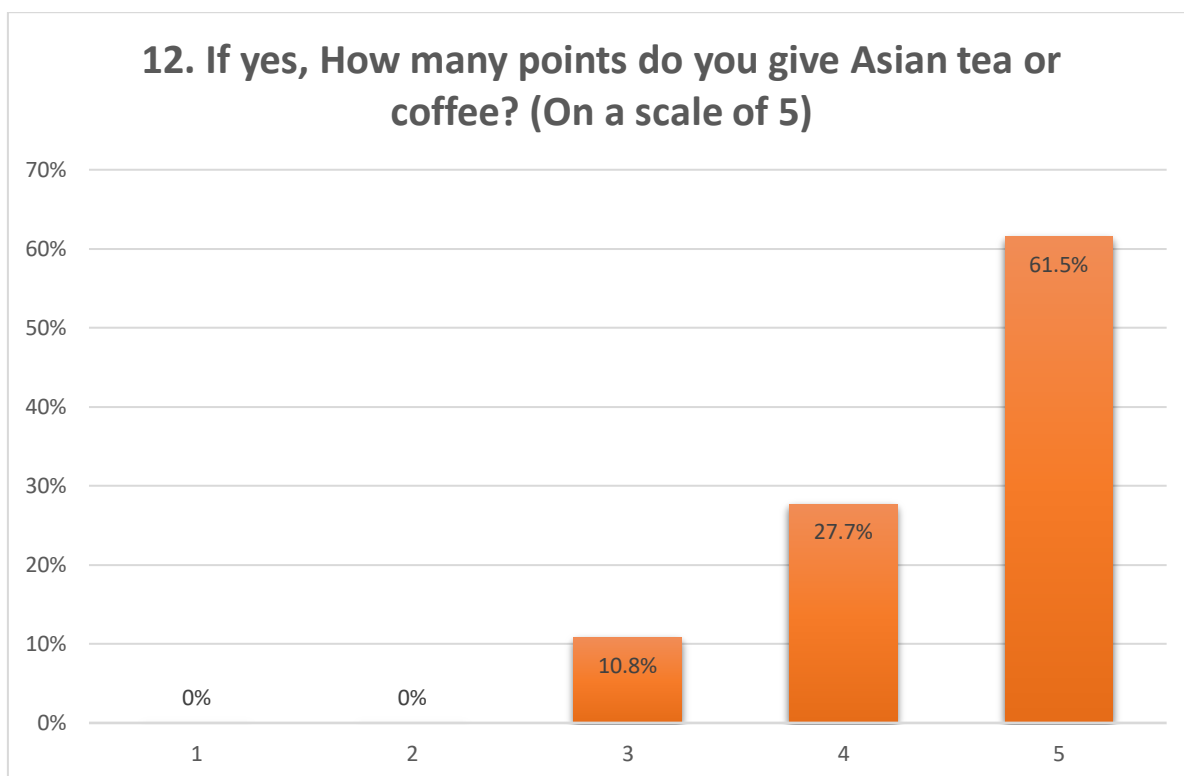


Figure 21. Question 12: Asian tea and coffee rate

These two questions are intended to determine whether Asian food and drinks are familiar to Finnish people, and to give them a firsthand assessment of their experience with Asian tea and coffee. According to the survey results, 80.3% of people have tried Asian tea and coffee and 15.5% do not know whether they have tried it or not. In which, those who have

tried have a good assessment of Asian tea and coffee, 61.5% of people give the maximum score on a 5-point scale in the survey question. This is an advantage for Phuc Long to become one of the first brands that bring Asian tea and coffee to the Finnish market.

The graphs below show the question 13 and 14 results.

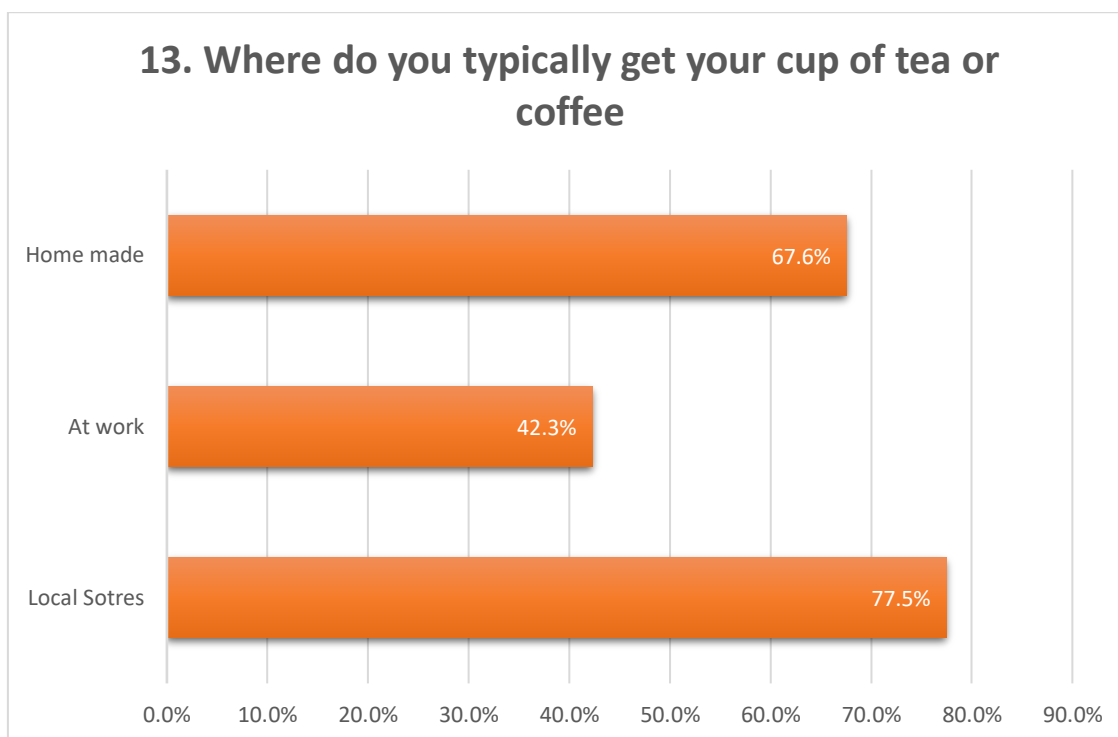


Figure 22. Question 13: Places to get a cup of tea or coffee

14. How often do you drink?

71 câu trả lời

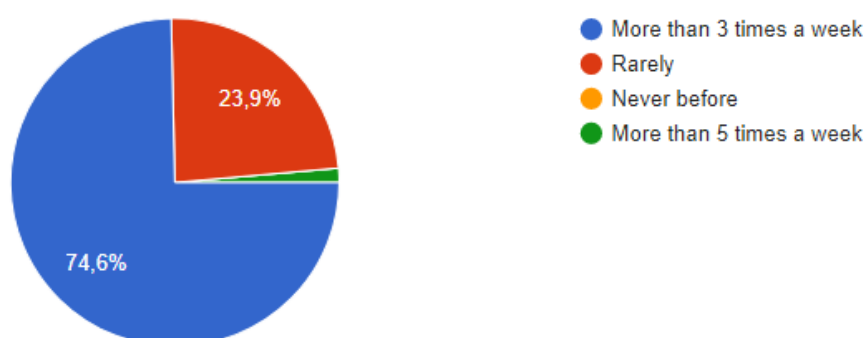


Figure 23. Question 14: Frequency of drinking

The two questions are mainly to see the location and demand for tea and coffee of survey participants. 77.5% drink at local shops, 67.6% make tea and coffee at home and 42.3% do

it at work. Question 14 shows that the demand for tea and coffee in Finland is very high, up to 74.6% of people consuming more than 3 times per week.

The following graphs describe information regarding questions 15.

15. What is your purpose of going out for a cup of coffee or a cup of tea?

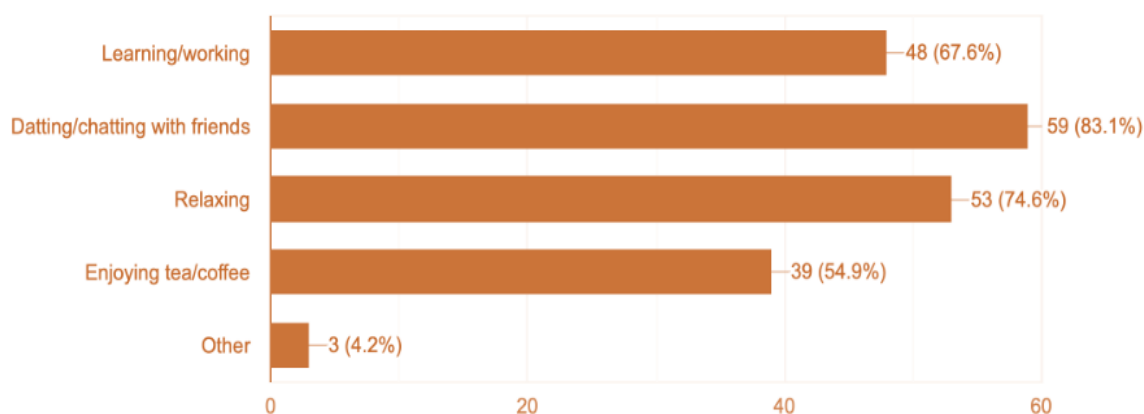


Figure 24. Question 15: Purpose of going out for a cup of tea or coffee

There are 48 work options such as going to a cafe to meet friends, 34 options learning/working, 44 options relax, from which Phuc Long should arrange and arrange a cozy combined space for those who need a relaxing space, and a seat for those who want to focus on work.

The following graphs show information about question 16.

16. How do you find out what's new with tea and coffee?

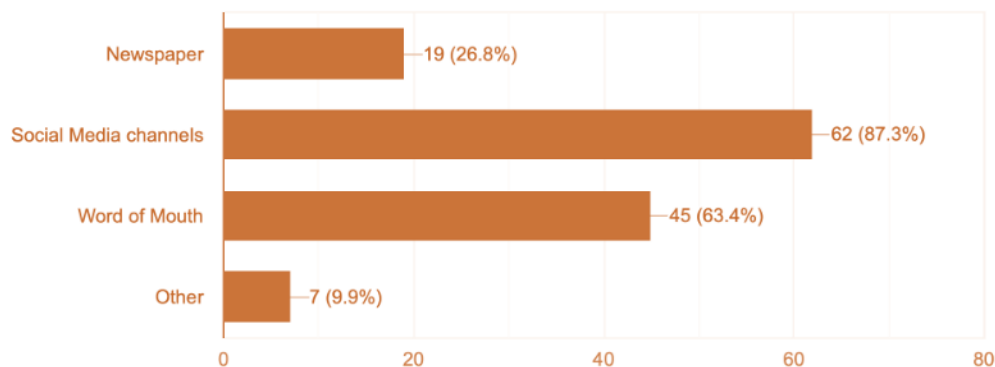


Figure 25. Question 16: Ways to get information about new brand

The survey participants are all very young, so they spend a lot of time on social networks, more than 48 times choose to see ads for tea and coffee on social networking sites. Besides, 33 choices have been heard from friends and relatives, so Phuc Long Coffee & Tea should use forms of marketing and discounts for groups when taking pictures to check-in at the shop.

The following graphs describe information regarding questions 17 and 18.

17. Did you know about Phuc Long Coffee & Tea?

71 câu trả lời

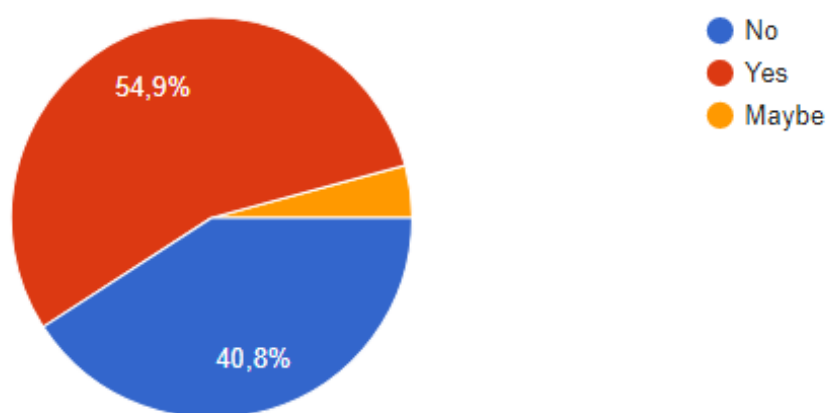


Figure 26. Question 17: Awareness about Phuc Long Coffee & Tea

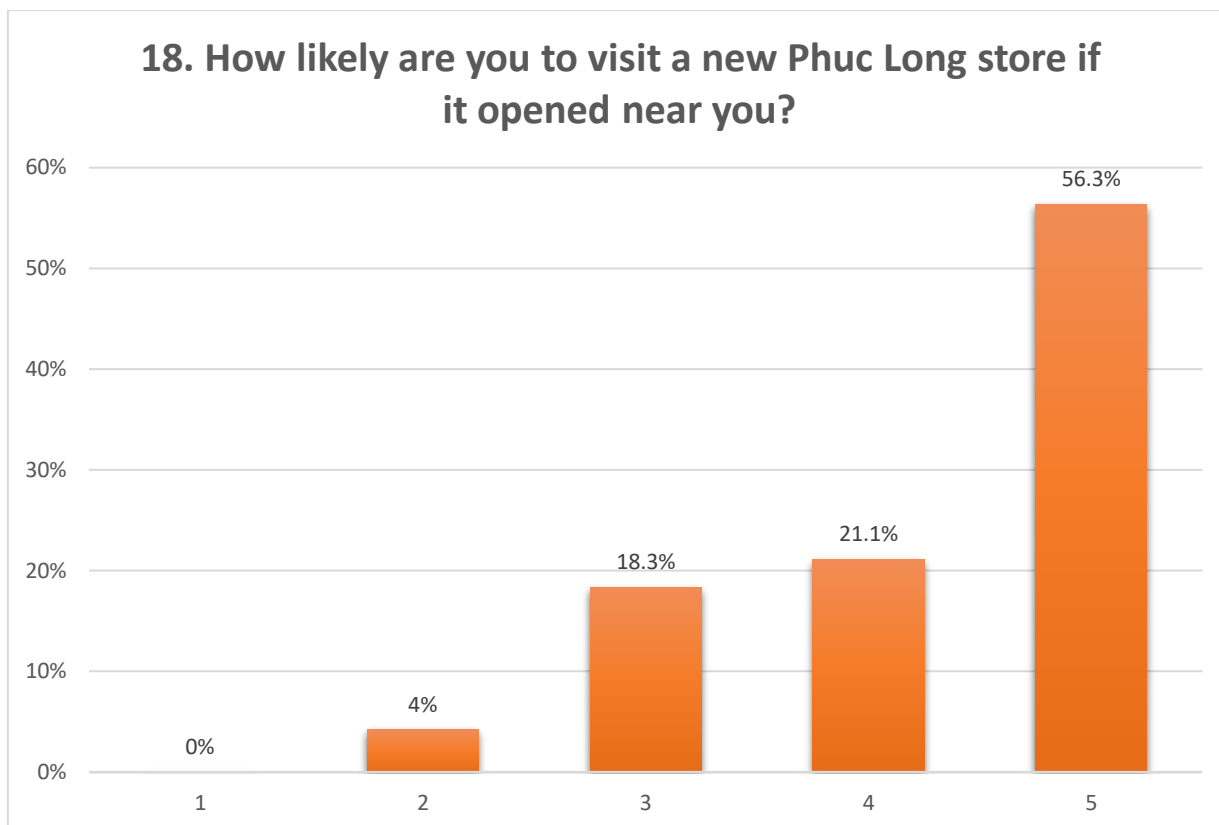


Figure 27. Question 18: Willingness to experience Phuc Long Coffee & Tea

The last two questions are about the brand awareness level of Phuc Long. To know whether Phuc Long is already in everyone's mind or has to build its own brand in a new country. 54.9% of the interviewees said that they knew Phuc Long Coffee & Tea before. 40.8% did not know anything about Phuc Long and the rest did not know if they had heard of it or not. However, although the number of people who do not know about Phuc Long is quite high, they are still willing to visit a store if Phuc Long opens near them.

Interview

The interview took place with the participation of two Finns of two different ages, with the purpose of interviewing to get clearer information about their purchasing views and expectations towards a coffee shop and Tea from Asia. They also provide personal opinions about the current market that the business can use for research.

The first interviewer is called P1, she is 33 years old, from Slovakia but with Finnish citizenship, and has been in Finland for 8 years. She also works as the manager of a restaurant in Helsinki. The second interviewer is called P2, he is 21 years old and a student in Lahti who enjoys going out for coffee with friends.

Both P1 and P2 like a cafe with high personal space, P2 thinks that the space should be spacious for people to gather to study while P1 needs a quiet space to relax and enjoy her personal time. P1 has a hobby of drinking tea to relax, while P2 likes coffee more because he often works late at night.

Regarding the store's menu, P1 says drinks should have multiple levels of caffeine, strong for those in need of energy, light for traditional coffee and be decaffeinated. As for Mr. P2, it is important that the store has a variety of hot and cold drinks, and the price must be consistent with the quality of the drink.

P1 usually orders non-caffeinated drinks when she is out and P2, he often orders smoothies or cappuccinos to sit and sip longer. When asked about the beverage branding approach, P1 replied that a new brand should offer what is familiar to the domestic market, then add something new, which may even take a while for a trial period. P2 recommends that new brands try all channels (social media, paper media), be unique, the uniqueness can be attractive, emphasize that you are an Asian cafe and it's worth to try something special and unusual, new.

Although P2 is a coffee drinker, but he has never consumed Asian coffee and tea, he said he had tried milk tea and was very impressed with its taste. P1 has also never tried Asian tea and coffee, both said they would be happy to give it a try.

When asked if they think the Finnish market is suitable for Asian coffee and tea, both respondents said yes, because Finns love coffee and trying new things, P2 said. that it should open stores in crowded cities like Helsinki, Espoo and Turku to attract customers, P1 thinks that because the pandemic has just been controlled, Phuc Long can enter the market now but P2 thinks that they need to wait until the economy stabilizes and controls the current inflation situation.

5.5 Concept Analysis

The SWOT tool is an effective tool for businesses to use to analyze the internal and external factors of the company to prepare to enter new markets. The four letters in SWOT stand for Strengths, Weaknesses, Opportunities and Threats. The authors will use the SWOT analysis to analyze and evaluate the situation of Phuc Long when entering the Finnish market below. The figure below depicts Phuc Long's SWOT analysis.



Figure 28. SWOT Analysis about Phuc Long Coffee & Tea

Strengths

Phuc Long is a company that has been in the beverage industry for many years, with their own strengths. Firstly, Phuc Long's menu has a wide variety of drinks, although they specialize in tea and coffee, they also have a menu of other popular drinks such as milk tea, iceblend drinks. In addition, when ordering, customers can ask the staff to adjust the drink according to their preferences. In addition, Phuc Long has extensive experience in implementing customer incentive programs and product innovation. And finally, they have a system and partners that provide high quality ingredients but at a very reasonable price, only about 3 euros for 1 cup of coffee.

Weaknesses

Phuc Long's weakness when entering the Finnish market is the low level of brand awareness. Phuc Long may have difficulty building a brand because they still don't have an effective digital marketing campaign while digital marketing in Finland is highly competitive. Besides, Phuc Long is a brand from Asia, so it will take some time to learn the needs and habits of European customers in general and Finland in particular, to adjust the menu accordingly.

Opportunities

To achieve rapid success for a business, it is necessary to take advantage of potential opportunities, especially when entering a new market like this case of Phuc Long. As information has been gathered in the previous section, Finns are familiar with Asian food and beverages, especially they also consume a lot of coffee, which is an opportunity for Phuc Long to join and build a first Vietnamese coffee and tea brand.

Moreover, Finland is a multi-racial country, so if successfully building a brand in Finland, it will be easier for Phuc Long to enter other European countries.

Threats

Like the information gathered in the PESTEL section in the previous section, Finland is in a difficult economic period, the costs of space rental, transportation, electricity, ect are tending to increase and there is no sign to stop. In addition, Phuc Long also has to contend with other established and well-known brands in Finland such as Espresso House, Juhla Mokka, Paulig, ect. Phuc Long needs to have a detailed development plan to compete and operate in this new market. If Phuc Long enters the market now, the price increase of products is inevitable.

6 Conclusion

In this chapter, the authors will present the thesis's concluding point. This thesis will clarify the Finnish food & beverage concerns relevant to the example company's entry into Finland by answering the primary question and sub-questions posed in the thesis. In the section that follows, the authors discuss the study's validity and reliability before offering some ideas for future studies.

6.1 Answers to Research Questions

In Chapter 1, the authors posed the main research question and three sub-question. By responding to those inquiries, the authors inform the case company, Phuc Long Coffee & Tea, on the external factors influencing Phuc Long's entry into Finland. In this chapter, the authors addresses the sub-questions first, followed by the primary questions.

Sub-question 1: How competitive is the food and beverage market in Finland?

Finland's economy is highly industrialized, has a small internal market, and welcomes foreign commerce (Statista 2022). Based on the research Porter's Five Force conducted in this thesis, there are three big brands Coffee House, Robert's Coffee, Wayne's Coffee. However, with the diversification in products of Phuc Long Coffee & Tea, plus being a brand from Asia, the Finnish market is still a potential market. Therefore, international brands will need to work harder to gain market share. Furthermore, the case company has competition from other industries, including those selling canned drinks all of which are very attractive to customers in Finland.

Sub-question 2: Who is the target audience of Phuc Long Cofee & Tea in Finland?

The company's target audience are young people, as was noted previous in the thesis. The survey showed that a little over half (54.9%) of respondents fell into the 18-35 age range. Most young individuals are receptive to new ideas and concepts because of their open mindset. Additionally, the survey's respondents favoured coffee and tea over all other drinks. They said they will stop by a store's grand opening if they happen to be at the mall and happen to notice it. Up to 52.1% of respondents in the survey indicated they would visit a Phuc Long Coffee & Tea store to try the product if it were available in Finland.

Sub-question3: What are the possible risks of entering the Finnish market?

Phuc Long's ability to develop sustainably in Finland may be challenged because of the high level of competition in this small market. In addition, the company will struggle with the potential of replacement products as a result of cultural differences between Asia and

Europe. While the majority of coffee customers in Finland prefer a blend of Arabica and Robusta coffees, it is apparent that the coffee Phuc Long provides is not easy to accept for Finnish coffee consumers. Furthermore, the brand will face significant risk due to the unstable market environment, which is expected to worsen over the period of the next several years. The fact that Phuc Long Coffee & Tea is mostly promoting to young people is also a potential problem because Finland has an aging population.

Main question: Is Finland a potential market for Vietnamese Phuc Long Coffee & Tea shop concept?

Through research on the Finnish market, with its high level of competition, as well as the difference in taste between Asians and Europeans, Phuc Long is able to offer a variety of preferential policies and marketing strategies to encourage the selection of Finland as a destination. Phuc Long Coffee & Tea products mainly revolve around creative tea dishes such as fruit tea, milk tea. Besides, Phuc Long coffee brings a rich flavor, comparable coffee quality thanks to the typical Vietnamese brewing method. However, there are also difficulties that the case company may face. The first difference tastes between Asian and European countries. While the majority of coffee consumers in Finland love the combination of Arabica and Robursta coffees, which provide a fresh, light taste. In addition, the Finnish market has become weaker in 2022, due to the high inflation cause by the war of Russian and Ukraine, energy crisis put pressure to the economic market. Finland economic environment has become unstable, and it is quite unlikely that stability will return within the next few years. Phuc Long Coffee & Tea must conduct additional research about Finland and wait until a more suitable time to enter the Finnish market.

Research Question	Key Findings
How competitive is the food and beverage market in Finland?	High competition (Coffee House, Robert's Coffee, Wayne's Coffee) Phuc Long Coffee & Tea have potential to enter Finland because their signature products
Who is the target audience of Phuc Long Cofee & Tea in Finland?	Young people between the age 18 - 35
What are the possible risks of entering the Finnish market?	Difference flavour because of difference culture

	Unstable market environment
Is Finland a potential market for Vietnamese Phuc Long Coffee & Tea shop concept?	Interest and demand high Not a suitable time to enter

Table 2. Research question and key findings

6.2 Validity and Reliability

This thesis collects information from both primary and secondary sources. The authors conduct an analysis of the idea using data and insights from recent studies. Secondary data is cited from reliable sources such as printed books, papers, reports. On the other hand, the author does primary research by examining survey responses.

The survey's results were documented and evaluated thoroughly to guarantee their validity as original data. Therefore, the results obtained are reliable. However, generalizing these findings to a larger group may be problematic due to the study's small sample size. In general, the thesis and results are deemed valid and credible.

6.3 Suggestions for Further Research

This research does not provide enough data for Phuc Long to launch and sustain a successful operation in Finland. Phuc Long, on the other hand, might consult it while entering the Finnish market. Below, the author suggested some directions for future study.

The purpose of this research is to determine if Finland could be a good market for the case company. However, the author team only targets young consumers. Phuc Long should undertake more extensive study on distinct client segments. In addition, if the company intends to join the Finnish market, it is necessary to perform more research on possible strategies of market entry. Phuc Long, in order to be successful in a new country, needs to learn more about consumer consumption habits so that it may adapt the menu to appeal to the greatest number of people. Consequently, due to regional and cultural differences, further product research is required. In addition, as business procedures differ from nation to country, it is essential that the company do some study on doing business in Finland, including factors in the process such as taxes, labor, permits, contracts, etc.

7 Summary

This thesis's purpose is to study whether the Food and Beverage market in Finland is suitable for Phuc Long Coffee & Tea to participate in. After researching and collecting information, the research questions will be answered in section 6.1 with one main question "Is Finland a potential market for Vietnamese Phuc Long Coffee & Tea shop concept?" and 3 sub-questions to support and clarify the answer to the main research question: "How competitive is the food and beverage market in Finland?"; "Who is the target audience of Phuc Long Coffee & Tea in Finland?"; and "What are the possible risks of entering the Finnish market?". To answer all these research questions, the authors used and researched primary data collected through surveys and interviews, and used and studied secondary data collected by the authors from electronic and printed sources.

This essay opens with the context of the state of coffee and tea exports and consumption in Finland, followed by a more in-depth introduction to the process and direction of the essay, research methods and data collection introduced in the first part, followed by an explanation of the structure of the thesis. Part 2 discusses the concept of internationalization and Hollensen's model and the concept of internal and external analysis of the target market.

After the theoretical framework of the internationalization process in Part 2. Part 3 will introduce the SWOT tool used to analyze the internal and external situation of the company and the methods that the author uses for analysis at the internationalization level, Macro level and Industry level. In the following, we will continue with the introduction and analysis of values from the case of Phuc Long Coffee & Tea Company.

Then we continue with the market analysis and data collection. In these chapters, all information from the research, survey and interview will be given to support the final part of answering the research questions. In the final part, all research questions will be answered and conclusions will be drawn.

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APPENDICES

Appendix 1: Survey Questionnaire

Question 1: What is your gender?

- Male
- Female
- Others

Question 2: How about your age?

- 18-25
- 26-35
- Above 35

Question 3: Which city do you live?

- Helsinki
- Lahti
- Other city in Finland

Question 4: What is your occupation?

- Students
- Office workers
- Laborers
- Others

Question 5: How much is your income?

- Less than 500€
- Around 500€-1000€
- From 1000€-2000€
- Above 2000€

Question 6: How much money do you spend on drinks outside on a monthly basis?

- Less than 50€
- Around 50€-150€
- More than 150€

Question 7: What kind of drink are you likely to consume?

- Juice
- Tea
- Coffee
- Milk
- Other

Question 8: Do you need a special occasion to go out?

- Yes
- No

Question 9: What factors influence your decision to purchase a beverage? (On an increasing scale from 1 to 6)

- Taste
- Price
- Uniqueness
- Location
- Brand
- Other

Question 10: How familiar are you with Asian food and drinks? (On a scale of 5)

- 1
- 2
- 3
- 4
- 5

Question 11: Have you tried Asian's tea or coffee?

- Yes
- No
- Maybe

Question 12: If yes, how many points do you give Asian tea or coffee? (On a scale of 5)

- 1
- 2
- 3
- 4
- 5

Question 13: Where do you typically get your cup of tea or coffee?

- Homemade
- At work
- Local Stores

Question 14: How often do you drink?

- More than 3 times a week
- Rarely
- Never before
- More than 5 times a week

Question 15: What is your purpose of going out for a cup of coffee or a cup of tea?

- Learning/ working
- Dating/ chatting with friends
- Relaxing
- Enjoying tea/coffee
- Other

Question 16: How do you find out what's new with tea and coffee?

- Newspaper
- Social Media channels
- Word of Mouth
- Other

Question 17: Did you know about Phuc Long Coffee & Tea?

- Yes
- No
- Maybe

Question 18: How likely are you to visit a new Phuc Long store if it opened near you? (On a scale of 5)

- 1
- 2
- 3
- 4
- 5

Appendix 2: Interviews Question

1. Can you tell me about yourself and your favorite non-alcoholic drink?
2. What is your ideal cafe environment? can you tell me why?
3. What do you think a good menu should have?
4. What do you usually have when comes to coffee?
5. What do you think an Asian coffee & tea brand can do to build up its brand awareness?
6. What do you think about Asian coffee & tea?
7. Do you think Finland is a good market for an Asian coffee & tea brand to come in?
8. If yes. Do you think they can come in right now or later?

If no. Can you tell me why?