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MSC. IN ORGANIZATIONAL INNOVATION AND ENTREPRENEURSHIP

FOREIGN ENTREPRENEURSHIP IN DENMARK

WHAT ARE THE CHALLENGES THAT IMMIGRANT ENTREPRENEURS FACE?

A MASTER THESIS BY GOR ZHAMHARYAN, STUDENT NR. 115579

SUPERVISOR: VALERIA GIACOMIN

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ABSTRACT

The purpose of this thesis is to investigate and analyze the immigrant entrepreneurship and the challenges that foreign entrepreneurs face while conducting business in Denmark. There are two main ideas behind this thesis: increased number of immigrants in Denmark during the last 5 years and limited number of studies conducted on the topic of ethnic/immigrant entrepreneurship in Denmark. Based on a literature review on immigrant entrepreneurship in the US, Europe and Denmark as well as the liability of foreignness and CAGE distance framework, qualitative research with 12 semi-structured interviews was conducted with 12 immigrant entrepreneurs located in Copenhagen. Analysis of the data collected demonstrated that the immigrant entrepreneurship in Denmark has commonalities with the studies on the topic of European foreign entrepreneurship. Nevertheless, the tendency of internationalization and creation of immigrant entrepreneurial "communities" which are not based on the ethnicity was noticed. Furthermore, the analysis showed that the main challenges are common to the ones described in the literature (financing, communication and labor market, regulations), however, some Denmark-specific challenges were found as well, such as building the network from scratch. Last, as the original CAGE Distance framework's determinants were not applicable from the perspective of the individual immigrant entrepreneur – new determinants for the unilateral analysis of the country's distance were proposed based on the analysis of the challenges as well as the business traits of Danes. Nevertheless, further research is recommended with larger sample pool including also immigrant entrepreneurs located in other cities around Denmark, as there is still a deficit in the literature on that topic.

Keywords: foreign entrepreneurship, immigrant entrepreneurship, ethnic entrepreneurship, social capital, Denmark, business culture, challenges

TABLE OF CONTENTS

1. INTRODUCTION

International migration to the OECD countries has increased within the last decades (Boubtane, Dumont, & Rault, 2016). This change is especially visible in the labor market, where between 1997 and 2007 in the US, UK, and some EU countries immigrants contributed to more than 40% of net job developments (Boubtane et. al., 2016). Furthermore, within the next few decades international migration will be the main force of the increase of population and the labor force (Boubtane et. al., 2016; Honig, 2019). According to Honig (2019), immigration has been also related to the entrepreneurship for a long time and many countries try to attract and keep the entrepreneurs to make innovations, provide new job opportunities and to develop the economy. Denmark is no exception. Ranked as one of the best places to create a business (Global Entrepreneurship Index, 2018), there are more than 7000 foreign-owned businesses open in Denmark (Statistics Denmark, 2016) (see Appendix E for 2013-2016 data). Moreover, the number of immigrants in Denmark within the last 5 years increased by more than 23% (Statistics Denmark, 2019). As a result, within the last few decades, Denmark became more internationalized (Statistics Denmark, 2019). However, many immigrant entrepreneurs who come to Denmark can face various challenges related to the development of their own businesses. This master thesis includes the analysis of these business challenges through the lenses of ethnic/immigrant entrepreneurship and the application of the CAGE framework. Nevertheless, as the original CAGE distance framework determinants are applicable well for the big companies which plan to expand their business in foreign markets and want to make a comparison between their home country and the country of export, these determinants are not quite applicable for an individual immigrant entrepreneur who wants to develop a business in a new country. Thus this thesis includes the proposal of new CAGE distance framework determinants, which are more applicable for an immigrant entrepreneur, using the example of Denmark.

1.1. MOTIVATION

The field of ethnic and immigrant entrepreneurship has been a topic which attracted lots of attention in the academia (Ilhan-Nas, Sahin, & Cilingir, 2011). Moreover, according to Honig (2019) positive migration rates in the EU have a good effect on the GDP per capita and, as immigrants are more inclined to become entrepreneurs, immigration helps to develop create new jobs and develop the host economy. In addition to the migrant entrepreneurship, EU has realized the importance of the entrepreneurial skills and has developed various mobility programs for young entrepreneurs, which allow them to get experience in other member country and develop their own business idea (European Commission, 2019). As a result, there are two conclusions: firstly, according to the current academic scholarship, immigration and ethnic entrepreneurship bring positive changes to the economy of the host country and, secondly, EU acknowledges the importance of entrepreneurship for the economic prosperity of the union. Denmark, on the other hand, is an interesting country to make a research on, due to a few reasons: there was an increase in the number of migrants in the recent decade, who come and stay in Denmark and develop their businesses (Statistics Denmark, 2019) and there are lots of various studies on immigrant entrepreneurship and their challenges in the US, Canada and Europe in general, but not as much on Denmark, with its welfare state policies as well as new entrepreneurial policy developments in attracting and retaining foreign entrepreneurs. Moreover, the studies on the immigrant entrepreneurship in Europe are more concentrated towards one specific ethnic group living in one specific area/city, rather than the general research (Baycan-Levent & Nijkamp, 2009).

All this, together with my strong interest in entrepreneurship and people, who are able to create something from scratch in a foreign country (due to my family and personal history), made me investigate the entrepreneurial opportunities in Denmark, what are the challenges, issues and how the business is done in this Nordic country. Furthermore, I have discovered that there are various tools

(such as CAGE distance framework), which are suitable for big companies to assess the country and define if the investment in that economy makes sense (and understand the liability of foreignness), but there is not much for an individual entrepreneur or a small company, which has just started its operations in the uncommon field.

Consequently, the **main research question** of this thesis is following: what are the challenges that foreign entrepreneurs face in Denmark?

In this master thesis, I will answer to the above-mentioned question, by applying the immigrant/ethnic entrepreneurship theory, CAGE distance framework and liability of foreignness and, as a conclusion, provide a framework that can be applied to the ethnic/immigrant entrepreneurs in Denmark to see what are the challenges that they are facing in Denmark as well as to discover generally the immigrant entrepreneurship in Denmark.

1.2. STRUCTURE OF THE THESIS

The structure of the thesis is as follow: the first part introduces the current situation analysis on Denmark from the perspective of an immigrant entrepreneur. It includes the discussion about the entrepreneurial ecosystem of Denmark as well as the country analysis using the PESTEL tool and the Lewis model of dimensions of behavior. The last part of the situation analysis discusses the immigrants and entrepreneurial environment in Copenhagen. Second part of the thesis – the literature review and the theory turns around the discussion of the literature on ethnic/immigrant entrepreneurship in the US, Europe, and Denmark, the challenges that are being faced by immigrant entrepreneurs as well as the liability of foreignness and the CAGE Distance framework is being presented as a base theoretical framework for the master thesis. In addition to that, the overall thesis

framework is presented in the last part of the literature review and the theory. The third part of the thesis turns around the methodology used in the thesis – qualitative research method, semi-structured interviews using the inductive approach for the research. The sample pool is also presented in this part of the thesis. Next, in the fourth part of the thesis – the analysis – the data gathered via semi-structured interviews is grouped and presented. Finally, the last part of the thesis presents the discussion on the topic of foreign entrepreneurship in Denmark, what are the challenges that immigrant entrepreneurs face in Denmark and how the CAGE framework can be adopted to be used by an individual immigrant entrepreneur. The thesis ends with the conclusions and includes the limitations and the possibilities for further research.

2. SITUATION ANALYSIS

According to the national statistics of Denmark (Statistics Denmark, 2019), during the last 5 years, the population of Denmark has increased by more than 2,5% (5,6m in 2015 vs. 5,8m in 2019). The result of this increase is caused mainly by immigrants, who have moved to Denmark within the last 5 years. The number of immigrants in Denmark has increased by more than 24% within the period of 2015-2019 (501,057 in 2015 vs. 607,622 in 2019) (Statistics Denmark, 2019). In the meantime, the population of Copenhagen has increased by more than 9,5%. It is visible from the statistics that there are more than 100,000 foreign citizens, who came and settled in Denmark within the last 5 years. Some of them have created new business ventures in Denmark. According to the national statistics of Denmark (Statistics Denmark, 2016), there are more than 7000 business units which are foreign owned in 2016. To be able to discuss the business challenges that foreign entrepreneurs face in Denmark, it is important to analyze the current situation in Denmark which affects the immigrant entrepreneurship using relevant information on Denmark and entrepreneurship found online as well as a combination of different tools, such as PESTEL and the Lewis model dimensions of behavior. The preference for these particular models is explained later in this chapter. At the end of this chapter, Copenhagen as a separate region of Denmark for business is discussed due to its distinctiveness and the number of foreigners settling in it.

2.1. CURRENT SITUATION IN DENMARK

According to the United Nations (2017), the population of Denmark will increase to 6,3 million people by 2050. These prospects bring new ideas to the Danish economy and as more people will try to settle down in Denmark and face various challenges, some of them might try to start their own businesses. One of the research that helps to understand the current situation of entrepreneurship in Denmark is the Nordic Entrepreneurship Check 2016 by Nordic Innovation (an organization funded

by the Nordic Council of Ministers – official inter-governmental cooperation body of Nordic countries). According to Romanainen et. al. (2016) the Nordic Entrepreneurship Check provides a very descriptive mapping and the analysis of the entrepreneurial ecosystem of the Nordics and compares it against London, Amsterdam, and Berlin. As it also includes interesting data on Denmark, it is a great tool to make a situation analysis of the country from a perspective of the foreign entrepreneur.

According to Romanainen et. al. (2016) Denmark ranks as number 4 in the Global Entrepreneurship Index of 2016 and the population involved in the entrepreneurship has been increasing (see the table below, red line), despite the decrease during the financial crisis of 2008-2010.

Figure 4 Percentage of the population in Finland, Norway, Sweden and Denmark who are involved in entrepreneurial activities, between 2009 and 2014.
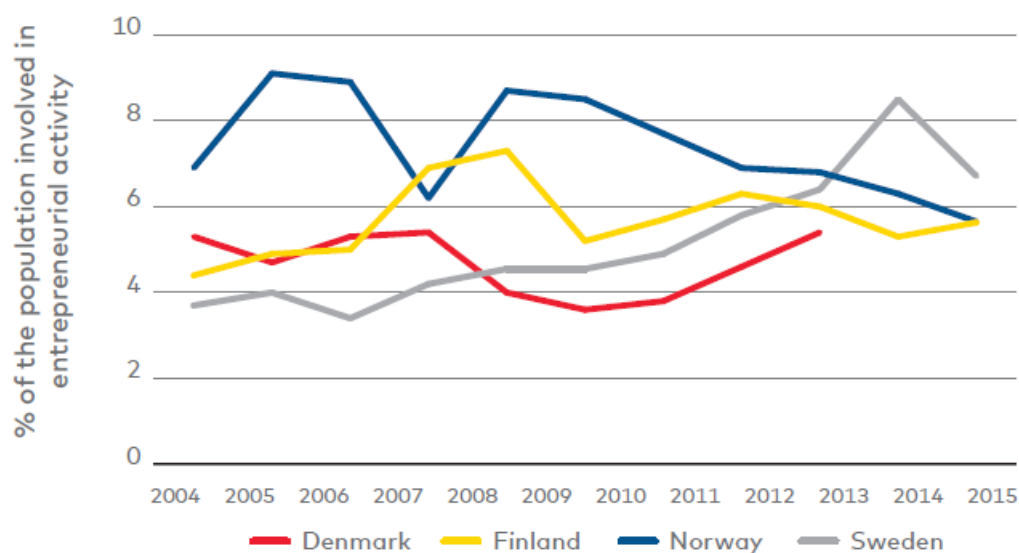
Source: GEM. No data regarding Iceland.

Figure 1. Percentage of the population in the Nordics who are involved in entrepreneurial activities. Retrieved from Nordic Entrepreneurship Check 2016.

Nonetheless, over the last few years, most Nordic countries have adopted new policies regarding education and entrepreneurship (Nordic Entrepreneurship Check, 2016). According to OECD (2008), since 2000 Denmark has also eased up the access to the entrepreneurial education programs. We don't have to go far for such examples in the area of education. Organizational Innovations and Entrepreneurship program at CBS (public university), gives a wide knowledge on the theoretical and practical matter of the entrepreneurial life. The other example would be the Copenhagen School of Entrepreneurship with various student-made startups (not just from CBS) and the push towards the new developments and innovations. Also, there are some courses which combine the students with business background together with students with a technical background (CBS with DTU) and help them to create the new business ventures. In addition to CBS and CSE, there are various organizations (universities, incubators) in other cities in Denmark which provide an entrepreneurial education or support through finances, events, networking, etc. For a foreigner, who wants to start his/her own business, education can be a good path, which can help to get access to the Danish market and get acquainted with the local rules and people.

Nevertheless, these and other support programs are only a part of the whole country performance on the entrepreneurial level and to see the whole picture, the Global Entrepreneurship Development Institute (2016) has made a chart on overall country performance of Denmark, Iceland, Norway, Finland and Sweden, where each country was compared between each other. The summary chart by the Global Development Institute (2016) is presented in Figure 2 below, Denmark on this figure is marked in red. It is visible that Denmark, in comparison to the other Nordic countries, performs well in product innovation, competition, human capital, opportunity start-up, and many other aspects, however, it does not perform well in the internationalization (an important aspect for the thesis) and the startup skills.

Figure 5 Country performance.
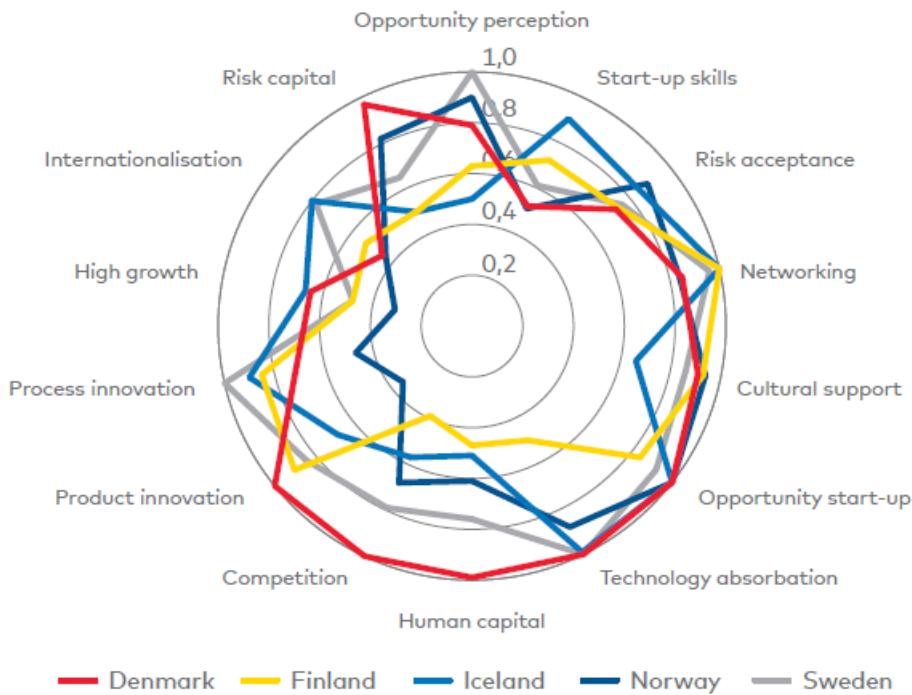
Source: GEDI(2016), Data explorer. Available at: http://thegedi.org/tool/

Figure 2. Nordic countries performance. Retrieved from Nordic Entrepreneurship Check 2016.

Nevertheless, it is also interesting to see how Denmark performs in comparison to a country, which has a high number of immigrants and immigrant entrepreneurs – US. As it is visible from Figure 3 below, the US (in black) is performing quite well in many aspects, especially in internationalization, cultural support, risk capital, and opportunity perception. Denmark, on the other side, has different dynamics: less internationalized, less rapid growth, but better in networking, opportunity perception and startup. As it is visible from both charts (Denmark vs. Nordics and Denmark vs. the US), Denmark does not perform well in internationalization and, as immigrant entrepreneurship is directly related to the internationalization, there is a question on why it happens and what are the challenges that these entrepreneurs are facing.
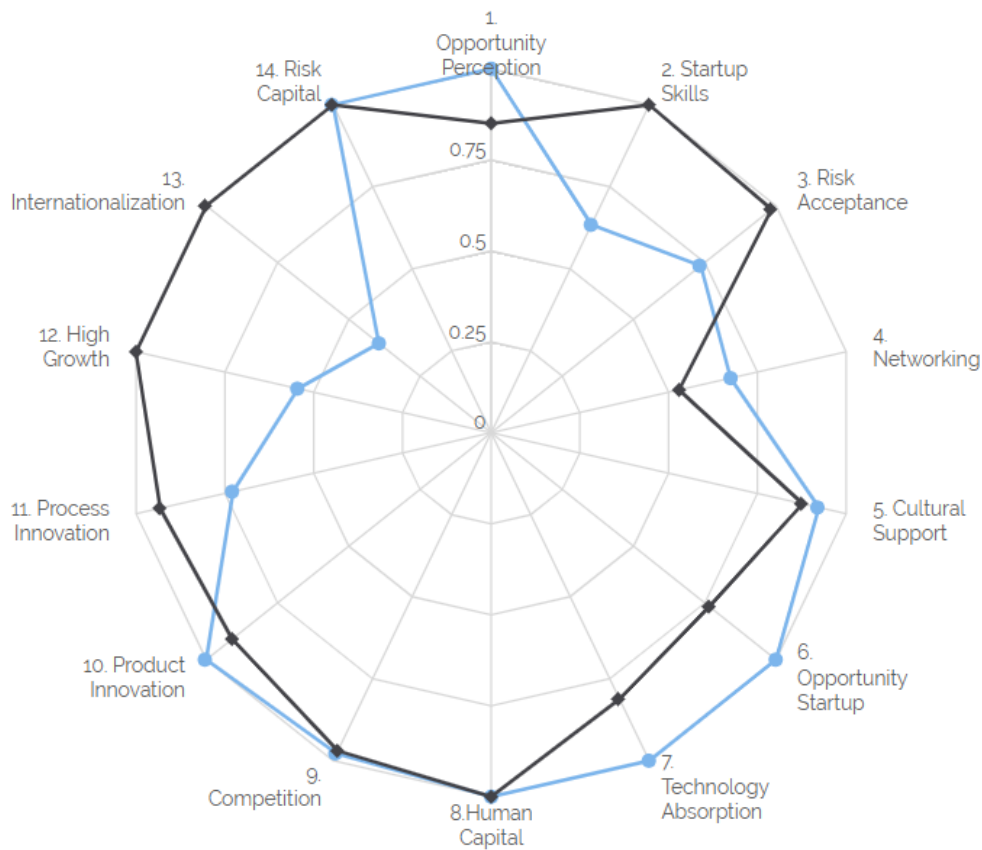
Figure 3. Denmark (blue) vs. US (black) entrepreneurship performance (2017). Retrieved from:

https://thegedi.org/tool/

Still, talking about the institutional background of Denmark, Danish public authorities have established several agencies, which are directly targeted towards foreigners. One of them is called "Copenhagen Capacity", which is promoting and attracting foreign capital to Greater Copenhagen Area (including south of Sweden) and providing full support in establishing foreign businesses in Denmark. Another agency is called "Invest in Denmark" (there are many analogs in other countries, i.e. in Lithuania "Invest Lithuania"), which attracts FDI to the country (i.e. a case presented by them: "Cisco chooses Copenhagen to build tomorrow's cities", which tells about a Copenhagen Solutions Lab – a street laboratory, which aims to create a sustainable city by using smart city solutions).

Lastly, the Danish tax system. Denmark, as it is a welfare state, is known from its high taxes as well as the challenging tax legislation. Saldsieder & Hoag (2014) agree with such claims in their research as this can lead to negative associations with Denmark and might scare-off potential foreign entrepreneurs. Nevertheless, as Denmark has established a "flexicurity" system, which allows to hire and fire employees easily, it can balance the high-tax rate. To help to expand the research on the current situation analysis, PESTEL is used in the next chapter.

2.2. PESTEL

According to Sammut-Bonnici and Galea (2015), PEST is used for analyzing the strategic risk and identifying the changes and effects of the external macro environment on the competitiveness of the company. In addition to that, PEST helps to increase the awareness of the external environment (Sammut-Bonnici and Galea, 2015). As this thesis is intended to find out about the challenges that foreign entrepreneurs face in Denmark, PESTEL (a variation of PEST) tool is a great way to introduce, analyze and expand the knowledge on Denmark's political, economic, social and legal situation from a perspective of an immigrant entrepreneur (counting it as a firm, which is planning to open a business in Denmark). In addition to that, PESTEL analysis will allow to make a future connection with the data, gathered via the semi-structured interviews. Nevertheless, in this case, only the relevant parts for this thesis of the PESTEL (except for environmental) tool are being used. These facts are added up with the new research on the Nordics entrepreneurial ecosystem cluster and facts that can be found online.

Political. Denmark is considered a democratic and liberal country, which has a low level of corruption among the governmental officials and favorable laws towards establishing new businesses. In addition to that, according to the Danish Business Authority (2018), the public agency has established

help portals like "Virk Startvaekst" for new entrepreneurs (these portals are only in Danish). Nevertheless, they have also established a portal "Business in Denmark", which is fully in English and provides the information about rules and laws of doing business in Denmark and is targeted towards the EU citizens. For non-EU citizens, on the other hand, there is a scheme called "Startup Denmark", which grants visas, residence permits, helps with relocation, on the basis of a business idea. These cases, as well as previously mentioned agencies, can be considered an act towards the entrepreneurship-favorable policy of the country.

Economical. According to the OECD (2016), the Danish economy ranks as the fifth-most productive in the world while being the second-fewest hours actually worked (see Figure 4). Together with high-wages, Denmark manages to establish a favorable scene for the entrepreneurs to make efficient use of all the resources in the most productive way. On the other hand, it is also worth mentioning that many Danish companies establish subsidiaries in cheaper countries (such as Baltic states), where they can get high-quality employees for a cheaper price, as work in Denmark is quite expensive. According to the Eurostat (2018), Denmark has the highest estimated hourly labor costs in the EU (43,5 EUR/h in DK vs. 27,4 EUR/h as average in the EU – see Figure 5).

GDP per hour worked Total, US dollars, 2016
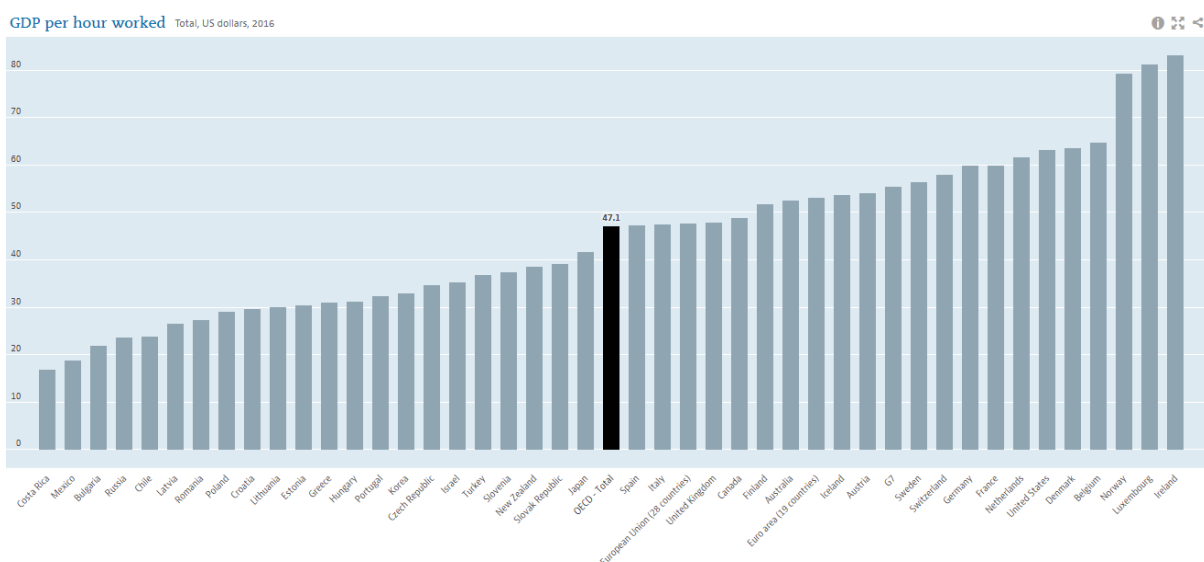
Figure 4. OECD chart "GDP per hour worked" – Denmark is the 5th from the right. Retrieved from

https://data.oecd.org/chart/5bqP

Estimated hourly labour costs, 2018
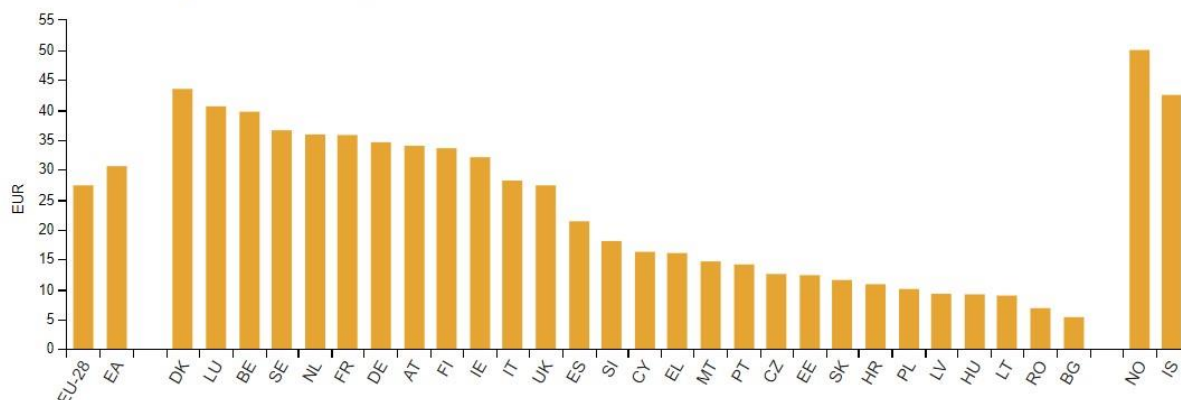
Figure 5. Eurostat chart "Estimated hourly labor costs, 2018) – Denmark is the 1st. Retrieved from:

https://ec.europa.eu/eurostat/statistics-explained/index.php/Hourly_labour_costs

Danes also enjoy the high standard of living (Theodora.com, 2019) together with the welfare state policy of the Danish government and all parties. In addition to that, Denmark's GDP annual growth in 2017 is 2.24% (World Bank, 2017). Growing economy and low unemployment rate (5.8% - Eurostat, 2018) can cause a problem for the future entrepreneurs in finding the right talent for their work, however considering the facts of growing population and the economy of Denmark the economic environment can be considered favorable.

Social. The population of Denmark consists of 5.6 million people (as of 2018). As it was mentioned before, it is predicted that by 2050 the population of Denmark will increase by 0.5 million people (United Nations, 2017). Nevertheless, the number of immigrants is especially interesting for the purposes of this thesis. According to the Statistics Denmark (2019), at Q1 there are in total more than

600.000 immigrants living in Denmark, out of which 259.000 coming from "Western countries" (EEA, Switzerland, US, Canada, New Zealand, Australia) and the rest from "Non-western countries" (see the table in the Appendix C). The reasons for granting the residence permits are various, however during the last year (2018), there were in total more than 14000 work-permits granted for Non-EU citizens and more than 20000 for EU-citizens (as wage-earners, including the entrepreneurs). Last, but not least, the number of emigrants from Denmark has been slowly decreasing since 2007 (24150 in 2007 vs. 21006 in 2017) (Statista, 2018).

Number of emigrants from Denmark from 2007 to 2017

Source
Statistics Denmark
© Statista 2018

Additional Information:
Denmark; 2007 to 2017

Figure 6. Number of emigrants from Denmark (Statista, 2018).

Technological. Technological advancement in Denmark opens various opportunities for the new businesses regarding the registration and communication with the authorities. Registering a firm can
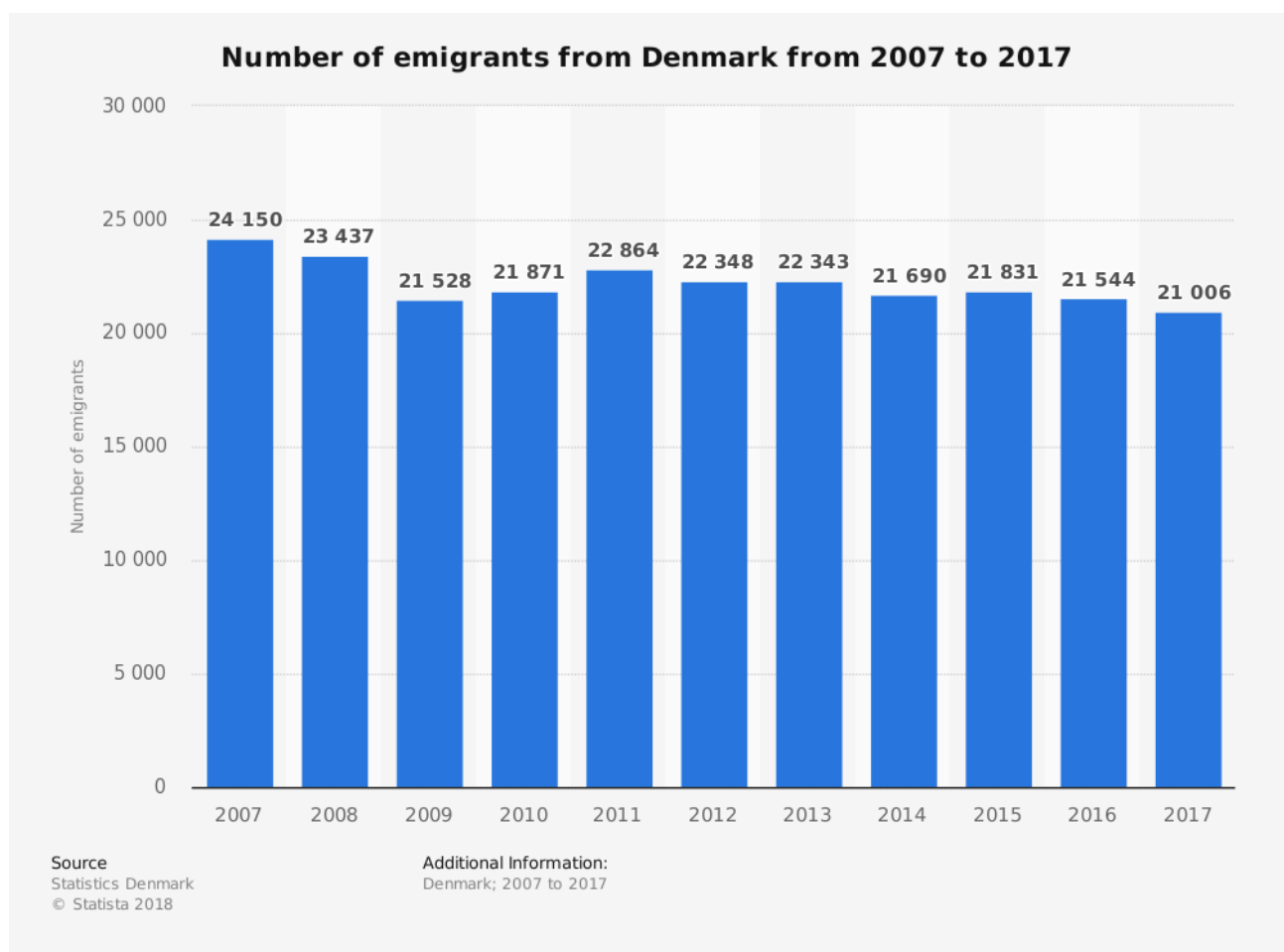
be done online within a few hours (provided all the documents are in place). New entrepreneurs have to decide what type of company he/she wants to open (ApS – private limited liability company or A/S – public limited liability company and there are also other types of companies possible to open in Denmark, but with full liability), when decided – register on the online electronic registration platform provided by the "Danish Business Authority". In addition to that, all the tax matters as well as the communication is done online through skat.dk (official web-site of Danish Tax Authority) and e-boks.dk (electronic postbox) systems respectively. Moreover, maintaining a bank account is also done electronically through the e-banking systems of the bank.

Legal. Denmark, despite having low bureaucracy rate (compared to other EU countries, such as Germany or France) which allows easily and fast get all the things done through NemID and the use of CPR cards, has quite strict rules for the new people, who want settle in the country. According to Jakobsen, Korpi, & Lorentzen (2018), Denmark has introduced stricter rules on the immigration and labor market integration policies, thus distancing itself from Norway and Sweden. This included social benefits, housing support etc. Moreover, many non-EU citizens have to have a required income, which might not be easy to obtain (although this requirement is valid for other countries as well). According to the Danish Immigration Office (2019), if a person from a non-EU country wants to open up an innovative startup through a Startup Denmark scheme, he/she has to be able to support himself and have 137.076 DKK in the bank account. Nevertheless, if the person has graduated from the Danish university with Master's degree or Ph. D. or has applied through the establishment card scheme, he/she has to have 88.356 DKK for self-support. As for the EU citizens, they have a right to stay in Denmark for up to 6 months until they find a job (they have also to be no burden to the Danish society). Nevertheless, as soon as the foreigner receives the CPR card (social security number), all the public services are easily accessible.

Although PESTEL analysis provides a wide picture of the Danish environment, to get a full overview of Danish society through the perspective of a foreign entrepreneur and a researcher, it is important also to distinguish the cultural characteristics of Danes (how they behave, do business, work, etc.). This identification helps in the further research and makes it easier to get the differences between a foreigner's culture and the Danish culture to be able to discuss the liability of foreignness later in the thesis and compare it to the data gathered. In order to do so, the Lewis model of dimension of behavior is being used in this part of the thesis.

2.3. DANISH PEOPLE & BUSINESS CULTURE

As culture plays an important role in the development of the whole country, it is vital for a foreigner, who wants to establish a business, to understand the core of the behavior of the people in the country as well as the culture, in which the foreigner will operate, if he/she will decide to open a business in the new country. One of the ways to distinguish the culture of a certain country is to conduct specific research using developed cultural frameworks available online. There are 5 models generally used for this type of analysis: Hall's model, Kluckholn's 5 dimensions, Hofstede's 6D cultural dimensions model, Trompenaars' dimensions and the Lewis model dimensions of behavior. For this thesis, the Lewis model is being used to make a full cultural overview.

I have chosen this particular model because it describes national cultures and focuses on values and communication (Gates, Lewis, Bairatchnyi, & Brown, 2009). It works well with the business environment and how cultures deal with various encounters in business, such as management, meetings, leadership and trust (Gates et. al., 2009). In addition to that, this model minimizes the dangers in stereotyping, as for the analysis it takes the individual profile of each country in question

(Gates et. al., 2009). According to Sult (2013), the main disadvantage of the Lewis model is that it is high-level, which can be somewhat restrictive to be able to provide a full overview of all cross-cultural factors. Nevertheless, he also argues that it is one of the most comprehensive tools and it is quite useful for an initial overview of how the cultures are categorized. In addition to that, the Lewis model helps to get a full overview of the Danish business culture together with the data gathered and discussed at the end of the thesis.

Nevertheless, Lewis (2006) decided to plot countries into three different categories: linear-actives, multi-actives, and reactives. Linear-actives are those, who plan, schedule and organize a lot in advance. People is such countries are also patient, quiet, punctual and mind their own business. They are as well unemotional, do not like losing face and quite job-oriented (Lewis, 2006). Such examples are German-speaking countries, US, Central, and Northern Europe (including Scandinavia) to some extent. Multi-actives, on the other hand, are those people, who do many things at once and plan not according to the time, but more according to the importance of the business. They talk a lot, display feelings and are emotional. They are also quite extraverted, not punctual and delegate to the relations (Lewis, 2006). The last category – reactives – are those for whom respect is the most important thing. They are good listeners, react carefully to various proposals, thoughtful, punctual and reacts to the partner. Such cultures are predominantly Asian (Chinese, Japanese), but some European countries can also be identified with such traits (such as Finns) (Lewis, 2006). More characteristics can be found in the Appendix D.
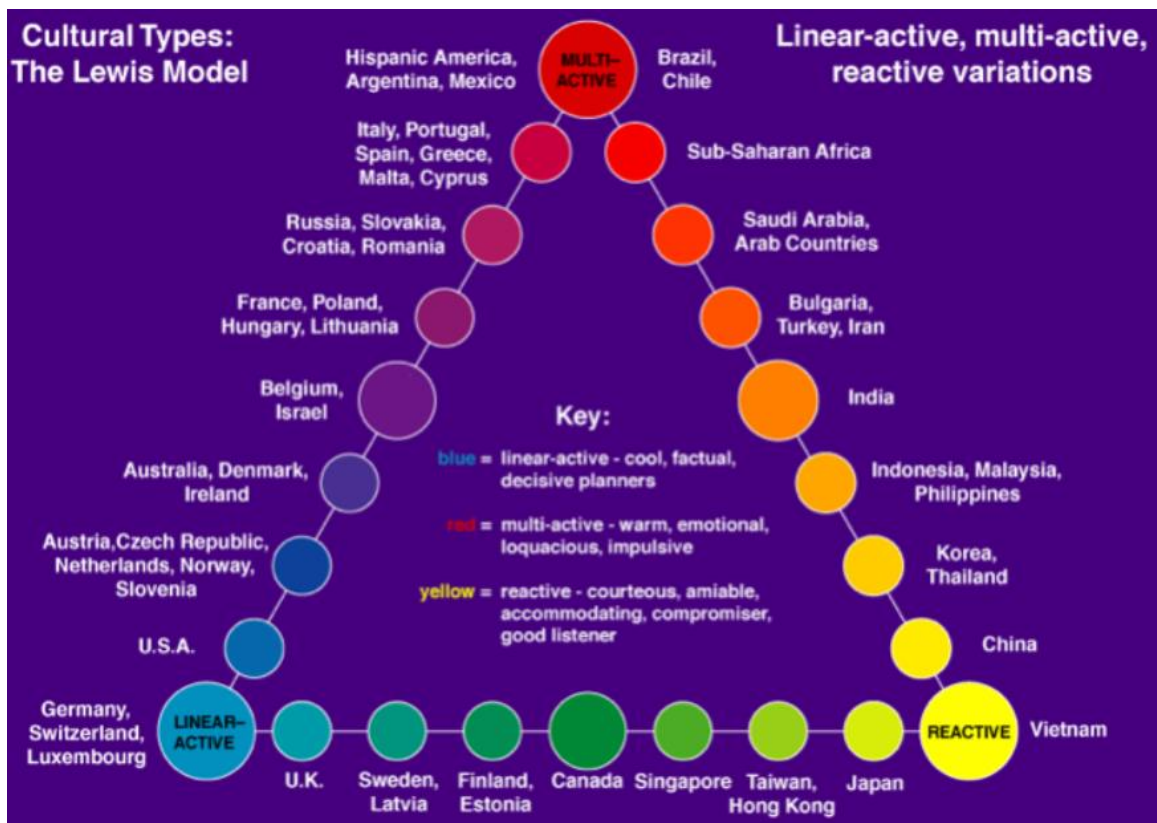
Figure 7. The Lewis Model. Retrieved from https://www.crossculture.com/the-lewis-model-dimensions-of-behaviour/

As it is visible from the model, Denmark is closer to the linear-active group of countries, however, can have some traits from multi-active countries. According to Lewis (2006), in his book he describes Danes as the most communicative, international and easy-going in the whole are of Scandinavia. Danes have certain traits such as being good listeners, quite tolerant and accommodating (Lewis, 2006). He also claims that Danes are used to horizontal communication and do not tend to overwork, as they have short work hours. Last, but not least, according to Lewis (2006), to have a successful communication on the business level with Danes, foreigners must be tolerant and democratic and, at the same time, use humor as a great tool to establish personal communication. As for the wrongdoings, Lewis (2006) suggests not to infringe on anybody's rights, be too serious, showing off and patronizing.

To sum up the current situation analysis of Denmark, we can see that there are more and more immigrants coming and settling in Denmark. In addition to that, Denmark does not do well in the internationalization part of the startup ecosystem and has one of the strictest immigration rules in the whole region of Scandinavia. Nevertheless, as Denmark is ranked as one of the best places in the world for doing business as well as it provides various opportunities for entrepreneurial education, it can be considered as a good place for doing business for immigrant entrepreneurs. In addition to that, Danish culture is not something that is hard to comprehend for foreigners, as Danes like humor, simplicity and being tolerant towards other people's opinions. Last, but not least, low bureaucratic level and administrational burden, openness to international opportunities and businesses, allows Denmark to attract more foreign entrepreneurs into the country. The next part of the situation analysis covers Copenhagen, as it has the biggest number of immigrants as well as an interesting entrepreneurial ecosystem, which is relevant in connection to the data gathered from the interviewees.

2.4. COPENHAGEN & BUSINESS

While previous models made it easy to present the whole Denmark from a country and cultural perspective, Copenhagen must be distinguished in a separate paragraph, as it is the heart of the Danish entrepreneurial scene, which attracts most foreigners and is more open towards innovations and developments. According to the national statistics of Denmark (2019), most of the foreigners settle in the Capital Region of Denmark (more than 270,000 immigrants), following by Middle Jutland (including city of Aarhus) region and then the region of Southern Denmark (including city of Odense) (both region comprising of ~114,000 foreigners each). In addition to that, according to the global AngelList database of startups (2019), 865 out of 1157 startups in Denmark are located in Copenhagen with the average valuation of 3,6M USD.

Most of the startup scene is concentrated around sustainability and tech solutions. Entrepreneurship is fostered in Copenhagen through many means: university students are encouraged to develop their business ideas in the university incubators (such as CSE at CBS) and make collaborations with people with diverse backgrounds, foreigners can access the help of Copenhagen Capacity in terms of opening up a new business and establishing in the city. In addition to that, there are various events organized in Copenhagen, which are related to the entrepreneurship (see Figure 9).

As it was mentioned earlier, most of the foreigners in Denmark can be found in Copenhagen Capital region, as it is the place where foreigners settle, unless they know somebody in different regions in Denmark. As it is visible from Figure 8, Copenhagen as a part of the Capital Region has more than 120,000 foreigners living.

Denmark's municipalities by number of foreign residents.

	20000.0
	40000.0
	60000.0
	80000.0
	100000.0
	120000.0
	140000.0

Includes all residents defined by DST as 'indvandrere' (immigrants) and 'efterkommere' (descendants)
Map: The Local · Source: DST · Get the data · Created with Datawrapper
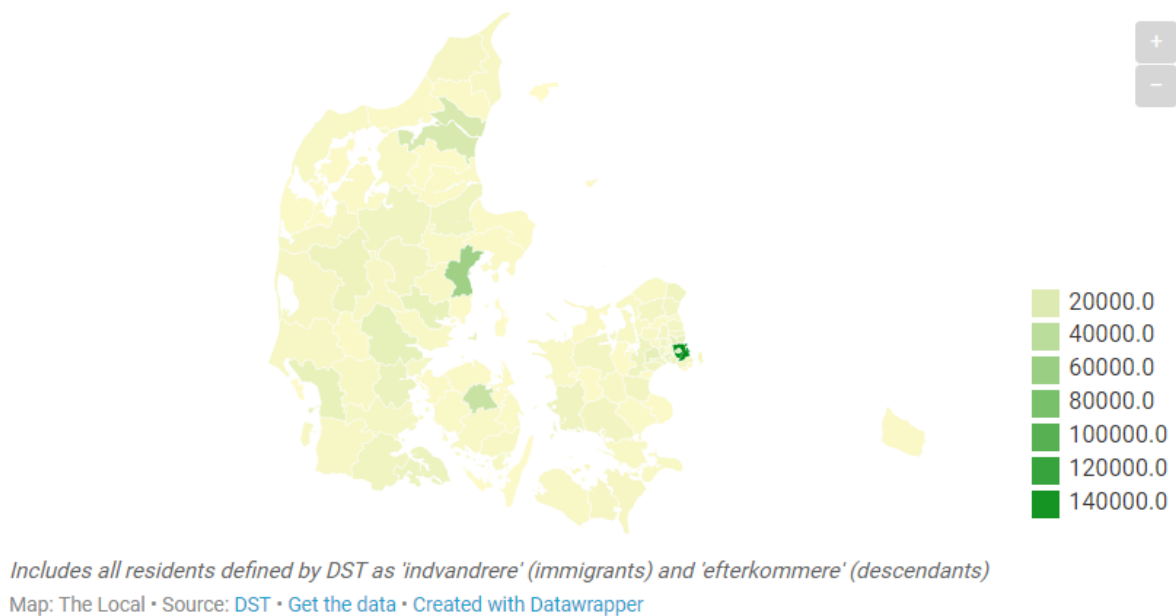
Figure 8. Denmark's municipalities by number of foreign residents (2018). Retrieved from
https://www.thelocal.dk/20180411/heres-where-denmarks-foreign-residents-live-and-where-they-come-from

Moreover, many small businesses, until they are scaled, are located in the coworking spaces, scattered within the Greater Copenhagen Area. Such coworking spaces can be SOHO (located in the Meatpacking District), Symbion (in the Nordvest), Rainmaking Loft (in Christianshavn), CSE (in Frederiksberg) and many more. In addition to that, Copenhagen has several neighborhoods with most immigrant enterprises, such as Nørrebro, Vesterbro and Amagerbro, which are mainly engaged in the food sector (cafeterias, markets, etc.) (Pennix, 2012). All in all, these factors make Copenhagen a special case while analyzing the situation analysis in Denmark and are relevant in the later discussion on the immigrant and ethnic entrepreneurship challenges in Denmark after the literature review and theory.

Figure 9. Current events in Copenhagen (as on 24-03-2019). Retrieved from www.eventbrite.com

3. THEORY AND LITERATURE REVIEW

This part of the thesis contains the literature review and the theory on the ethnic and immigrant entrepreneurship. Section 1 of the literature review and theory analyzes the topic of ethnic/immigrant entrepreneurship. This topic is unfolded further by exploring the immigrant entrepreneurship in the US and Europe. Next, it also includes the causes of immigrant entrepreneurship, their strategies on the entry to the market as well as networking and social capital. Section 2 analyzes the liability of foreignness as well as the challenges of immigrant entrepreneurs. Section 3 of the literature review explores the topic of immigrant entrepreneurship in Denmark. The last section (4) of the literature review and theory analyzes the CAGE framework from a perspective of an individual entrepreneur, expands further into the topic of liability of foreignness and provides a framework for further analysis. All of these topics will help to analyze the research question on "what are the challenges that foreign entrepreneurs face in Denmark?" and find answers to this question.

3.1. IMMIGRANT ENTREPRENEURSHIP

3.1.1 IMMIGRANT ENTREPRENEURSHIP, USA & EUROPE

Ethnic entrepreneurship (or in other words – immigrant entrepreneurship) is an emerging research field in academia and was especially popular in the end of the 20th century (Ilhan-Nas et. al., 2011; Bates, Bradford, & Seamans, 2018). Ilhan-Nas et. al. (2011) state that they have found nearly 300 articles on Google Scholar on the topics of immigrant and minority entrepreneurship. In addition to that, Fairlie, Morelix, & Tareque (2017) state, that the number of minority entrepreneurs in the US has risen from 1996 to 2016. Figure 10 shows that the number of immigrant entrepreneurs in the US has risen from 13.3% to 29.5% in that period of time. Nevertheless, even though that this topic was researched before, it has some limitations – one of them is being a concentration of the vast majority of research on US and Canada and just a few most popular groups, such as Latinos and Chinese

(Brzozowski, 2015). Above-mentioned facts and statements from various social scientists make ethnic entrepreneurship an interesting field, which can be researched more from a perspective of a different country (than the US), especially when the EU constantly faces high unemployment rates and is seeking to foster an economic growth through entrepreneurship (Coelho, Gonçalves, & Remoaldo, 2015).

Figure 4A
Changes in Composition of New Entrepreneurs by Nativity (1996, 2016)

Nativity	1996	2016
Immigrant	13.29%	29.50%
Native-Born	86.71%	70.50%

SOURCE: Kauffman Foundation calculations from CPS.   Kauffman Foundation
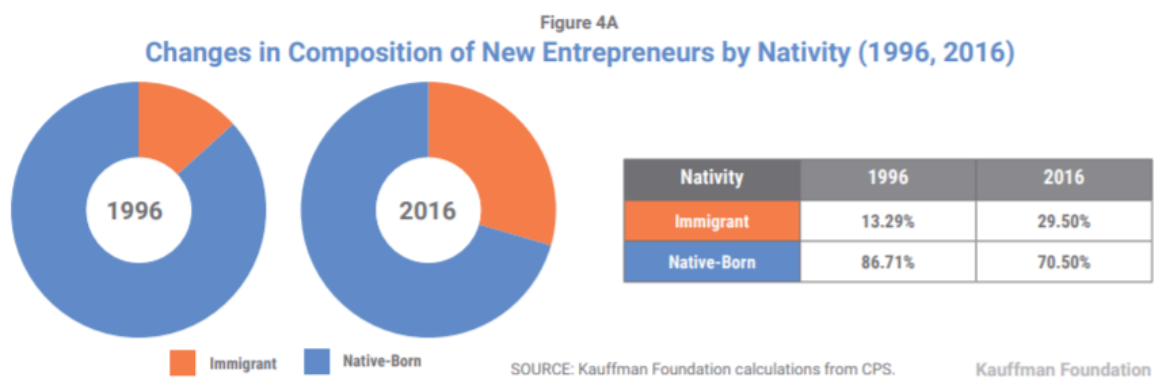
Figure 10. Changes in Composition of New Entrepreneurs by Nativity in the US (Fairlie et. al., 2017)

To continue further, Valdez (2008) defines ethnic entrepreneurship by stating that it is a business ownership among immigrants, ethnic groups or both. This definition is used in this thesis as the operational as it combines ethnic and immigrant entrepreneurship into one definition. In addition to that, as the literature on ethnic entrepreneurship is complex and the concepts of ethnic and immigrant entrepreneurship are often mingled together, those entrepreneurs can be divided into categories derived from their background (where they come from and what they did before) and business (goals, strategies, ways to operate) (Chaganti & Greene, 2002). Nevertheless, ethnic entrepreneurship appears in various countries and cultural settings (Piperopoulos, 2010). According to Piperopoulos (2010), ethnic entrepreneurship is widely considered as a critical element in reviving the small business population in the Western World. Ethnic entrepreneurship brings positive aspects for a host country – immigrants create new jobs, they are making their own future rather than taking welfare

benefits of the host country, import new products and provide services (Rath & Swagerman, 2015), which can increase the competitiveness of the market of the host country. An interesting example for this research is the nail salon industry in the US – more than 40% of that industry licenses are held by Vietnamese (Hoang, 2009). A newer investigation suggests that this number has risen to 50%, in California – 80% (Babcock, 2017). In addition to that, the research done by Anderson (2018) suggests, that 25% of new U.S. businesses are formed by immigrants and 55% of US unicorns (startups that cost more than 1$ billion) have at least one immigrant founder. The research done by the "Partnership for a new American Economy" (2011) reports that 40% of the 2010 Fortune 500 companies in the US were founded by the immigrants or their children and they have a positive impact on the economy by employing more than 3.6 million people. Overall, these numbers show that there is an impact on an economy of the host country (in this case – the US) by the ethnic entrepreneurship.

In comparison to the US, immigration in Europe has different routes. Europe has been shaped by a long history of internal migration, due to the shifts in the political powers throughout the history (Rica, Glitz, & Ortega, 2015). There are two predominant groups of migrants in Europe – internal and external. According to Rica et. al. (2015), after the EU was enlarged in 2004-2007 by 12 new Eastern European states, the number of Eastern European emigrants increased up to 5.3 million in 2011. As for non-European migrants – the number has been also increasing after World War II and as of 2013 reached 52.3 million due to the active labor recruitment and shortages of the workforce. Nevertheless, as the EU has various distinctive members with different laws and flows of migration, it is not easy to distinguish it as in the case of the US. In addition to that, the data and the information of migrant entrepreneurship on the level of EU is limited, as most studies are addressing specific migrant groups in the specific cities (Baycan-Levent & Nijkamp, 2009).

3.1.2 CAUSES OF IMMIGRANT ENTREPRENEURSHIP

To understand the challenges of immigrants while they are creating a new business, we have to see the root (or the causes) of immigrant entrepreneurship. The causes of immigrant entrepreneurship can be different – lack of suitable labor market opportunities, willingness to get richer, investment in the future of the family, cultural attitude and heritage (Piperopoulos, 2010). Zhang & Chun (2018) add that many immigrants turn to entrepreneurship in a new country as it is considered as a more effective way of economic growth and mobility in the host society, as their previous professional skills or education were not valued in the host country. As an example, Zhang & Chun (2018) show a few cases of immigrant entrepreneurs from China in Canada, who have not been able to find a comparable position to their skills, so they have had to turn to the entrepreneurship as a better way of going up on the social ladder of the host country. Nevertheless, for most immigrants, entrepreneurship is a learning process. "Trial and error" is a common approach for immigrants, due to a lack of education in the field of managing business and low financial capital to be able to hire a professional manager (Piperopoulos, 2010). Furthermore, many first-generation immigrants start their businesses in the markets with low-barrier entry. The reasons can be various – starting from the above-mentioned lack of education and ending (most often) with the restricted access to the financial capital that is available to the local population (Rath & Swagerman, 2015). In addition to that, Knight (2015) explains in her research that the cause of the migrant entrepreneur to start a business is complex and cannot be easily divided into categories of necessity or opportunities. Moreover, she claims that the decision to become an entrepreneur cannot be correlated to the education level of the migrants, as mostly the migrants take at the beginning low-skilled jobs and then find an opportunity to make a business with better conditions and benefits (Knight, 2015).

3.1.3 ENTRANCE POINTS AND SETTLING OF IMMIGRANT ENTREPRENEURS

There are various ways immigrant entrepreneurs can enter and settle in a host country. Some of the literature on ethnic entrepreneurship is concentrated and drives upon the importance of the geographical concentration of immigrants (Kollinger & Minniti, 2006). According to Portes & Rumbaut (2014), entrepreneurial minorities tend to settle in larger city areas, where it is possible to find a market to serve (especially within their co-ethnic community) and the labor for business. I.e. according to Sepulveda, Syrett, & Lyon (2008), most of the migrant businesses that were established in between 2000 and 2006 in the UK are in the restaurant and catering, service and retail sectors. Many immigrant entrepreneurs face a challenge at the beginning, whether they have to concentrate on the niche ethnic market or enter the value chain representing the host country's dominant culture (Ndofor & Priem, 2011). There are two main strategies, distinguished by social scientists, on how new immigrant entrepreneurs operate – middleman-minority and enclave (Zhou & Cho, 2010). According to them, middleman minorities are those who trade between the masses and the society's elite. They usually establish businesses in the minority areas (not necessarily their own co-ethnic areas), which don't have a presence of business of the dominant group of that area. On the other hand, enclave entrepreneurs work within the area with the same co-ethnic group (Zhou & Cho, 2010). On the other hand, we have to take into consideration the second generation of ethnic entrepreneurs. I.e. Dongen (2018), states in her research on Chinese entrepreneurs in Belgium and Netherlands, that those people who are already born or have spent a considerable time in Europe are more familiar with the market and are better integrated into the host society. In this case, the expanded knowledge of the local culture helps to enter the trade easier (Dongen, 2018). As the knowledge of the market of the host country comes from the experience and the open-mindedness, an immigrant entrepreneur has to utilize his/her own social capital. Social capital plays an important role in this case, as well as the weak ties as the ethnic entrepreneurship is facilitated by the social capital of the migrants (Valdez,

2008). According to Ahmad & Dimitratos (2017), social networks (or capital) consist of the interpersonal ties between family, friends, ethnic groups, entrepreneurs and managers in any organization. Galbraith, Rodriguez, & Stiles (2007) also add that in the traditional sociological literature, social capital is usually defined as an asset that comes from trust and knowledge in the network of the person. These ties bring various opportunities and possibilities for foreign entrepreneurs. While developing their businesses, they can ask for monetary, advisory or any other kind of help through their social network. The social network of an ethnic entrepreneur usually consists of two parts: the entrepreneurs' personal network and the cultural dimension, where he/she operates and is coming from (Fadahunsi, Smallbone, & Supri, 2000). According to Fadahunsi et. al. (2000), the cultural dimension is basically the "community" and the "family" where the ethnic entrepreneurship is concentrated. Galbraith et. al. (2007) on the other hand, also add that in addition to the social networks, sharing a common language and interaction through known customs creates a higher level of trust and makes it easier to access the information which is spread between the ethnic network.

3.1.4. NETWORKING AND SOCIAL CAPITAL

Networking and social capital play an important role in the entrepreneurial life. "Networking involves calling upon a web of contacts for information, support and assistance" (Dana, Etemad, & Wright, 2015, p. 8). Information, obtained from the various networks, reduces the perceived risks of the entrepreneurs and allows to act on opportunities and develop a strong reputation among various communities (Leite, de Moraes, & Salazar, 2016). Moreover, networking is also beneficial for the society – it encourages competitive behavior and improves the efficiency of it by allowing people within the network to reach the common goals and generate coordinated actions (Turkina & Thai, 2013). In addition to that, networking helps to create "weak ties", which help an individual act and

utilize resources outside his own circle and seek an assistance from a more diverse pool of people (Granovetter, 1973, as cited in Chell & Baines, 2000) According to them, many scholars of entrepreneurship argue that weak tie networking is a fundamental part of entrepreneurial activities and behavior. To understand better the strength of the weak ties for ethnic entrepreneurs, we have to take a look on the research made by Mark Granovetter (1973, 2005), stating that the closest people to an individual tend to get almost the same information as the individual himself, thus limiting the possibilities of getting novel knowledge. Acquaintances, on the other hand, know people and get the knowledge that the individual doesn't know, thus they can get more novel information, which can be valid for an entrepreneur. "Moving in different circles from ours, they connect us to a wider world" (Granovetter, 2005, p. 34). Werbner (1999) also adds that the main strength of the weak ties is their ability to reach and span to various settings, people, groups and classes. Paerregaard (2017) in his research shows three various examples, on how Peruvian entrepreneurs have established their businesses in Spain after moving from their country due to the political situation using strong and weak ties. He states, that strong ties are mainly used to establish their businesses, whereas weak ties are used for getting new customers from a mix of local clients and migrants (Paerregaard, 2017). Nevertheless, weak ties can convert to the strong ties as if there is more communication and trust development between individuals, working together (Antcliff, Saundry, & Stuart, 2007), thus losing the advantages mentioned before. On the other hand, weak ties are not always a good way to get novel information. According to Larson (2017), novel information may not be shared among the individuals due to a lack of trust or unwillingness to share such information among each other. Larson (2017) also adds that ego may be a reason for sharing important information among in the strong ties network, rather than weak ones. Ryan (2011), on the other hand, has made a few observations upon weak ties: not all weak ties are equally valuable, as some of them can bring valuable resources and some are not bringing any. According to Ryan (2011), the lack of economic capital within the poor

neighborhoods can limit networking opportunities, thus making weak ties within that particular community less valuable, than those, which can be discovered outside the ethnic community. Comparing both advantages and disadvantages of weak ties, it is visible that networking within the community as well as outside it is a great factor for the success of immigrant entrepreneurship.

3.2. CHALLENGES OF IMMIGRANT ENTREPRENEURS

3.2.1 LIABILITY OF FOREIGNNESS

One of the most important definitions for this thesis from a perspective of business challenges of immigrant entrepreneurs is Liability of Foreignness. The liability of foreignness (LOF) is defined as additional costs which are incurred for foreign companies operating in the foreign (for them) market, that the local companies would not incur (Zaheer, 1995, 2002). Nevertheless, Zaheer (2002) also claims that LOF is quite relative to what a local firm can experience and states that "local" does not mean "domestic", as a local firm could be a part of a multinational network and have a bigger competitive advantage than the foreign company. In addition to that Bell, Filatotchev, & Rasheed (2012) state that foreign companies usually have a competitive disadvantage to the local firms due to the lack of knowledge about the economy, language, culture, social preferences, and local regulations. Further, there are three main challenges faced by ethnic immigrant entrepreneurs – access to finance, communication skills and the labor market and the regulations (Rahman, Ullah, & Thompson, 2018).

3.2.2 FINANCE CHALLENGE

The access to finance, which was briefly mentioned previously, is a big challenge faced by entrepreneurs. To be more precise, Bruder, Neuberger, & Räthke-Döppner (2011) point to a survey of 40,000 people made in Germany by Lehnert (2003) which had results that showed that ethnic entrepreneurs tend to have various obstacles and difficulties while getting external financing, despite the fact that they have been twice as much inclined as natives to found new firms. This is also proven

by Mestres (2010), who states that migrants in the OECD countries are slightly more entrepreneurial than natives. On the other hand, Deakins, Smallbone, Ishaq, Whittam, & Wyper (2005) suggest that most ethnically (non-white) owned enterprises in the US are inclined to use their personal and community finances to run their businesses instead of formal banking system, due to the bad language skills, fear of debt, lack of confidence to approach banks and other personal obstacles (Bruder et. al., 2011; Sepulveda et. al., 2008). These findings show that whether the external financing problems can be solved, depend vastly on the individuals' personal traits and skills.

3.2.3 COMMUNICATION AND LABOR MARKET CHALLENGE

Communication skills and the labor market is the second challenge, that was mentioned previously and is acclaimed in several studies (Rahman et. al., 2018). According to Rahman et. al. (2018), the communication barrier can be one of the reasons for creating new business ventures by serving their own ethnical communities, where there are no language barriers. Moreover, in their findings, they came into conclusion that it is very challenging to hire new staff, as they can only pay the minimum or above minimum wages. Kloosterman (2010) also states that human capital is an important factor while expanding the business and can be helpful in leaving the highly competitive low-entry level markets by hiring high-skilled migrants. Nevertheless, to be able to break from the microsphere of the co-ethnical group, immigrant entrepreneurs have to be able to reduce their dependency on the social capital and the resources, which are provided by the ethnic group that they belong to (Jones et. al., 2014).

3.2.4. REGULATIONS CHALLENGE

The last challenge is the regulations in the host country (Rahman et. al., 2018). According to Coelho et. al. (2015), the government controls the enterprises by different means: through laws and rules as well as the governmental agencies, which monitor the business activities within a country. Taxes are

also imposing constraints on all entrepreneurial activities (Jevsnik & Hacin, 2011). Nevertheless, there are some differences between a regulatory welfare state (like most countries in EU, even though there are differences between Nordics and Central Europe) and more liberal welfare state model (like in the USA), which can influence the ethnic entrepreneurship in one way or another. According to Jevsnik & Hacin (2011), the less regulated American market has easier access for the ethnic entrepreneurs, rather than European, as it has more barriers to entry for entrepreneurs into small-business activities through protectoral rules, bureaucratic constraints and high taxation (which keeps the welfare state functioning). Nevertheless, the above-mentioned access to the American market is valid only if the immigrants have all required documents, i.e. visas. On the other hand, Jevsnik & Hacin (2011) also add that European countries see the need for new entrepreneurial activities and have adapted supportive mechanisms for such ethnic entrepreneurs. Nevertheless, the newer research of Rath & Swagerman (2015) claims that ethnic entrepreneurship does not play a big role in the strategy supporting the integration of newcomers in Europe (i.e. in Denmark there were only 3 policy measures and support schemes for the population of 389.000 immigrants in 2015).

3.3. IMMIGRANT ENTREPRENEURSHIP IN DENMARK

Denmark has a low share of immigrants (around 6%) out of which 5.1% are self-employed (Baycan-Levent & Nijkamp, 2009). According to their research, 31% of self-employed immigrants run a hotel or a restaurant, while 34% are engaged in retail. Bager & Rezaei (2001) also state that most immigrant businesses in Denmark are small family-owned firms, the majority of which do not grow. In addition to that, many immigrant businesses are located within the Greater Copenhagen area, although some immigrants tend to also settle in smaller places like Aarhus or rural areas (Bager & Rezaei, 2001). Penninx (2012) also adds that self-employment and entrepreneurship by immigrants is stronger than in the rest of Denmark. Immigrant businesses are mainly concentrated in Copenhagen's old working-

class areas, such as Nørrebro (Pennix, 2012). In addition to that, new sectors have been developed among immigrants in Denmark – jewelry, communication and IT services, cleaning service, cafes and bars. Nevertheless, according to Rezaei (2007), revenues of ethnic entrepreneurs were on average lower in 2002 that the income of those who are working as employees. Pennix (2012) adds, that the main problem for ethnic entrepreneurs in Denmark is a lack of knowledge of Danish language, Danish regulations and how to correctly organize a business in Denmark. For these purposes, Denmark has adopted new projects targeted at ethnic entrepreneurs, to tackle the problems mentioned earlier (OECD, 2013). One of such projects – ethnic coach for ethnic minority entrepreneurs – helps to build personal relationships between ethnic entrepreneurs and professional coaches and counselors, making it easier for immigrants to get help and successfully operate their businesses in Denmark (OECD, 2013). According to OECD (2013), the main idea of the program is to utilize the ethnic social network and provide help by using advisors who come from the same cultural background. These initiatives, among the others targeted on the startups, are helping the Danish economy to use the potential of migrants in the country and reduce the dependency on welfare support. Nevertheless, as the literature on the immigrant entrepreneurship as well as the challenges in Denmark is limited – a further analysis is required. To make an analysis of the challenges full – CAGE distance framework, as well as its limited effectiveness from the perspective of a foreign entrepreneur, is analyzed in the next section.

3.4. CAGE FRAMEWORK AND LIABILITY OF FOREIGNNESS

CAGE distance framework was first introduced by Pankaj Ghemawat in 2001 and is used to identify differences and distances between countries that companies have to address while conducting business in a new market (Ghemawat, 2012). While this framework is mainly being used to make a bilateral comparison between country pairs, it can be also used in a unilateral approach while

analyzing one country on CAGE distances. To be precise, the distances are: cultural, administrative, geographic and economic (see Figure 11).

	Cultural Differences	Administrative Differences	Geographic Differences	Economic Differences
Bilateral Measures	-Different languages -Different ethnicities/lack of connective ethnic or social networks -Different religions -Differences in national work systems -Different values, norms and dispositions	-Lack of colonial ties -Lack of shared regional trading bloc -Lack of common currency -Different legal system -Political hostility	-Physical distance -Lack of land border -Differences in climates (and disease environments)	-Differences in consumer incomes -Differences in availability of: .Natural resources .Financial resources .Human resources .Intermediate inputs .Infrastructure .Information or Knowledge
Unilateral Measures	-Traditionalism -Insularity -Spiritualism -Inscrutability	-Nonmarket/closed economy (home bias versus foreign bias) -Nonmembership in international orgs. -Weak legal institutions/ corruption -Lack of govt. checks and balances -Societal conflict - Political/ expropriation risk	-Landlockedness -Geographic size -Geographic remoteness	-Economic size -Low per capita income -Low level of monetization -Limited infrastructure, other specialized factors

Figure 11. CAGE distance framework at the country level (2017). Retrieved from https://ibusconcepts.wordpress.com/2017/05/23/the-cage-framework/

Although CAGE distance framework is mainly used by big companies while assessing the country (or country pairs), Ghemawat (2012) shows various ways of applications of CAGE distance framework: making differences visible, understanding the liability of foreignness, assessing and comparing foreign competitors and comparing markets by distances. In addition to that, CAGE can be used on an industry level (Ghemawat, 2012). As it was mentioned earlier, CAGE distance framework can be used for pinpointing the differences across countries that might create challenges

for multinational companies in comparison to the local ones, or in other words impose the effects of liability of foreignness (Ghemawat, 2012). There are various ways to reduce the liability of foreignness (LOF). Wu & Salomon (2016) suggest that one of the ways to reduce the LOF is isomorphism (or in other words – imitation) of the local firms by foreign ones. Wu & Salomon (2016) have also found out that isomorphism helps to reduce the distance on the level of economic and regulatory liabilities, however, it does not help much from a perspective of the cultural distance. Nevertheless, isomorphism is not equally beneficial for all firms, as it depends on the experience of the firm. In the case of the foreign entrepreneurs who have just come to Denmark and try to open a business, isomorphism could help to reduce the liability of foreignness.

Next, as it was mentioned previously, the CAGE distance framework can be used by the managers in the big companies, who want to expand their businesses overseas. On the other hand, the determinants that are used in the CAGE distance framework (i.e. traditionalism, geographic remoteness, etc.) are not exactly applicable for an immigrant entrepreneur as they do not exactly correspond to the challenges mentioned earlier. To be able to apply the CAGE distance framework on the level of an individual entrepreneur in Denmark and derive new determinants that would address the challenges of immigrant entrepreneurs in Denmark, I need to follow next steps: first of all, I would need to deconstruct the CAGE distance framework and use the unilateral part (see Figure 12), as in this thesis there is no comparison between a country pair, but rather an analysis of one country – Denmark. Then, using the theory of liability of foreignness, I will adopt it to the liabilities that are being faced by individual entrepreneurs in a foreign environment, compare it to the previously analyzed literature on ethnic and immigrant entrepreneurship and the data acquired from the qualitative research that has been done in Denmark. At the end of the thesis – new determinants for the CAGE distance framework will be presented. As a result, the full thesis framework (including the situation analysis presented in

the first part of the thesis) for understanding the challenges that individual immigrant entrepreneurs

in Denmark are facing is presented in Figure 13.

Unilateral Measures	-Traditionalism -Insularity -Spiritualism -Inscrutability	-Nonmarket/closed economy (home bias versus foreign bias) -Nonmembership in international orgs. -Weak legal institutions/ corruption -Lack of govt. checks and balances -Societal conflict - Political/ expropriation risk	-Landlockedness -Geographic size -Geographic remoteness	-Economic size -Low per capita income -Low level of monetization -Limited infrastructure, other specialized factors

Figure 12. CAGE Distance Framework – unilateral differences at the country level. Retrieved from

https://ibusconcepts.wordpress.com/2017/05/23/the-cage-framework/
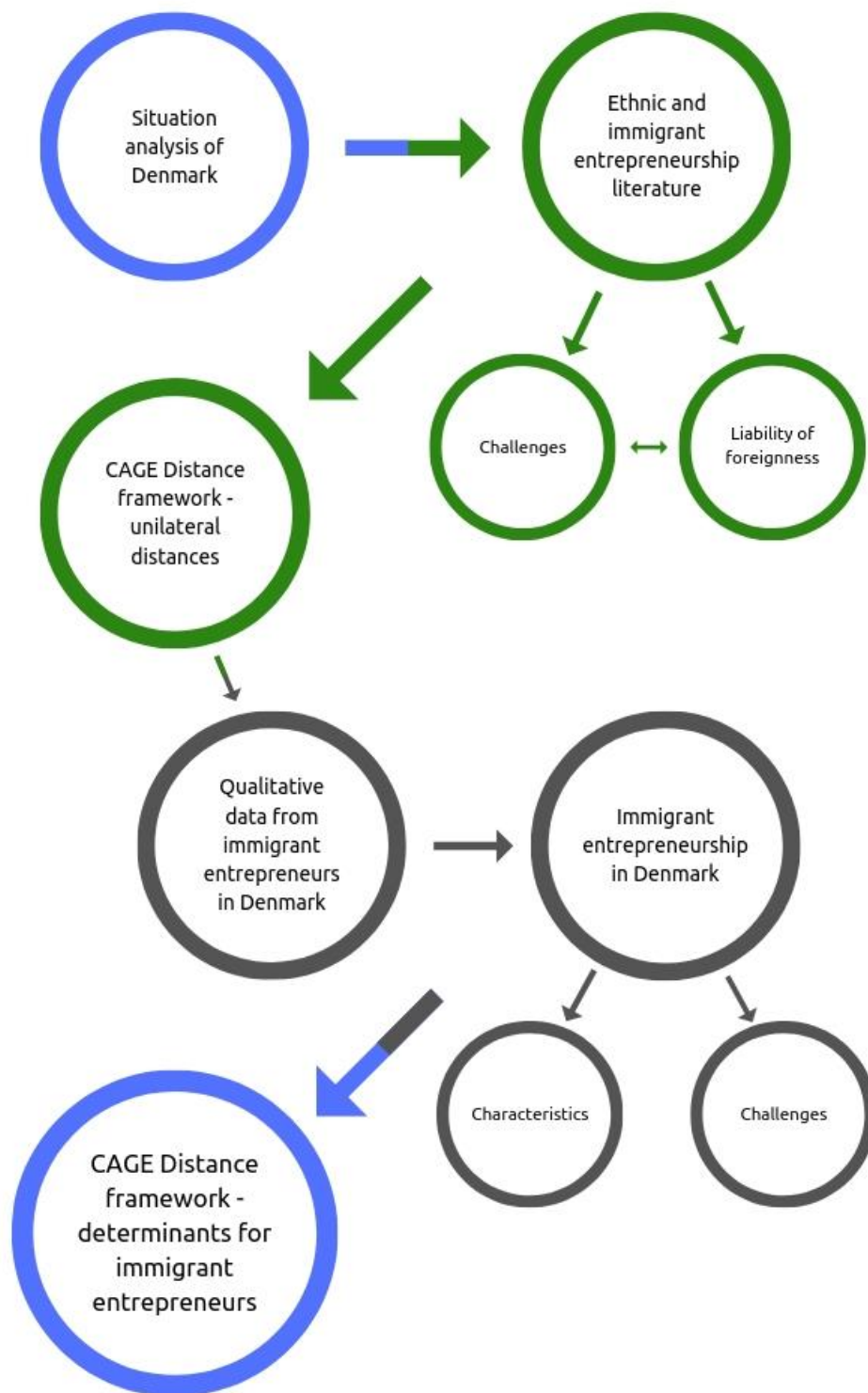
Figure 13. Full thesis framework. Developed by the author.

4. METHODOLOGY

This part of the thesis presents the methodology that has been used to carry out the whole research on the topic of immigrant entrepreneurship in Denmark. The first section describes the research philosophy used to form the basis of the thesis. The second part concentrates on the research approach which is used in the thesis. The third section turns around the used research design – qualitative research method and includes the interview guide as well as the sample selection. The fourth section of methodology analyzes the primary and secondary data used in this research. The last section of the methodology describes how the analysis of the data is carried out.

4.1. RESEARCH PHILOSOPHY

Research philosophy plays an important part in any research. Chosen philosophy can influence the whole process of the research and contains valuable assumptions on how the researcher views the world (Saunders, Lewis, & Thornhill, 2009). Nevertheless, they have presented a research "onion" (see Figure 14), which helps to specify the research philosophy and the strategies underneath.
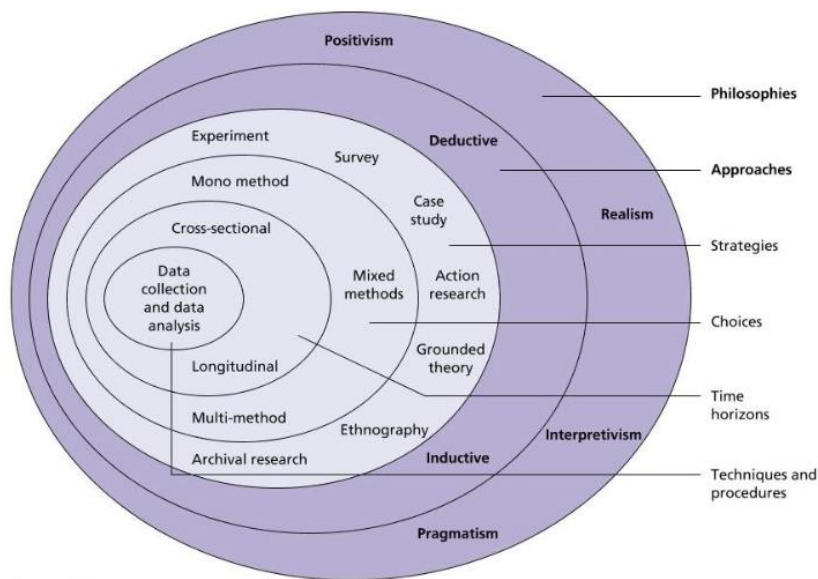
Figure 14. Research "onion". Retrieved from "Research methods for business students" (2009).

According to Saunders et. al. (2009), there are 4 main research philosophies that the researcher can apply: positivism, realism, interpretivism, and pragmatism. As the main idea of the thesis is to understand what are the challenges that immigrant entrepreneurs face in Denmark, it highly involves the subjective opinions of the people interviewed and their socially constructed reality (as the challenges that they think they face are subjective or "interpreted" by them and then the researcher himself) – the philosophy of interpretivism is used. Interpretivism advocates the importance for the research of understanding the differences between humans as social actors (Saunders et. al., 2009). Moreover, they claim that the term "social actors" is important in interpretivism, as human life acts like a stage, where every person acts and interprets the situation in his/her own way. It is important for a researcher to understand the "subject's" point of view while doing scientific research. Nevertheless, to understand better what is interpretivism, we have to take a look on 4 main factors: the researcher's view of the nature of reality (in other words – ontology), view regarding what is an acceptable knowledge (epistemology), view of the role of values in the research (axiology) and the data collection techniques.

From an interpretivism point of view, the *ontology* is socially constructed, subjective and can change over time. My view of the nature of reality, as researchers', can change over time as well as it can be influenced by the research results, depending on the data collected and the information found. Next, the *epistemology*. As this research focuses on the immigrants' challenges, the "feelings" behind them, the approach of interpretivism towards the epistemology is the most suitable. In interpretivism, epistemology is based on the focus upon the details, subjective meanings and the actions that motivate the researcher. Those details are quite important for the thesis, as they are used to understand better the challenges that immigrant entrepreneurs face in Denmark as well as to construct new determinants for the CAGE distance framework at the end of the thesis. The third factor is *axiology*. As I am myself

interested in understanding better what are the challenges of immigrant entrepreneurship in Denmark and that this research requires a more personal approach towards the interviewees – interpretivism approach is more suitable for the thesis. While the positivist approach claims that the researcher is independent of the data and is objective, the interpretivism has undertaken another way – the researcher is a part of what is being researched and the role of values is subjective (Saunders et. al., 2009). The last factor – data collection techniques – will be discussed in more detailed view further, but as a basis, in the interpretivism, the data is collected in small samples, using in-depth investigations and qualitative research. Interviews with immigrant entrepreneurs will be used as a basis to get understand and get the answers to the research question. The next step is the research approach, which is discussed in the next part of the thesis.

4.2. RESEARCH APPROACH

As the research of this master thesis is rather based on the interpretivism, this chapter discusses the differences between deductive and inductive approaches and why the inductive method is being used in this research.

According to Saunders et. al. (2009), in research science, there are two most common ways of having a research approach – deductive and inductive. Deductive is based on theories and scientific principles, which implies moving from theory to data. A researcher, in this case, makes a hypothesis, based on the literature that is in the scope of his research, and then tests such hypothesis on a big sample of data. In addition to that, the deductive research approach has a characteristic of generalization and its risks, if the sample size is not big enough. "The final characteristic of deduction is generalization. In order to be able to generalize statistically (…) it is necessary to select samples of sufficient numerical size." (Saunders et. al., 2008, p. 125). Generalization can be only done within

the sample that is being researched in the particular research context. Nevertheless, deductive research approach has all characteristics of collecting the data quantitatively and using statistics to derive the results of the research and prove/disprove the hypothesis based on the theory.

Inductive research approach, on the other hand, is based on a close understanding of the research context (Saunders et. al., 2009), basically being a part of the research itself. It allows to get an understanding of meanings between humans and events and, also, gives a more flexible structure to the research itself – it can change over time. The main idea here is to get from the data to the theory and not vice-versa as in deductive approach. Theory is also important in this case and can bring valuable insights while conducting the research, but the human understanding of the social world around them is much more valuable. Finally, the inductive method uses qualitative collection of the data.

As this thesis's research question and the new determinants for the CAGE distance framework are based on the in-depth analysis of the answers of the interviewees as well as their subjective opinions, the inductive approach is more suitable. It will allow to understand better the foreign entrepreneurs, what are their motives, what challenges do they face and get more valuable results in the end. Last, but not least, it will allow deriving conclusions on the topic of immigrant entrepreneurship in Denmark, what are the challenges that they face while conducting business here as well as shape the determinants of the CAGE distance framework from a perspective of an immigrant entrepreneur.

4.3. RESEARCH DESIGN

To understand the challenges of the immigrant entrepreneurs in Denmark, this part of the methodology is describing the research design used in this thesis. As this thesis is based on the

interpretivism and it uses the inductive research approach to form the understanding of the challenges as well as the immigrant entrepreneurship in Denmark itself – the most appropriate research design that can be used is made through the exploratory studies. According to Robson (2002, as cited in Saunders et. al., 2009) exploratory research is related to finding out what's happening, ask questions to see the observations/problem in through a different perspective. Saunders et. al. (2009) that there are 3 main ways to conduct the exploratory research: searching the literature, interviewing "experts" in the subject in question, and conducting focus groups interviews. For this particular thesis, the first two ways are combined to make the exploratory study more in-depth, analytical and with more insightful discussions on the topic of immigrant entrepreneurship in Denmark.

To be able to conduct an exploratory study, I have chosen to take the qualitative research method based on the semi-structured interviews with the people, who are in that field all the time – the foreign entrepreneurs themselves. According to Saunders et. al. (2009), the qualitative data collection techniques imply the use of non-numerical data (such as words, pictures, video clips, etc.). In addition to that, for this particular thesis, the time horizon that is being used is based on cross-sectional studies, as the interviews will give information on that particular snapshot of time, rather than long observations over the time of the research (Saunders et. al., 2009).

Nevertheless, before explaining why I have chosen the semi-structured interviews for this matter, I have to start with the comparison between the methods. According to Doody & Noonan (2013), interviews can be divided into several formats: structured, semi-structured and unstructured. That point is also pointed out by Saunders et. al. (2009), but unstructured interviews are named as "in-depth" interviews. The differences between them are quite straightforward. The *structured* interviews have a set of questions prepared in advance and have to be read in the same tone, with the same

wording to every participant of the interview (Doody & Noonan, 2013; Saunders et. al., 2009). It limits the bias and the researcher's subjectivity, but it is not flexible. The *semi-structured* interviews, on the other hand, are prepared set of questions, but with more flexibility. It allows to raise new questions during the interviews, depending on the information got from the participant. (Doodey & Noonan, 2013). Some of the questions may be omitted by the researcher, again depending on the situation and the person interviewed (Saunders et. al., 2009). Lastly, the *unstructured (in-depth)* interviews, give lots of flexibility for the researcher, as he follows the interview guide, comprised of the themes rather than the specific questions (Doodey & Noonan, 2013). The in-depth interviews are informal (Saunders et. al., 2009), but if the researcher is not prepared well, it can lead to not valid information.

As this is a master thesis and the respondents will have rather various backgrounds, I have chosen a semi-structured interview approach with open questions, as it will, on one side, help me to keep on track and not lose the connection, and, on the other side, be flexible during the interviews.

#	OBJECTIVE	STAGE	INTERVIEW QUESTIONS
1	Understand more about the interviewee, where is he/she coming from, what is he/she doing in Denmark	Introduction questions	1-4
2	Identify what are the challenges and issues faced by an entrepreneur in Denmark, what takes it to solve them	Challenges questions	5-8
3	Identify what are the main factors and criteria related to the relocation and how the interviewee has integrated to Denmark	Relocation/integration related questions	9-13
4	Understand the main benefits gained from relocation and opening a business in Denmark	Benefits related questions	14-15
5	Understand what the usual ways for the foreigners are of finding the information,	Networking related questions	16-22

	what they consider reliable, where do they get help		
6.	Understand Danes and what is their business culture	Cultural questions	23-25

Figure 15. Research instrument. Developed by the author.

Since the qualitative research method requires an in-depth analysis of the stated problem in the research question – the best approach to get the right answers is to find the participants, who are related to the topic in question – immigrant entrepreneurs in Denmark. The sample of the interviews conducted consists of 12 people – foreigners, who live in Denmark for ~2-10 years and are/have been doing business in Denmark for a time span between 4 months to 5 years. The goal of the interviews is to find out answers to the topics that are developed in the research instrument. Most of the questions, which were asked, are open-ended questions with a possibility for the participant to elaborate more on the topic and describe a situation or an event (Saunders et. al., 2009), rather than answering a simple "Yes/No" answer. To elaborate more on the research instrument, I have divided it into 6 different parts, which can get a full overview of the situation in Denmark (see Appendix A for the full exploratory interview guide).

The first part of the interview guide consists of introductory questions to get to know the participant of the interview better. The second part consists of questions related to the general and business challenges that happened while being in Denmark. The third part consists makes it easier to understand the relocation (motives, integration) and opening of a business. Next, the fourth part helps to understand what benefits the participants perceive of operating business in Denmark. The fifth part is related to the networking theories, described in the literature review and how the entrepreneurs find the information and where do they get help from. Finally, the last part of the interview consists of a

block of questions related to cultural specifics while conducting business with Danes – to understand how it is, how they are doing business and their personal characteristics.

Sample selection of the interviewees is another factor for this thesis. My main goal, in this case, was to be able to find those people, who are working directly as foreign entrepreneurs and have their own businesses. To be able to do so, I have started from my inner circle of friends and acquaintances (such as mentors from CBS Mentorship Program). As my study program implies that some of the students will become entrepreneurs, no matter of their previous background, I have found out that some of my international friends have already established businesses in Denmark and they were willing to share their insights on these processes. Moreover, some of my acquaintances are operating in the area of entrepreneurship in Denmark and helping foreigners to set up businesses, so they were able to share some contacts of the immigrant entrepreneurs with me. Another way of recruitment that I have used are events, where people were showing to the public their products, such as FindersKeepers in Copenhagen (a market where people develop and sell designer, ethnic, hand-made, in most cases expensive things). In addition to that event, being a participant of Young Professionals in Denmark (a network that is organized by previously mentioned CopCap) has helped me to identify some of the possible participants for the master thesis interviews. Next, having access to the Copenhagen School of Entrepreneurship as well as some coworking spaces in Copenhagen (SOHO and NOHO in this case) was also used as a base to find people, willing to be interviewed in the startup community. Finally, the most effective and efficient way to find immigrant entrepreneurs that has worked perfectly are Facebook groups, such as "Expats in Copenhagen", "OIE Network", "CBS Business School Connect". There were many people who have answered to my request and shared their insights on the immigrant entrepreneurship and what were their challenges in Denmark.

4.4. PRIMARY AND SECONDARY DATA & RELIABILITY

The data that was gathered throughout the interviews will be analyzed in the next chapter of the master thesis and will help to derive theoretical and practical conclusions for the Danish market. To be able to do so, the interviews are being recorded, transcribed, summarized and divided into groups according to the topics discussed previously (see Appendix B for interview transcriptions grouped summaries).

Together with the primary data gathered via interviews, this master thesis includes secondary data. According to Saunders et. al. (2009), secondary data was already gathered by someone else and can help to build a solid base to answer the research question. Documentary secondary data has been used in this thesis many times – it has helped to develop the situation analysis of Denmark, Danish entrepreneurial ecosystem (using the Nordic Entrepreneurship Check 2016) and, has helped to get a literature background over the main causes of the thesis. The secondary data that has been used in this thesis is: statistical information from Statistics National Bank of Denmark; books and articles on the theory of immigrant/ethnic entrepreneurship, as well as how Danes perform the business; Nordic Entrepreneurship Check with various data on the entrepreneurial ecosystem in the Nordics and in Denmark.

Quality of the data is an important question for this thesis as well. According to Saunders et. al. (2009), there are three main issues that can be found while conducting semi-structured or unstructured interviews: reliability, forms of bias and validity with generalizability. To be able to cope with such possible issues, many preparations were made in advance. First of all, to be able to avoid the interviewer bias, the interview guide was developed in a tone, that is not suggestive nor accusative. Secondly, the level of knowledge on the topic was raised from the beginning of writing this master

thesis through the research of relevant literature, news, laws, and articles. Thirdly, a good connection is being established with every interviewee in a friendly atmosphere to gain trust and credibility. Finally, the locations of the interviews were chosen by such criteria: easy to access, quiet (to be able to record) and overall cozy. Some of the interviews were done via Skype, as it was the fastest way to reach and access the participant without having to move around the city and spend time on transportation for both sides.

4.5. ANALYSIS OF THE DATA

As it was mentioned before, the qualitative research method implies that the data that is being found via interviews is not numerical, but more word-based. To be useful, that data has to be analyzed in a meaningful way, which is easy to comprehend for any reader. First of all, as such data was gathered via interview audio records, it has to be transcribed (Saunders et. al., 2009). Although it is very time consuming, it allows to make a full overview with relevant answers, which are later introduced in the analysis part of the thesis. Secondly, such data has to be grouped according to the interview guide and the topics that are being discussed. Each question will include the answers from all interview participants and, from that perspective, it will be possible to see the similarities and differences between each answer of the interviewee. Next, it will be assessed and compared with the theory presented in the literature review and relevant conclusions will be made. Lastly, the discussion on the topic of ethnic/immigrant entrepreneurship using the data collected will be developed and presented in the next chapter of the thesis.

In conclusion, the methodology part of the master thesis describes the way the research is carried on. The main idea is based on the research "onion", provided by Saunders et. al. (2009) and develops around it. Being qualitative research, it takes the dynamics of interpretivism and uses the semi-

structured interview approach, which allows to see through various perspectives of foreign entrepreneurs living and operating in Denmark. It helps to identify the challenges that they face, their motives as well as it allows to see what are the Danish traits of doing business (or rather cultural specifics). The next part of the thesis analyzes the data gathered through the interviews with the immigrant entrepreneurs located in Copenhagen.

5. ANALYSIS OF THE DATA

This part develops around the analysis of the data which was gathered using the interviews conducted with foreign entrepreneurs in Denmark. At the end of this part, a summary of findings is presented. This part of the thesis will be divided into 6 parts, which are presented in the interview guide previously:

1. Introduction – who are the business owners and what do they do;

2. General and business challenges faced in Denmark as foreign entrepreneurs and how they are solved;

3. Relocation and integration into the Danish society;

4. Benefits of doing business in Denmark and understanding if they are a part of any startup/business/ethnic community in Denmark;

5. Networking and social capital – where do the foreign entrepreneurs get help and what they consider reliable;

6. Cultural differences and they way of doing business that foreign entrepreneurs see in Danes.

This division is also used in the discussion part of the thesis to be able to compare the data to the literature presented earlier and make conclusions.

5.1. FOREIGN ENTREPRENEURS IN DENMARK – WHO ARE THEY?

First set of questions was connected to get an understanding who are the foreign entrepreneurs who are being interviewed, how long have been they living in Denmark, what is their business all about, are they planning to stay in Denmark or go back to the home country and what would influence such decision. As a result, there were 12 immigrant entrepreneurs, who agreed to participate in the interviews. Out of 12 people – 5 were non-EU and 7 were coming from the EU/Nordic countries (see Figure 16). In addition to that, none of the participants had the same personal background (were not

coming from the same country). Next, all of the participants have lived in Denmark for more than 1,5 years, some of them – up to 9 years. As for the businesses that they own, I would divide it into 4 categories (although some of them can be put in the several at the same time):

1. Immigrant entrepreneurs, who are engaged in the business "solo" (3);

2. Immigrant entrepreneurs, who are engaged in innovation and tech businesses (3);

3. Immigrant entrepreneurs, who are engaged in ethnic/food businesses (3);

4. Immigrant entrepreneurs, who are engaged in social/ecological businesses (3).

There is a variety of areas, that foreign entrepreneurs are engaged in, which has been (almost) equally distributed among the participants of the interviews. Last, but not least, 92% (11 out of 12) of the participants are planning to stay in Denmark long-term, as they either already have families/partners/friends here or just love how everything works in Denmark. Only one participant was not convinced of staying in Denmark mainly due to the weather and the language.
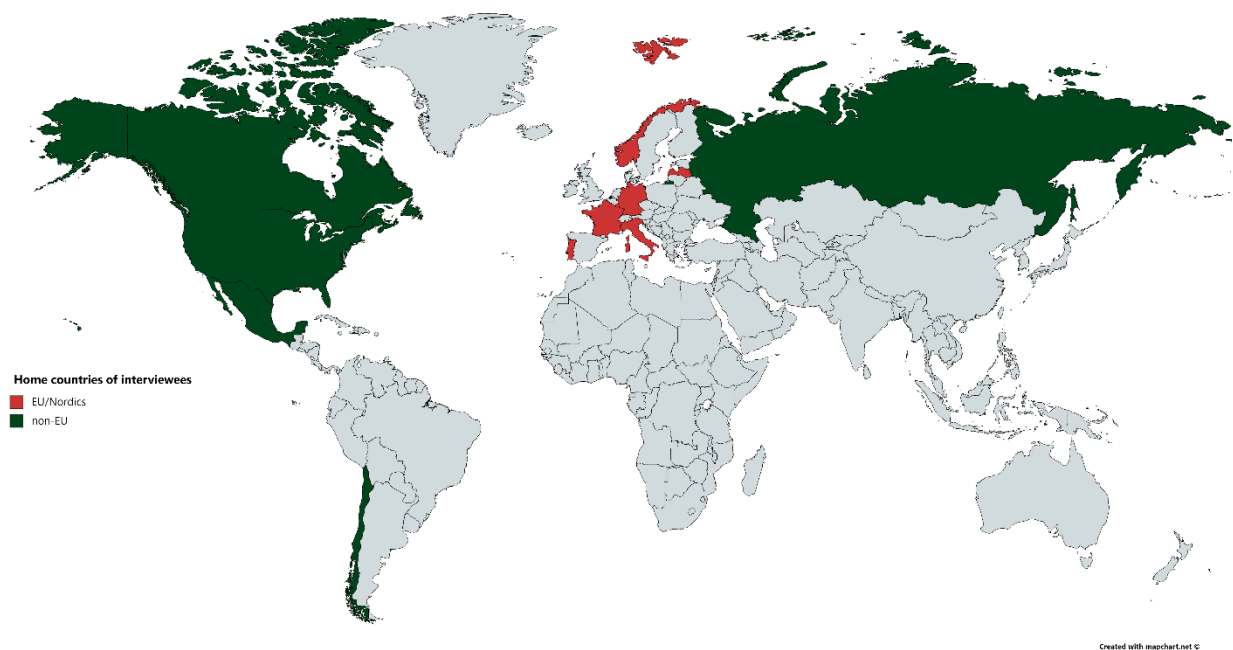
Figure 16. Home countries of interviewees (foreign entrepreneurs in Denmark). Created by the author.

5.2. GENERAL AND BUSINESS CHALLENGES

Findings in this part represent the most important part of the thesis as it allows to answer the research question – what are the business challenges that foreign entrepreneurs face in Denmark? Nevertheless, before going deeper into the business challenges, participants have also explained what general challenges that they have faced in Denmark.

General challenges. Various challenges were claimed: accommodation, no network, language, and the weather. 30% of participants claimed that the biggest general challenge was to find a place to live in Copenhagen, as the situation on the accommodation market is not favorable towards the people who want to rent a room/apartment. In addition to that 30% of the interviewees claimed that having no network was also a challenge while settling down. As Participant 2 stated: *"... meeting people, particularly Danish people, I find quite difficult because Danes tend stick to each other and it is hard to get into Danish social circle if you're not a Dane."* What is interesting is that some of the participants had almost no general challenges at the beginning, as everything was taken care of by the universities, where they have been studying. Participant 1: " *Accommodation is the trickiest part, but the university sorted out all the logistics.*" Last, but not least, some of the participants stated that legal practicalities (permits, documents) or "*getting to know the rules*" (Participant 11) was also a challenge at the beginning.

Business challenges. As the topic of the thesis turns around the challenges that are faced by the foreign entrepreneurs in Denmark, I have asked all participants to state the business challenges that they face in Denmark. There are few common business challenges that are faced by foreign entrepreneurs – networking and legal, administrational matters. Participant 4 states: "*So it's all about*

growing my network right now. Especially in events and weddings, it's like completely about recommendations. I'm coming into this, with, you know, no family here, or, you know, good Danish connections." Participant 8 adds: "*When you move to a new city and a new country, and you have to kind of set up a new network, especially when you're doing business as an entrepreneur, it can be challenging to start building a network from the ground.*" The networking challenges are especially visible for the foreign entrepreneurs, who are just starting their own businesses. As for legal and administrational matters in Denmark, one of the participants stated that the most annoying fact is that the many websites or forms are in Danish only or are limited to some simple statements in English: "*It was really complicated because the Danish business authorities only accept their forms in Danish. We needed for our product a smiley report, which has to be filled out in Danish and only exists in Danish, and it makes it really hard to fill out 14 pages. Also, because our business was founded in Germany, it was really difficult because we didn't have the necessary numbers and CVR number that we would have as a Danish business.*" (Participant 2). Another participant claimed that the inability of the Danish government to inform the changes in the laws is a not a great deal while operating in Denmark: "*The biggest challenge are administrational, changing the rules/laws quickly without informing. Paying the wages, vacation money, SKAT if it is not in English.*" (Participant 4). To add to the legal challenges, one of the participant stated that Denmark has one of the strictest rules in the world related to the food (Participant 8).

Other participants also stated other business challenges faced in Denmark. Combining the part-time job to sustain their life in Denmark with entrepreneurship is quite hard, but necessary, as Denmark is not a cheap place to live (Participant 12, Participant 3). Other challenges included having enough money (150,000 DKK) on the bank account (Participant 1), understanding the Danish mentality (Participant 10), conservative investing (Participant 11), putting all the previous experience in

opening a new business (Participant 7). A general overview of those challenges is available in the table below.

CHALLENGES IN DENMARK	
General	**Business**
Accommodation	*Networking*
No network	*Legal and administrational*
Weather	*Language (administrational information in Danish)*
Rules and permits	Expensive
Organizational – settling down	Combining part-time job and business
	Understanding Danish mentality
	Conservative investing
	Using previous experience

Table 1. General and business challenges faced in Denmark. Developed by the author.

Solving business challenges and personal traits. Next, I wanted to understand how interview participants have been able to solve those challenges and what personal traits do they think the immigrant entrepreneur should have to be able to deal with issues. The interviewees were solving the challenges in various ways, but there is one common line of most – using and calling the relevant local people from different organizations, who could help to solve those challenges. Participant 1: "*Applied to the governmental program Startup Denmark for non-EU citizens, where they were selected as one of the winners. Use of the municipality program where they introduce to the system on how everything operates in Denmark*"; Participant 2: "*Lots of phone calls*"; Participant 4: "*Female entrepreneurship programs have helped a lot, making coffee dates, participating at the events*"; Participant 6: "*I called to the local photographer from Lyngby, and asked if I could come and meet in person and introduce myself.(...) And then after two years of working for a local photographer, I quit it and started working for only myself.*"; Participant 9: "*...with the help of a Danish guy, who already had some companies established before. Using the network as well to find an accountant.*" Participant 12: "*... having lunch with other people in the incubator (CSE), having time to spend with*

consultancies, using their social media to promote my business.". It is visible that the most crucial part of solving the challenges is activating the network and using all the opportunities to get the help necessary and get the job done. Nevertheless, personal traits of the foreign entrepreneurs are also an important factor, as otherwise they would not be able to solve the issues mentioned previously. Among the personal qualities that the interviewees were mentioning were persistence, patience, creativity, being able to focus and be committed, knowing the target audience, being blatant and, the most important – being able to talk with people and making a bigger network. These qualities, according to the interviewees, are essential while conducting business in Denmark.

What/who has helped to operate in Denmark. Many interviewees were happy to point out that many questions were solved in Denmark while with the help of Danes and Denmark being a very flexible place to conduct business. According to the respondents, it is easy to open up a business, use the governmental/incubator programs in Denmark as well as to collaborate with other companies. I. e. Participant 4 states that "*... Copenhagen, it's such a welcoming city for startups right now. And entrepreneurs, and there's so much creativity going on, that there's a lot of collaboration. And it's really nice, that's not all about competition. So all of my top competitors want to work with me, and I want to work with them.*". Participant 3 stated that the infrastructure is easily accessible: "*… easy to get up and running without external help*". Participant 11 also adds that "*Denmark has helped me quite a lot. Advisors, people, the government, I mean, so many helps. If you do things, right, you can really.. You just have to get informed and not be afraid to ask (...) I think the fact that I'm in Lydens Hus helped me a lot, and they have a good network.*". In addition to that, 4 participants got help from Danes themselves (either from a Danish co-founder or from Danish friends, who can translate from Danish or manage the business in Denmark). All in all, it is visible that networking and having Danish connections are very important factors that were mentioned by the participants.

5.3. RELOCATION AND INTEGRATION IN DENMARK

This part of the analysis includes insights on the relocation and integration questions, or to be more specific – reasons to move to Denmark and choice of the business location, concerns before relocation and the business establishment, help from the government/governmental agencies in Denmark and the integration itself (do they feel integrated, are they a part of any startup/business/ethnic community, what are the benefits and drawbacks of being a part of any community mentioned previously.

Relocation and establishing a business. 83% of the participants claimed that the main reason to move to Denmark was related to their studies. Another 17% stated other reasons – marriage (job offer for a husband in DK) and a great market for good food (especially after the gourmet restaurant Noma has opened). One participant also explained that she was not happy with the situation in her country (Mexico) and after traveling in Europe, she has decided to change her life: "*I was living and working in Mexico for all my life, and there are like a little external and micro situations that I didn't like, and at some point that started affecting in my personal life, so I wasn't really completely comfortable and happy with how the system was. And I just had a personal crisis, so I quit to everything and gave a break to myself. (…) And when I came to Denmark, I was really impressed about how people are ordered and clean and how the system - everything and transportation, like all these little facts that globally make - works perfectly.*" Next, to be able to see the tendency if the foreigners have any concerns prior the relocation or the business establishment, a specific question to that topic was asked. More than 70% of the respondents claimed that they did not have any concerns prior to move to Denmark or they just don't remember as it was a long time ago. For the others the concerns were mainly related to the weather and the language. Nevertheless, the interviewees had some concerns

prior to the establishment of the business. Some of them were related to the financial stability (money), having no experience, the rights and the legal matters and taxes.

Help from the government/governmental agencies. 45% of the respondents claimed that they had no help from the government or other agencies in Copenhagen. Other participants have used various programs and incubators, such as Startup Denmark (for non-EU tech startups), Innovation Fund, Vaeksthus (used by two participants), Copenhagen School of Entrepreneurship and local authorities such as SKAT, virk.dk, banks.

Business location. The analysis of the data on the business locations in Copenhagen revealed the fact that the foreign entrepreneurs mostly choose the location according to several factors – being close to home/clients, being a part of an incubator which provides a free/cheap office rent and a possibility of being flexible.

Integration in Denmark. Data, that was collected in relation to the integration in the Danish society has shown different perspectives of different foreign entrepreneurs. To the question if the interviewees feel integrated into the Danish society more than 80% of the participants stated that they feel either not integrated into the Danish society or rather just partially. "*No. I don't have any real Danish friends.*" (Participant 5); "*No, definitely not. It was partly my fault, because I didn't invest in learning the language.*" (Participant 2); "*Yes, but to some extent. I think the Danish society is welcoming but in the different ways that it is for the foreigner to make the first step towards the Danes…*" (Participant 9); "*Not 100%, as they took away the free language courses, which is a big drawback.*" (Participant 3). Another part of the participants felt that they are integrated into the international community in Copenhagen, but not in a Danish one. There is a resemblance of most of

the participants in being not integrated into the Danish society – Danish language. The analysis showed that learning the language could help the foreign entrepreneurs in Denmark to get integrated into the Danish society. A good example was the Participant 10 – she has been able to integrate into Danish society by learning the language and working hard. Participant 6 also claimed that "*Yes, because, again, I speak the language, it makes my life and my business easier.*". Other ways of integration as stated by the interviewees is knowing how to handle different people, making the first step, being kind, hang out and participate in various events with Danes to get more Danish contacts and learn more about Danish culture and values.

5.4. BENEFITS AND COMMUNITIES IN DENMARK

This part of the analysis turns around the discussion of the benefits of operating in Denmark as well as the communities where the foreign entrepreneurs are engaged. In this case, communities can be startup/business or same ethnic. In addition to that, participants stated the pros and cons of being a part of such communities.

Benefits in Denmark. For many entrepreneurs, the reasons were quite different from each other, depending on the business area that they are operating in. One of the participants claimed that Denmark has lots of high-tech companies and there is a high level of trust (Participant 1). Other participants claimed that there is a high focus on entrepreneurship and innovation as well as Denmark has a good brand name in the acoustics industry. Nevertheless, 25% of the respondents stated that Denmark is quite flexible in terms of doing business. It is easy to open a company, operate and get some grants for the business.

Communities – benefits and drawbacks. The analysis shows that many of the foreign entrepreneurs are/were at least once a part of some entrepreneurial communities in Denmark. 30% of the interviewees stated that they are not active or are not a part of any communities in Copenhagen. Others are participating in the various events, organized by their respective communities, i.e. there is a big movement dedicated to female entrepreneurship – 25% of the respondents stated that they are participating in such groups/events. The analysis also shows that there is an interesting development around the ethnic communities in Denmark – despite the fact that the interviewees were coming from various countries around the globe, they mostly are not actively engaged with the people from the same country in Denmark as they feel more international and used to the diversity. Some of them are trying to make collaborations between their new host countries and their respective home countries. Respondent 12 stated: "*I am also a part of the Mexican community(group) called "RedGlobalMx", which focuses on the relationships with emigrant Mexicans. They have chapters in different countries and we have started with the Danish one.*". Nevertheless, analyzing the benefits and drawbacks, almost all respondents claimed the same – benefits are: meeting people, expanding the network for future business success; drawbacks are: time-consuming, too many events, repetitive information.

5.5. NETWORKING AND SOCIAL CAPITAL

This part of the analysis presents the data collected in the topic of communication, networking and social capital of foreign entrepreneurs in Denmark. What were the channels to find information about Denmark, did they use their network in Denmark to establish a business, who they would contact for help, where do they get more business help from – friends/family or acquaintances, are they using the same ethnicity network, what social media do they use to find information and what source of information they consider the most reliable.

Channels to find information about Denmark. The participants of the interviews presented various ways of finding information about Denmark and establishing a business. Most of them (60%) have been using online resources to find relevant information about how to establish a business or find an accommodation. Nevertheless, one of the participants stated that the official websites are of "no-use" and he would rather just call relevant people to look for information. Some of the other participants have also stated that calling or asking people around would be the most efficient way for them. The opinion on calling and online websites goes contradictive with the other participants' thoughts as he claimed that sometimes the information on calling can be contradictive, depending on the people: "*You just have to get informed and not be afraid to ask always, no matter how weird, it might sound, but then you probably get a completely different answer.*" (Participant 11). Two of the participants stated that they did not use any channels to find information about Denmark.

Network usage for business. The analysis showed that 85% of the participants have leveraged their network in order to set up a business in Denmark. Only one participant claimed that he did not use any of his networks to setup a business and another participant is planning to start using his network to reach his business goals. Those participants, who have used their network, stated that they were using it for various purposes, but the main one which is stated by almost all – getting referrals and connections in Denmark to be able to expand their businesses through various channels. Participant 8: *"… it got me contacts, business deals, new employees.*"; Participant 4: "*I think it helps. People are spreading the word. And I'm noticing that I'm getting referrals now. The few people that I've talked to in person, those are the ones are getting real connections and real customers.*"; Participant 6: "*It helped me with finding the clients, professionals, which could help me - accountant, advertising consultant.*"; Participant 12: "*One to one conversations that I usually have about my project, this is how I get names or referrals.*".

Asking for help. Foreign entrepreneurs in the interviews are very open and not afraid of asking people around for help. This quality, that was also mentioned previously, is predominant among such people. Some of the interview participants were pointing out that they would ask for help anybody who is an expert, depending on the challenge in question. Some of the interviewees mentioned that they would go to the incubator that they are part of: "*I actually reach out to my immediate community in CSE, especially when it comes to running a business. I reach out to the administrative personnel and CSE and also other founders in CSE first, and then see if that would solve my problem.*" (Participant 3). Others would use their network: "*Well, I would say in business, I would prefer to first ask my personal contacts on specific questions.*" (Participant 10); "*The right people. That really depends, of course, what I'm looking for. I try for my network to be as you know, extensive as possible to have an answer to everything doesn't always work.*" (Participant 5); "*Depending on the task and the challenge. I would ask people that I've used as mentors when it comes to kind of business decisions…*" (Participant 8).

Friends/family vs. acquaintances. Respondents had various insights for this particular question. Most of the respondents have separated their personal lives and their businesses. 67% of the respondents claimed that acquaintances helped the most with their businesses, other 33% - friends and family (see Figure 17). As Participant 4 stated: "*… I want to say that actually see the new acquaintances. Often they meet online, through social media, and they've been helping me quite a lot, or other people that have come to my workshop. And I've only met them once. They're actually giving me a lot of opportunities that I wouldn't have otherwise had.*" Some of the interviewees claimed that they don't mix their business and friends/family as they believe it is a bad idea: "*More acquaintances – as involving friends in a business is not a good idea…* " (Participant 9).
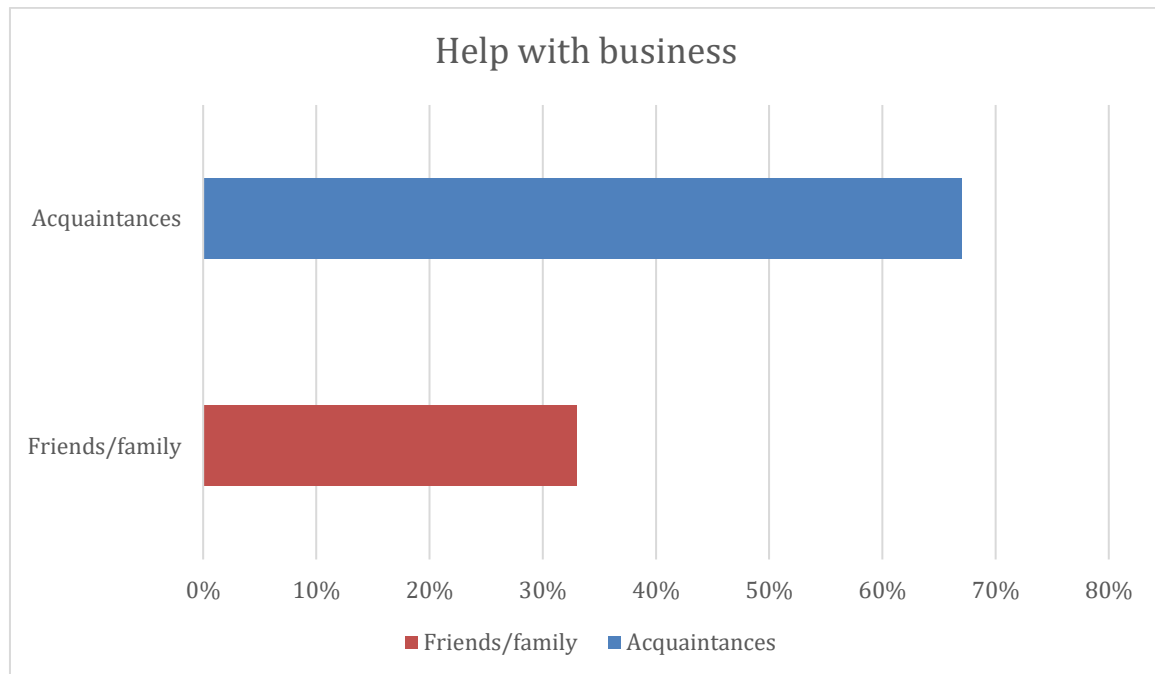
Figure 17. Help with business – friends/family vs. acquaintances. Developed by the author.

Last, but not least, to solve their personal matters most of the participants claimed that they would go to their friends or family (depending on if they have a family in Denmark). This is due to the emotional and personal support that they get more from their closest ones.

Help from the people with the same ethnicity. Due to a fact that ethnic part plays an important role in connections in a foreign country, it was interesting to see what kind of help the interviewees get from the people coming from the same country. The results of the analysis are quite interesting – more than half of the respondents get some sort of help from the people with the same ethnicity, the other half – don't. Nevertheless, the help coming from the people with the same ethnicity is mostly related either to the technical details or the network: "*Yes, with the things that are technical and not connected to Denmark, as another part of tech development located in Chile.*" (Participant 1); "*Only help from German friends – concerning the recipes.*" (Participant 2); "*Yes. A lot of referrals and almost, I mean, for this stage is almost related to information. I received a couple of invitation for being part of cultural events and working together with some people that are also working on*

something similar." (Participant 12); "*Professionally and networking - one of them I like to collaborate with and she's in marketing, so she can give me advice on that stuff*" (Participant 4). One of the participants tries to integrate his home country (Portugal) with his host country (Denmark) trying to create connections and benefit from the European model where one country can be cheaper than the other for some particular things (Participant 11). The other interviewee claimed that he used a lot of help from the French Chamber of Commerce, as his home country is interested of him having success, plus he got some interns from France to work with (Participant 5). Other interviewees claimed that they don't have a need to use the same ethnicity network as they reach their goals themselves or just doesn't know anybody from their home country.

Social media & reliable source of information. Most of the interview participants claimed that they use various social media to find information, predominantly – Facebook, Instagram, and Google (although Google is not a social media). Some of the respondents claimed that Instagram is used for inspiration (Participant 2; Participant 11; Participant 4) and Facebook as a place to find relevant events (Participant 11). Two participants stated that they don't use any social media to find information. As for the reliability of the information, the analysis showed that more than a half of the interviewees trust the official governmental websites, others go for social media, events, and people that they know from their network.

5.6. DANES, BUSINESS, CULTURAL & SUCCESS FACTORS

This part of the analysis describes the insights that were gained from the interviewees on the topic of Danes, their personal and business traits to be able to make a thoughtful comparison in the terms of business. The last part dives into the insights of what can bring success to a foreign entrepreneur in Denmark according to the immigrant entrepreneurs interviewed.

Communication with Danes & personal traits. Many of the interviewees were glad to tell that they have a lot of communication with Danes in regard to their business as well as they were able to describe them from the perspective of the personal traits. Most of the participants told that they communicate with Danes quite often, sometimes – every day (Participant 7; Participant 8; Participant 9). They were describing Danes from the personal perspective as amazing people, calm, friendly, polite, efficient, trustful and conflict avoidant: "*... they are very polite people, ordered and organized with whom you could trust that stuff is going*" (Participant 12); "*Amazing people and they are kind and strict at the same time. Very professional.*" (Participant 8); "*I think the little bit more reserved, but extremely loyal. It's, you know, once I kind of do make a connection with somebody, then they're there. And they're super helpful.*" (Participant 4). Nevertheless, at the same time, the participants also stated some problems while communicating with Danes – coldness, nothing to talk about, hard to befriend and get bonded: "*No real social bonds.*" (Participant 2); "*... you have to make the first step towards them. It's hard to get into a circle.*" (Participant 9); "*I think that is so easy for them just to talk about their topics and talk in Danish, that is not always something inclusive with all the internationals.*" (Participant 12); "*... when you walk out of the door – nothing in common and nothing to speak about*" (Participant 7).

Danes – work and business traits. Many of the interviewees work with Danes in one way or another. Some of them have Danish clients, others – Danish business partners. 75% of the interview participants claim that have Danish business partners or customers, other 25% - don't (or do not have yet). Those, who have tried to work with Danes claim that from a business perspective Danes are very reliable, network-driven, informal, professional and straight-forward people: "*They tend to be quite reliable and straightforward. It's easy to once you agree on something, usually you can go even just with the word.*" (Participant 1); "*I think it's a very reliable people to do business. Very*

straightforward. If you are straightforward and honest - it's easy to do business with Danes."
(Participant 3); "*Definitely very reliable people. They are trustworthy and straight to the point.*"
(Participant 5); "*So Danes as business partners are very stable. I mean, if they say we have a meeting tomorrow, at one o'clock, they will come five minutes before.*" (Participant 6); "*Well, I had a couple of collaborations already, I would say that they're very diligent, most of them, they're very hard working and if they set out for something, they'll do it.*" (Participant 11); "*Very network-driven. So I think doing business with Danes requires having a network or social connection with them.*"
(Participant 2). Only one interview participant claimed that it is hard to do the business with Danes due to the language, as he was not successful in selling his product to the Danish companies. Nevertheless, overall Danes have many positive business traits and almost all interview respondents pointed them out, as it was described earlier. All personal and business traits are summarized in table 2 below.

DANES – PERSONAL AND BUSINESS TRAITS	
Personal	**Business**
Friendly	Reliable
Polite	Straightforward
Calm	Network-driven
Conflict avoidant	Trustworthy
Reserved	Informal
Professional	Professional

Table 2. Danish personal and business traits. Developed by the author.

Success factors in Denmark. To summarize and end the interviews, I have asked all the participants to state what could bring them success while doing the business in Denmark. This particular question of the analysis brings various factors stated by the interview participants – success factors in Denmark tend to be different depending on the business, its scale and area. Most of the respondents claimed the importance of social capital – both local and international in Denmark: "*... building a social capital between the foreign community and the Danish businesses. The more interaction happens, the*

more social capital you build to access the relationships that you want to foster…" (Participant 3); "*Bigger network, for sure. Everything is networking based here.*" (Participant 4); "*Maybe a community for foreign entrepreneurs in Denmark. Maybe even a community that more specifically geared toward the entrepreneurial need.*" (Participant 2); "*Once you have a certain size, you need to make sure you gain visibility to the more traditional channels.*" (Participant 1). "*Don't be afraid to go towards a Dane that might not seem that interested in you in the first minutes.*" (Participant 9). Some of the interview participants claimed that solving the right issues (Participant 10), expanding internationally (as well as using Denmark as a "*playground for foreigners*" (Participant 5)) (Participant 11) can bring success to a foreign business in Denmark. The last, but not least, trying to integrate foreign entrepreneurs and solving the administration problems, mentioned before can also help to achieve success in Denmark both for foreign entrepreneurs and Denmark as a country.

5.7. SUMMARY OF THE ANALYSIS

The analysis of the data gathered via the semi-structured interviews provided thoughtful insights into the life of immigrant entrepreneurs in Denmark. It is visible, that most of the foreign entrepreneurs came here due to the studies and stayed because of the life quality, lifestyle and opportunities that they have created for themselves in Denmark. The business challenges that they have mentioned are as well various and business-dependent, however, the most common ones are having no network, administrative and the Danish language, that most of the participants have problems with. Business areas in which immigrant entrepreneurs interviewed operate are different, but all of them have commonalities in terms of the challenges mentioned before (and the ways of solving them) as well as the relations within the entrepreneurial community in Copenhagen and doing business with Danes – business and personal traits. Next part of the thesis discusses the relationship between the data gathered, the academic literature and the framework, presented previously in the thesis.

6. DISCUSSION

This part of the thesis connects the dots between the literature and the data gathered via the interviews. This section starts with the discussion of the immigrant entrepreneurship in Denmark, followed by the discussion of the challenges that foreign entrepreneurs face in Denmark in comparison to the literature gathered on challenges. The last section discusses the CAGE framework and its usability from the perspective of an individual immigrant entrepreneur as well as the applicability of the framework presented in the theory part of the thesis.

6.1. IMMIGRANT ENTREPRENEURSHIP IN DENMARK

As it was stated previously, there is not much literature (in English) found on the immigrant entrepreneurship in Denmark and the literature which is currently presented in the databases concentrates more on the general aspects of the immigrant/ethnic entrepreneurship in Denmark, such as the location of the ethnic entrepreneurs, in which businesses are they engaged and what are their challenges. Nevertheless, Pennix (2012) has conducted research mainly on the non-Western migrants located in Copenhagen, ignoring all other migrants, who have moved to Denmark. This under-representation has helped to carry on the research and add some new findings to the literature of immigrant entrepreneurship in Denmark.

As the literature suggests, there are two predominant groups of migrants in Europe – internal and external (Rica et. al., 2015). According to the data gathered, half of the interviewees come from the EU countries, the other half – migrated here from the countries, which are not a part of the EU. Despite the fact that the sample pool consisted of people coming from different countries, most of the immigrants interviewed entered Denmark due to their studies and stayed there afterward. The literature suggests that most immigrant entrepreneurs tend to settle in large cities and within their

ethnic community (Portes & Rumbaut, 2014). If we take into account the research of Pennix (2012) on non-Western migrants – that definition is true, however according to the data gathered via the interviews – the main criteria for immigrant entrepreneurs for the location are mainly related to the possibility of having a good access to their clients (and where their clients can easily find them), networking and being close to their businesses. These factors are more important than the connection to their ethnic community, as most of the interviewees tend not to be connected that much to their ethnic community and more related to the international (expat) community located in Copenhagen. Nevertheless, if we discuss the topic of integration, the literature suggests that the immigrant entrepreneurs who have an expanded knowledge on the local culture have a better chance in entering the trade in the host country (Dongen, 2018). To be able to do so, immigrants have to be open-minded and be able to utilize their social capital or, in other words, social network. Being open-minded, courageous, understanding the local market were named by the participants as the personal traits that foreign entrepreneur shall have. Nevertheless, most of the interviewees were quite certain that they don't feel exactly integrated into the Danish society (due to the language and cultural aspects of Danes), but rather felt integrated within the entrepreneurial international community, which has similar values and challenges. According to Galbraith et. al. (2007), sharing the common language and interaction through known customs creates a higher level of trust and easier access to the information. I would suggest considering the expat entrepreneurial community of Copenhagen as a separate "ethnic" group, as it shares commonalities described by Galbraith et. al. (2007) – language (English), customs (entrepreneurship, networking events, meetups, challenges) and the level of integration between the members of this community, as most of the interviewees were comfortable being a part of it.

To continue further with networking and social capital – it is an important part of the lives of immigrant entrepreneurs in Copenhagen. As some of them stated that their business is mainly network-driven as well as networking allows to get additional help from the people that they are engaged in, it completely resembles the arguments of literature that it improves the efficiency by allowing people within the network to reach common goals and generate actions together (Turkina & Thai, 2013). Many interview participants claimed that they got the most help from the people within their ecosystem as well as the Danes that were interested in helping out the foreign entrepreneurs, especially if they saw the work efforts of foreigners. In addition to that, most of the participants stated that they used their network to help themselves in the business establishment in Copenhagen and solve various challenges on the entrepreneurial journey. Nevertheless, the weak ties vs. strong ties topic was also discussed with the immigrant entrepreneurs and the results depended on what kind of help they needed – if it is related with personal matters – strong ties (friends, family) were used, if it is related to the business – weak ties (acquaintances, startup community, professionals, etc.) were the most useful as they are able to get more business related information through the weak ties. These statements are easily comparable with the literature on this topic as the main strengths of weak ties is to get novel information (which is valid for an entrepreneur) and the ability to span across the various networks (Werbner, 1999) to get help and clients (Paerregaard, 2017).

6.2. CHALLENGES & SOLUTIONS IN DENMARK

This part of the discussion concentrates on the challenges that foreign entrepreneurs face in Denmark. According to the CAGE distance framework, challenges in the foreign countries can be measured by cultural, administrative, geographical and economical distances. In addition to that, as the literature suggested earlier, many immigrant entrepreneurs face the liability of foreignness and 3 main challenges: money, communication and labor market and regulations imposed by the host country.

The liability of foreignness (LOF) is an overall term of the additional costs that are incurred for the foreign companies operating in a foreign market, but which local companies don't have (Zaheer, 1995, 2002). These additional costs are not only monetary but can also be related to the knowledge of the local market about the language, regulations, economy and social preferences (Bell et. al., 2012). I believe that to some extent LOF can be also applied not just to the foreign firms who want to expand to the foreign markets, but also to the immigrant entrepreneurs, who are starting new businesses. Nevertheless, it is necessary to take into account that some of the foreigners who have started new businesses, have already lived in Denmark for a few years and they can be more accustomed to the local rules, thus lowering the liability of foreignness, by acting as Danish businesses (isomorphism).

The interviewees have been asked to name their personal as well as the business challenges that they have faced in Denmark and some of their answers correlate with the literature found on the immigrant entrepreneurs in the US and Europe. First of all, most of the interviewees stated that the biggest business challenge for them is the network, or, more precisely, acquiring the network. This challenge was not exactly mentioned in the literature, however, since Denmark and their businesses are highly network-driven, it is one of the most important factors of the success for them. Interviewees also told that they have been able to solve this challenge by either directly immersing themselves within the Danish culture or networking with various people at the numerous events happening around Copenhagen.

Some of the interviewees also stated that money is quite a challenge for making the business work – some due to the risk-averse investment environment, others – due to the fact that the life is expensive in Copenhagen. However, getting financing was an issue only for some of the interviewees. The

literature on the US suggests, that the immigrant entrepreneurs are more inclined in using their personal and community finances rather asking banks (Deakins et. al., 2015), however the data gathered suggests that there are many creative ways of getting financial support – working part-time, getting a governmental funding, talking with investors to make them invest in the business. Nevertheless, I believe that financing was not mostly a problem for other interviewees, due to a small cost and easiness of the business establishment process in Denmark (getting a CVR number and registering a company does not require much time or financial investments).

Next, the literature suggests that the challenge can be also related to communication and the labor force. The language barrier can make immigrant entrepreneurs to serve their own co-ethnic community, rather than the whole market. Although the challenge of the language was stated by some of the interviewees (both on the personal and business levels), it did not turn them to serve their ethnic community as the challenge was mostly related to the integration with the Danish society and filling in legal documents, which are presented only in Danish and not being able to find clients, as according to the English Proficiency Index (2018), Denmark ranks as number 5 in the world in proficiency in English. Interviewees suggested that to solve such problems, foreigners have just to invest their time and money into learning the Danish language, as it will bring the success to their businesses (especially when Danes will see the efforts taken into learning the language). As for the labor force, the literature stated that it is quite challenging to hire staff as the foreign entrepreneurs can pay the only minimum or above-minimum wages (Rahman et. al., 2018). In the case of Denmark, it is not entirely true. One of the interviewees has shared that it is quite easy to find new people (especially among foreigners) for his own business, as Danes are not willing to hire people, who don't speak fluent Danish. It also does not cost to him too much, as he hires mainly the interns, who in Denmark are usually either unpaid or have a very low salary (as there is no minimum wage in Denmark per se).

Another interviewee stated that it is a business with his friends and they are motivated in participation out of personal interests. As for the others – it was dependent on the type of business that they have.

The last challenge of the literature was related to the regulations in the host country (Rahman et. al., 2018). Taxes, regulations, bureaucracy can put some constraints in operating in a foreign market (Jevsnik & Hacin, 2011), especially in Europe, compared to the USA. The challenge of taxes and regulations was mentioned by some of the immigrant entrepreneurs, however it was mostly related either to the lack of knowledge of Danish language or that they are not being informed about the new laws implemented in Denmark in relation to their businesses, unless they call and ask directly the ministries or SKAT (Danish Tax Authority). Also, they have stated that there is a problem that different people within the authorities can say different things and it reduces the possibility of getting vital information (unless it is written). In addition to that, some of the immigrant entrepreneurs have been able to solve such challenges either by actively seeking help from the professionals in such field or just translating the web-pages with laws in Danish to English.

To sum up, the challenges that foreign entrepreneurs face in Denmark are not very different from the challenges that other immigrant entrepreneurs are facing in other European countries or the USA, with small exceptions. As Denmark is a small country, most of the interviewees have emphasized the importance of networking and the social capital within the community of entrepreneurs in Denmark. In addition to that, the language was named as one of the main challenges and it can be also creating problems in relation to understanding the regulations imposed in Denmark on business. Nevertheless, hiring staff was not mentioned as a problem, as it is either not necessary (business is solely owned or there are not that many people involved in it) or it is easy to find staff through foreign interns or friends. As for the financing challenge – yes it is a challenge, as Denmark (and especially

Copenhagen) is an expensive place to live, but the challenge itself is solvable through various means (part-time job, governmental funding or investments.

6.3. CAGE – INDIVIDUAL ENTREPRENEUR - DENMARK

This part of the discussion analyzes the CAGE distance framework and the applicability of it from the perspective of an individual entrepreneur in Denmark. As it was presented earlier in theory, CAGE distance framework is used to identify differences between the countries that companies have to address (Ghemawat, 2012). However, as the definition explains – it is mostly used as the bilateral comparison of two countries from the perspective of a big company. Nevertheless, CAGE framework has also presented the unilateral measures to analyze the country, but the question is – would it work for an immigrant entrepreneur, who has already moved to Denmark and wants to start a business. To answer that question, I have applied the CAGE distance framework on Denmark, using the challenges discussed in the previous parts thus trying to explain the liability of foreignness. Moreover, as I needed more information on Danes, I have asked the interview participants, if they conduct business with Danes and what are the Danish business (and personal traits) that they have noticed.

Unilateral Measures	-Traditionalism -Insularity -Spiritualism -Inscrutability	-Nonmarket/closed economy (home bias versus foreign bias) -Nonmembership in international orgs. -Weak legal institutions/ corruption -Lack of govt. checks and balances -Societal conflict - Political/ expropriation risk	-Landlockedness -Geographic size -Geographic remoteness	-Economic size -Low per capita income -Low level of monetization -Limited infrastructure, other specialized factors

Figure 18. CAGE Distance Framework – unilateral differences at the country level. Retrieved from

https://ibusconcepts.wordpress.com/2017/05/23/the-cage-framework/

From the perspective of an individual immigrant entrepreneur, who is already located in the host country, I believe that the CAGE Distance framework itself would be helpful in choosing the type of a business in which the immigrant entrepreneur wants to be engaged in.

Cultural distance, described in the CAGE framework can easily be applied to the immigrant entrepreneur, as they bring their own values and culture to their host country. If, i.e. Danes, according to the reviewers are trust-worthy, open-minded and reliable, but at the same time on the personal level they can feel cold or not accepting new people in their social groups – it is a cultural difference between Danes and an immigrant entrepreneur, who is coming from some other country (like Chile, Mexico etc.). As language is also included in the cultural distance and it plays a big role in the integration into Danish society – it is also an important factor to consider. To continue, administrative distance can be also used by an immigrant entrepreneur, as, first of all, they have to register their business and pay taxes, secondly, some of the immigrant entrepreneurs are also target international markets and Denmark being a part of the EU is a big deal for them. The geographic distance, on the other hand, is not suitable for all immigrant entrepreneurs, unless they are engaged in the business which includes logistics operations with other countries or i.e. they are engaged in business with their home country. Some of the interviewees said that Denmark is a good test market, as it is geographically and by population small, compared to their home countries, but at the same time it is technologically advanced and is located close to all EU countries. Those entrepreneurs who are engaged locally (like restaurant or beauty studio owners), I believe, will not find useful the geographic distance in the CAGE framework. Last, but not least, the economic distance – it can be used to analyze the wealth of the customers and the pricing (according to the costs of resources, wages etc.) and can help to determine the necessary factors.

CAGE distance framework can be used as a tool to analyze the possible liability of foreignness for an individual immigrant entrepreneur, who has already moved to the host country. However, compared to the distances themselves, the unilateral examples (determinants) presented in Figure 18, are not exactly suitable for the immigrant entrepreneur. I would suggest to changing the CAGE distance framework with the determinants that are more suitable for an immigrant entrepreneur (see table 3 below).

CAGE distance framework	Cultural distance	Administrative distance	Geographic distance	Economic distance
Country – unilateral	- Language - Business traits - Personal traits - Openness - Networking possibilities - Unwritten rules - Non-verbal language	- Regulations - Taxes - Corruption - Ease of registering and doing business - Responsiveness of the public sector	- Closeness to the home country - Membership in the international organizations - Size of the host countries' market - Transportation	- Consumer wealth - Income rate - Costs of resources

Table 3. CAGE Distance framework – proposed version of determinants on the level of immigrant entrepreneur. Developed by the author.

7. CONCLUSIONS

The topic of the immigrant entrepreneurship in Denmark is underrepresented in the literature of the ethnic/immigrant entrepreneurship. Denmark, as a part of the EU, has seen an influx of new migrants coming from both EU and non-EU countries. Some of those immigrants have opened businesses in different fields (IT, tech, food, events, etc.), however only the topic of non-EU migrants was partly research previously. It is also visible that Denmark has a very good educational reputation around the globe and there are many of the immigrant entrepreneurs who came to Denmark because of studies and stayed afterwards due to various reasons. Moreover, these immigrants are widely engaged in the international community of expats (and entrepreneurs) in Copenhagen and it even can be used as a community to ask for help or build the social life. In addition to that, immigrant entrepreneurs have to have specific personality traits to be able to get into the Danish business networks and construct a successful business. Not being afraid of making the first step, being able to widen the network and develop trust, persistence and friendliness are important personal traits for any immigrant entrepreneur in Denmark to be able to solve the challenges more effectively.

As for the main question of the research – what are the challenges of foreign entrepreneurs in Denmark – the answers are not that different from the international practice, described in the literature on ethnic/immigrant entrepreneurship. There are country-specific details, which have to be taken into account while conducting business, however, generally the main challenges of financing, communication (language and networking) and regulations are common worldwide for the immigrant entrepreneurs. How to solve those challenges and lower the liability of foreignness, however, is very country-specific and requires specific personal/business traits, understanding of the local culture as well as expanding the network in order to utilize it as effectively as possible. CAGE Distance framework, on the other hand, is a useful tool from a general perspective to determine the possible

challenges and reduce the liability of foreignness, however, the determinants presented in it need to be tweaked according to the individual immigrant entrepreneur. After such changes, it would be easier to make a research on Denmark as well as reducing the risks of failure and raising the possibilities to have success in Denmark and, in some cases, even worldwide. As one of the interviewees said: "To succeed in Denmark - maybe its succeed in the world" (Participant 11).

7.1. LIMITATIONS AND FURTHER RESEARCH

As there are more and more immigrants and their descendants living in Denmark and the country becomes more internationalized (especially Copenhagen), the topic of immigrant entrepreneurship needs to be researched further. This research covers only a small portion of much wider research that can be done on Denmark. Nevertheless, as there are only a few scientific papers in English available on immigrant/ethnic entrepreneurship in Denmark, the immigrant entrepreneurship, as well as the challenges, shall be analyzed further. Furthermore, it would be interesting to conduct new research on the ethnic/immigrant entrepreneurs who came to Denmark in the last 5 years. What are the differences in businesses between the EU and non-EU immigrants? What are the challenges that the ethnic/immigrant entrepreneurs face depending on their background, education level and the country where they come from (especially non-EU with low education or income level)? How do they solve such challenges and how they integrate into the Danish society (if they integrate at all)? All these questions would be of interest to research and analyze the results. In addition to that, as the research was done only on a small sample of interviews (12) and the interviewees were found via online groups as well as my own personal network located in Copenhagen, it would be of interest to get a larger sample pool (or make a quantitative research) as well as to see other cities in Denmark, with less presence of immigrants. It would be interesting to do a larger study on this particular topic.

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APPENDICES

APPENDIX A – EXPLORATORY INTERVIEW GUIDE

Table 1A.
Introduction questions

NO.	QUESTION
1.	What is your name and where are you coming from?
2.	How long have you been living in Denmark?
3.	What are you doing for living? Could you tell more about your company/business? Where is it located?
4.	Are you planning to stay here or you will come back to your home country?
4.1.	*What would influence your decision?*

Table 1B.
Challenges/business challenges questions

NO.	QUESTION
5.	When you have moved to Denmark, what were the challenges that you have faced? What business challenges have you faced?
6.	How did you solve those challenges?
7.	What characteristics do you think shall a foreigner have to face and solve the challenges that you have mentioned before?
8.	What has helped you operating in Denmark as foreign entrepreneur? What were your major points of connection for your business when entering the country? Who has helped you?

Table 1C.
Relocation/integration questions

NO.	QUESTION
9.	What were the reasons to relocate to Denmark?
10.	If you had problems/concerns while relocating and establishing a business here, what were they about?
11.	Did you have any help from Danish authorities or governmental agencies such as "Copenhagen Capacity" while relocating and establishing a business here? If yes, what kind of help?
12.	You have mentioned that your office/business is in _____. Why did you choose that place for it?
13.	Do you feel integrated in Danish society?

| 13.1. | *If yes, why? What has helped you to integrate?* |
| 13.2. | *If not, why not? What could help you to integrate here?* |

Table 1D.
Benefits questions

NO.	QUESTION
14.	What are the benefits of opening your business in Denmark?
15.	Are you a part of a startup/business/ethnic community in Denmark?
15.1.	*If yes, what are the benefits of being a part of it?*
15.2.	*If no, why not and what are the drawbacks of being a part of it?*

Table 1E.
Networking questions

NO.	QUESTION
16.	What was your main communication channel, when you have tried to find information about Denmark?
17.	Have you been using your network in Denmark?
17.1.	*If yes, how did it help you with your business?*
18.	Who would you ask for help if you would need it?
19.	Do you believe that you get more help from your friends/family or from the acquaintances?
20.	Do you use help from your fellow friends coming from the same country?
20.1.	*If you do, what kind of help do you ask them for?*
21.	What social medias do you usually use to find information?
22.	Which source of general information you consider the most reliable? Can you give some examples?

Table 1F.
Cultural questions

NO.	QUESTION
23.	How often do you communicate with Danes?
23.1.	*How would you characterize Danes? What has surprised you?*
23.2.	*If not often, why stops you to communicate with them more often?*
24.	Do you do business with Danes? Do you have Danish partners?
24.1.	*If yes, how would you characterize Danes as business partners?*
24.1.1.	In your opinion, what characteristics Danes have? What are their business traits? How do you think they conduct a business?
24.2.	*If not, why not? What stops you to make business with Danes?*
25.	What do you think would help you to have a success in Denmark?

APPENDIX B – INTERVIEW TRANSCRIPTS & TABLE OF PARTICIPANTS

Note: relevant answers are grouped by topics. Full audio recordings (both original and MP3

formats) are available via this link: https://drive.google.com/open?id=16AfhxvYW5TlQxKTF-

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Name	Gender	Country	Years in DK	Business	Audio link
Pedro	Male	Chile	7	Tech and innovations – open data and network science company	Click here
Julius	Male	Germany	2	Food – healthy snacks - chickpea company	Click here
Ashwin	Male	USA	2	Ecological/tech – home carbonation/soda screen machine	Click here
Caitlyn	Female	Canada	3	Solo - floral designer/event styling for weddings and corporate events; teaching creative workshops	Click here
Charles	Male	France	4	Tech and innovations – hardware company making a wearable fitness tracker	Click here
Elena	Female	Russia	5	Solo – photographer and videographer in the business area	Click here
Francesco	Male	Italy	5	Food/ethnic – Italian restaurant	Click here
Jan	Male	Norway	7	Social/food – providing school meals for children in developing countries	Click here
Julian	Male	Luxembourg	2	Community – garage for creative people/music	Click here
Natalya	Female	Latvia	9	Solo – beauty studio and entrepreneurship studio	Click here
Pedro Costa	Male	Portugal	9	Tech and innovations – hearable device with bone conduction technology	Click here
Vanessa	Female	Mexico	2	Ethnic/social – Mexican artisan products	Click here

Note: Table of interview participants. Developed by the author.

Question	Answer
Name, gender, country, years in Denmark	**R1**: Pedro, male, Chile, 7 years **R2**: Julius, male, Germany, 2 years **R3**: Ashwin, male, USA, 2 years **R4**: Caitlyn, female, Canada, 3 years **R5**: Charles, male, France, 4 years **R6**: Elena, female, Russia, 5 years **R7**: Francesco, male, Italy, 5 years **R8**: Jan, male, Norway, 7 years **R9**: Julian, male, Luxembourg, 2 years **R10**: Natalya, female, Latvia, 9 years **R11**: Pedro Costa, male, Portugal, 9 years **R12**: Vanessa, female, Mexico, 2 years
Business in Denmark	**R1**: Tech and innovations – open data and network science company **R2**: Food – healthy snacks - chickpea company (registered in Germany, operates in Denmark) **R3**: Ecological/tech – home carbonation/soda screen machine, so the consumers would buy less soda in stores in plastic packages **R4**: Solo – floral designer/event styling for weddings and corporate events; teaching creative workshops **R5**: Tech and innovations – hardware company making a wearable fitness tracker **R6**: Solo – photographer and videographer in the business area (solo company). **R7**: Food/ethnic – Italian restaurant **R8**: Social/food – providing school meals for children in developing countries **R9**: Community – garage for creative people/music etc.

	R10: Solo – beauty studio and entrepreneurship studio **R11**: Tech and innovations – hearable device with bone conduction technology **R12**: Ethnic/social – Mexican artisan products
Going back or staying in Denmark? Influence factors.	**R1**: Staying, depends on the family (wife) **R2**: Not staying, weather and language **R3**: Staying, for at least few years, depending on the business and knowledge of the language **R4**: Staying, good for creative entrepreneurs, Copenhagen's charm **R5**: Staying, depends on how the startup will develop **R6**: Staying, in love with the country **R7**: Staying, Danish lifestyle, safe and good control/laws **R8**: Staying, but commuting between Norway and Denmark would be ideal (depends on the wife) **R9**: Staying, depends on the business project and girlfriend **R10**: Staying, likes living in Denmark **R11**: Staying, life quality and the girlfriend, more opportunities, society **R12**: Staying, but depends on the legal situations with work permits and visas
General challenges in Denmark	**R1**: Accommodation is the trickiest part, but the university sorted out all the logistics. **R2**: Apart from finding an apartment, which was a big challenge anything else was quite easy, I think because I come from a really similar cultural, cultural background. Dealing with the weather was also bit hard and meeting people, particularly Danish people, I find quite difficult because Danes tend stick to each other and it is hard to get into Danish social circle, if you're not a Dane. **R3**: Housing, settling down. **R4**: Language. **R5**: Initially no challenges, as everything was taken care of. **R6**: No network. **R7**: Just the business challenges (*next question*). **R8**: Language, building a network. **R9**: Organizational, getting CPR number, expensive life, finding a job. **R10**: Challenges were connected to the education. **R11**: Getting to know the rules, Copenhagen is expensive, accommodation. **R12**: Getting all the documentations, practicalities, IELTS, residency permit, getting CPR and NemID, weather, cultural differences, no network (getting new friends).
Business challenges in Denmark	**R1**: Legal matters which are not available in English – *language*. SKAT and what is the best way to open up a business. Not many visas are issued, need to have 150,000 DKK on the bank account **R2**: It was really complicated because the Danish business authorities only accept their forms in *Danish*. We needed for our product a smiley report, which has to be filled out in Danish and only exists in Danish, and it makes it really hard to fill out 14 pages. Also, because our business was founded in Germany, it was really difficult because we didn't have the necessary numbers and CVR number that we would have as a Danish business. Taxes. **R3**: I think one of the main things that entrepreneurs face is the dilemma of having study, life support, to be able to support themselves, at the same time, invest the time to grow their business. Denmark is not cheap. **R4**: My business in Denmark is network based and it depends on the connections with Danish community. Need to start fresh networking. So it's all about growing my network right now. Especially in events and weddings, it's like completely about recommendations. I'm coming into this, with, you know, no family here, or, you know, good Danish connections. **R5**: No initial challenges, as I was a part of student organization for entrepreneurship with an incubator, government was helpful. The biggest challenge are administrial, changing the rules/laws quickly without informing. Paying the wages, vacation money, SKAT if it is not in English. NemID is annoying. Denmark is not an industrial country, for us as a hardware company. **R6**: No **network** as well, developing it. **R7**: The challenge was to put all my experience that I got before in the restaurant take in this project. **R8**: When you move to a new city and a new country, and you have to kind of set up a new network, especially when you're doing business as an entrepreneur, it can be challenging to start building a network from the ground. Building a new **network** as a foreign entrepreneur, different food regulations, right procedures. One of the strictest food regulations in the world. **R9**: Organizational – no clue how to start a company, how it is done legally, licenses, what type of company to open (profit/non-profit). **R10**: Understanding the Danish **mentality**, culture. **R11**: I've heard quite a bit that people are very conservative with investing. I didn't get investment yet. And it's been almost a year. So that might be true. Not enough people to do all the stuff. **R12**: Having a part-time job, studies and the business is hard and I cannot spend lots of time on different things at the same time.

Ways to solve those challenges	**R1**: Applied to the governmental program Startup Denmark for non-EU citizens, where they were selected as one of the winners. Use of the municipality program where they introduce to the system on how everything operates in Denmark. Having liquidity, money to live at the beginning. **R2**: Lots of phone calls (sometimes contradictive). **R3**: I'm still working part-time to support myself here, while I'm committed to my project. Hiring other entrepreneurs to the startups part-time. **R4**: Female entrepreneurship programs has helped a lot, making coffee dates, participating at the events. **R5**: Just natural way as every challenge is solved. Also, easy to recruit a team of foreigners, as Danish companies mostly don't want them. **R6**: I called to the local photographer from Lyngby, and asked if I could come and meet in person and introduce myself. So that was how it started, I started working for him. And then after two years of working for a local photographer, I quit it and started working for only myself. So that was how I created I started creating my network. **R7**: It was easy although lots of energy and time consumed. **R8**: Following the rules. **R9**: Slowly, but with the help of a Danish guy, who already had some companies established before. Using of the network as well to find an accountant. **R10**: Well, to be honest, I don't think there's a big solution except of really wanting to integrate yourself into that culture. And of course, for culture to be open for people to integrate. But I don't believe this right now is very solvable. **R11**: Finding an investment - you apply for funding, you talk with investors, you hope that they give you their money. And you try to put the product and the company in a place where people are willing to invest in you, willing to give you funding, depending on the investor, they have a different requirement, depending on the funding, they have different focuses. **R12**: Being there from time to time, having lunch with other people in the incubator (CSE), having time to spend with consultancies, using their social media to promote my business.
Foreigners' personal traits and characteristics to solve previously mentioned challenges	**R1**: Being creative **R2**: Persistence, thinking outside the box, talking to people, reaching out. General entrepreneurial skills. **R3**: Persistence, patience, ability to adapt and learn. **R4**: You have to be driven and committed. Be able to go solo and make it work. **R5**: Resilience, being calm. **R6**: Start studying the language. **R7**: You need to be very focused every single day. Because for the first two years, it was also very difficult to take any holiday and be free. **R8**: Being adaptable, being able to build a network. **R9**: Be courageous, if something doesn't work – try again as there are always answers to any questions. Develop social skills, meet Danes. **R10**: You need to know your target audience, customers, understand the local market. **R11**: Be blatant and not being afraid to talk with people, you have to be cautious and at the same time – pierce through everybody and show who you are and what are they missing out. **R12**: Talk with a lot of people, make a bigger network, connecting with people.
What/who has helped to operate in Denmark as foreign entrepreneur	**R1**: Startup Denmark program **R2**: Other Danes and friends who helped us to translate and just persistence, but I didn't find really that Denmark or the Danish government provides no help for entrepreneur. **R3**: Copenhagen – network of the startup ecosystem, collaboration between education and entrepreneurship ecosystem. Infrastructure, easy to get up and running without external help. **R4**: I think in Denmark and in Copenhagen, it's such a welcoming city for startups right now. And entrepreneurs, and there's so much creativity going on, that there's a lot of collaboration. And it's really nice, that's not all about competition. So all of my top competitors want to work with me, and I want to work with them. And it's, you know, it's something really different from a North American perspective on that, where you're just like trying to be the best and talk to each other all the time. I think that's been a huge help. **R5**: Danish co-founder who dealt with all Danish communication, governmental help. **R6**: Its experience, its social media, it's new people their experience, which people shared with me, some entrepreneur groups, online and offline. **R7**: The law and the accessible system also if you don't speak Danish. **R8**: Connections and relations developed in Denmark. My co-founder, colleagues, new family. **R9**: Danish person who has helped a lot. **R10**: Learning the language – then people when they see that you have made an effort to learn and integrate yourself, solidarity, working hard. **R11**: Denmark has helped me quite a lot. Advisors, people, the government, I mean, so many helps. If you do things, right, you can really.. You just have to get informed and not be afraid to ask always, no

	matter how weird, it might sound, but then you probably get a completely different answer. And it's even better. I think the fact that I'm in Lydens Hus helped me a lot, and they have a good network and also I got to know about this hackathon through them, which won, some nice things came out of that. And now I'm in this other program called Soundhub, which I'm hoping that will also come good things out of that, which they have very interesting collaborations with B&O. I think people are willing to help if you ask. **R12**: Denmark itself is a flexible place for doing business, so that I mean, it's like a solid base for starting. They have like all these events, like all the time, for coaching for workshops, training about different topics. Also, in my case, like studying this particular Master, and getting my elective, this class, which is called "Go to market", I mean that one was like really practical, unlikely the rest of the program that I had. But it was into specific, like events, and tools, and even though the professor is one of the most important entrepreneurs in Denmark, so he's always super actively inviting the students to be part of the networking of entrepreneurs. So I think that like the most flexible thing of Denmark, is this open mindset and open activities regarding entrepreneurship.
Reasons to move to Denmark	**R1**: Ph.D. studies. **R2**: Studies – degree in innovations and entrepreneurship, the country's social system. **R3**: Studies, but then pivoting to the entrepreneurship. **R4**: Internship, but as I and my husband are both designers they decided to stay in the "capital of design". **R5**: Studies. **R6**: Marriage. My husband got a job here. **R7**: Big market for good food, especially after Noma has been open. **R8**: Studies at CBS OIE. After that – wife. **R9**: Studies at CBS OIE. **R10**: Studies. **R11**: Studies. **R12**: Studies at CBS OIE. I was living and working in Mexico for all my life, and there are like a little external and micro situations that I didn't like, and at some point that started affecting in my personal life, so I wasn't really completely comfortable and happy with how the system was. And I just had a personal crisis, so I quit to everything and gave a break to myself. And during that period, I started traveling, and then I knew new possibilities of living, call it Europe. I was traveling in Europe, and I was already thinking moving. And when I came to Denmark, I was really impressed about how people are ordered and clean and how the system everything and transportation, like all these little facts that globally make - works perfectly. I just felt that it was like the right place for me to be in.
Problems and concerns while relocating and establishing the business	**R1**: No concerns, as the university sorted it out at the beginning, as for the business – having money (150,000 DKK) and having an innovative product. **R2**: No concerns **R3**: Lots of uncertainty, due to the language and translation. **R4**: Concerned about money, financial stability while doing business; networking as the business is network-driven. **R5**: The weather and language. I still don't speak the language, which is a shame, but I don't need it. I don't see it as a fruitful investment. So that's why I'm not even trying to learn it. So of course, I wanted a good education, which, honestly, I got. **R6**: No general concerns, as I was already before in Denmark for studies. But were concerns before starting a business, as I had no experience. **R7**: No problems/concerns. **R8**: I don't remember my concerns which were 7 years ago, but Norway and Denmark are not that different. **R9**: No relocating concerns, as it is an adventure, starting a business was also a bit sudden, but no concerns. **R10**: It was 10 years ago, so I don't remember. **R11**: I didn't have much concerns as I was young. Before business – what are the rights, being serious about business as it is a legal entity. **R12**: I had a lot of concerns. First of all, I already had the idea of how to make it legal. But I'm not sure if I should give that step because, of course, I feel like a lot of information about if I do it, I don't want to get in trouble because of taxes or whatever other thing that I may don't know, because I'm not fully focused right now in the business. So and also like to getting partners, I mean, getting a partner is always complicated in our business. But when you're a foreigner and you have an idea very specific about your country in another place is even more complicated. So at some point I will need to grow the team but it is super tricky to know, or to decide with whom.
Help from the government or governmental agencies	**R1**: Startup Denmark program and municipality program **R2**: No **R3**: The incubator (CSE), information from the Innovation Fund, founder program.

	R4: No, I didn't reached out so much, I mean, I got my CVR number. And that was the easiest process ever. And even do my VAT was way easier than I expected. I think Copenhagen or Denmark really, you know, builds a system in a way that totally support small businesses. **R5**: During the establishment – no help. On the later stages – yes. There was a help from a mentor from Vaeksthus who helped to navigate where is the public funding. Innofounder program – helping financially. **R6**: No. **R7**: No. **R8**: Help from Danske Bank while setting up the business, the masters in innovation and entrepreneurship are also helpful. Plus plenty of organizations that can be contacted. **R9**: No. **R10**: Going to Vaeksthuset with free course on how to start a business. I had a nice mentor with some tips, but he did not have his own business, so he could not give me much information. **R11**: I had help from the people here in Lydens Hus, I had help from virk.dk, because I call. Help, from SKAT. So just, you know, calling here and there, but I didn't know. A specific entity. **R12**: Help from CSE, using them for consultancies, events and their social media.
Business location, reasons for such choice	**R1**: Coworking spaces around Copenhagen, accelerators, which offer office spaces – chosen because they can commit to the business, while looking to the other possibilities **R2**: Kitchen Collective. It is certified, they are used to deal with foreigners, smooth communication and in English. **R3**: CSE (Copenhagen School of Entrepreneurship). It's an incubator and partly, given my personal circumstances, where I live and everything I think it's easily accessible to me. And on top of that, I already knew the people in there. And it's also an incubator which fits in a lot of CBS students. **R4**: Østerbro, where I live, as I don't have money for a studio. Being central, to be able to network with people. **R5**: Østerbro – Symbion. The rent was cheap. Also because of the neighbors and the network, because our neighbors are doing the product that has a lot of common parts with ours. So it's, and they help us a lot and everything. The network is super nice here. **R6**: Lyngby, but location does not matter, as I am flexible. **R7**: Vesterbro, being close to the clients. **R8**: Amager Strand – close to home and not spending time in travelling. **R9**: Refshaleoen. The garages were there, plus it is an area which develops all together and it fits quite well with our project. **R10**: Now Nørrebro, before – Østerbro. It's central and there are lots of creative business. Soon will be metro. **R11**: Lydens Hus - it's translated to English "House of Sound". Meaning, you know, it's focused on businesses within the sound area. So I have an acoustics, audio business. So I thought this probably the best place to be in Copenhagen for me. **R12**: CSE – as a good startup incubator. With my business idea, they kind of provide me some tools and ideas of how to develop it. But at the same time CSE, leaves a lot to the entrepreneur is like you need to, like make everything and I was expecting a little more about a line of how to make business here.
Do they feel integrated in Danish society? If yes – what has helped, if not – why not and what could help to integrate	**R1**: Largely – yes, especially that Copenhagen has lots of expats. Working as an employee in a company helps to build a network and then afterwards helps with the business. Attending the events, being active. **R2**: No, definitely not. It was partly my fault, because I didn't invest in learning the language. But I feel like the Danish conscience quite hard to enter as a foreigner, even though I'm from a very similar ethical and geographical and cultural background. Danes are very close and it is difficult to meet new friends. **Help** – living with Danes in the same apartment. **R3**: Not 100%, as they took away the free language courses, which is a big drawback. The orientation program could help, introduction to the Danish cultural values. **R4**: No, not properly integrated. More Danish friends would help, surrounded by the language to learn it faster. **R5**: No. I don't have any real Danish friends. I'll say I don't need to. It is stupid, but I don't really need to end up being an outsider on the model, on looking at the society with a with a broad view. I think it's a tremendous, tremendous power to see what's working and what's not working. To be integrated - for me to be fully integrated in Danish mentality, you need to prove completely of the way they think. So one of the reason I stayed in Denmark was because the way the Danes work, I think it's fairly exemplary, it's extremely good. You can have a meeting talking on the boardwalk, that is a normal, they try to be as efficient as possible at work for short period of time, that's even better. And, of course, they'll usually kind of smart. And that's why I think it's a good quality to be in the workplace, we almost work according to the Danish standards. **R6**: It's complicated – yes and no. Yes, because, again, I speak the language, it makes my life and my business easier. But integration is a long process. And the Danes are not that, easygoing people, like

	people from Spain or other countries. You have to work to be integrated. So I think, even though I have many Danish friends, I don't feel I am fully integrated. Help - if you hang out on a regular basis, if you participate in many events, organized by Danes **R7**: No, the language could help. **R8**: Yes, but happened after I have finished my studies and that can be a challenges as most of the OIE network moves out of Denmark. **R9**: Yes, but to a some extent. I think the Danish society is welcoming but in the different ways that it is for the foreigner to make the first step towards the Danes, that's how I've been living - it is true. Maybe if somebody would be very introverted, it might seem very complicated to integrate here. But if one makes the first step, and one is just there with good intentions of being nice, being gentle with people being just in general, very kind. There's no problem at all - people like kindness in general here. And I think if you show kindness, in general terms, there's no issue. **R10:** Yes – learning the language. **R11**: Partially, helped nine and a half years of the exposure to Danish society, living and learning, but I am European in that sense. When I lived in Portugal, I did not feel Portuguese completely either. Nevertheless, I know the subtleties and I know how to handle different people differently. What would help me is knowing the language (but I still don't want to border myself with imaginary boundaries of the countries). **R12**: I feel integrated in the international community in Denmark. Because I feel that so far, the places where I have been involved are very international. And I haven't been in a situation of being only with Danes. So the school is international. Now my work is international, and I have most of the part most of my time in there. And I started living in these place were essentially like, a lot of Danes living in there. And then I find out that if you don't speak Danish is really complicated to really get involved or integrated. So I haven't done it. Learning a language could help.
Benefits of having a business in Denmark	**R1**: People are open, many high-tech companies, good trust level, easy to connect with people. Lot's of support for high-tech companies. **R2**: Not many, because Danish market is very small. Taxes are super high - it is not that attractive. The buying power is quite high, especially for food items. Big emphasis on organic things, which I think is very good. And Copenhagen is small town, where you can cover a lot of ground when doing sales in a short time. **R3**: Access to the Nordic markets, and then also to the rest of the European market, and Denmark is ranked quite high in terms of ease of doing business and the transparency of the system. Easier to do business in Denmark than in the US as a foreigner. **R4**: For me, it's a market that I think hasn't been tapped into. Especially the wedding industry here is quite traditional. North America is on a totally other extreme, where everything is all about the wedding and spending, and I kind of want to find a balance where people are creating an atmosphere that's personal to them, you know, without the actual, so extreme overspending that America has. Yeah, so I think it's just a bit of an open market right now. And filling that niche early on before it kind of explodes would be ideal. And same goes for my workshops, like, I'm only in the past two years starting to see a lot of these lifestyle based workshops. And it's something that in my home country has been happening for 10 years. So it's, I think that I have an outsider perspective on it, and where it can go to that I'd like to kind of implement in here. **R5**: You can do everything and its fairly cheap. **R6**: The benefits are that you can work really flexible. And the tax system and rules are really clear. **R7**: Making and saving money. **R8**: Closer to the world, Europe, international networks. Lots of international companies in Copenhagen, being a part of EU. Higher focus on entrepreneurship and innovations than my place in Norway. **R9**: In Denmark itself, I think you can get a lot of help from different grants, from different people that also work in this environment, I'd say that my work gave me access to knowledge that allow me maybe to develop a set of, of skills that's helped me with this, whether this is just Denmark, or just the learning environment in which I am in Denmark. But in Denmark, specifically, I think you very well supported compared to other countries. **R10**: Lots of people speak English. It's very easy practically, technically, legally, to register your business online. That of course, is a plus. You don't need any startup capital. Or, I would say, too much knowledge to start the business here, even as a foreigner you can find out and of course, you can get like free courses and support also in English. So I would think, okay, they're literally no big challenges, or there's literally not so many interferences for you to register a business, if you want to. There's a different questions about making profit, and so on. But just to start a business, I think that's really easy. **R11**: Denmark has a very good brand in the world when it comes to design and acoustics. And that's exactly what I'm doing. So it makes perfect sense to be a Danish company, and to have the influence of the Danish in the company. I have both internationals and Danes. Work with both and that's the way I want to do it now and do both. I think Danish design is great. I think there should be more

	Danish design in the world. I think acoustics in Denmark are also the best in the world. So I have a very big network here of acousticians, engineers. So I don't think I could be in a place with more knowledge about this stuff. **R12**: It is quite flexible and they try to foster the entrepreneurial ecosystem.
Are they a part of startup/business or ethnic community in Denmark? Yes – what are the benefits, if not – why not? What are the drawbacks	**R1**: Was a part of founders of tomorrow program and some other startup community groups – not as much now. **Benefits** – events and people, where you can hear lots of tips, there is a possibility to find clients, networking, learning from others' experience. **R2**: Part of CSE and Kitchen Collective. **Benefits** – talking to likeminded people, entrepreneurs with experience in the food market. **Drawbacks** – no, unless you spend too much time and forget about the business. **R3**: Not active in the ethnic community, as I am a diverse person. Startup communities - I am part of the CSE incubator, and it's a community. I can also prioritize reaching out to other different communities, although it was a very good point that you mentioned that, that thing, I should start doing it. **Benefits** - Lot of collaborative effort. And sometimes, they can help reach each other out. I do engage with a lot of founders here, I actually engage them in the problems which they are trying to solve and then see if I can actually give out some useful, reflective thoughts on them. Can bring success. **No drawbacks**. **R4**: Community called "Girls are awesome" – boosting female entrepreneurship. **Benefits** – getting a community, support from experts. **Drawbacks** – being involved in female-only events. To be ready for competition, I want to be in a room with men. **R5**: Not now, but we were a part of many various incubators. **Benefits** – going to events and networking. **Drawbacks** – boring, repetitive stuff. **R6**: No, I am afraid of being a part of a community. **R7**: No, I don't need it. **R8**: Not actively participating. Attending some events. **Benefits** – network. **No drawbacks**, unless all company secrets are exposed. **R9**: Yes, as my job at Accelerace (entrepreneurial community) is quite helpful. **Benefits** – people that share the knowledge, experience in the interested area of a business. **Drawbacks** – different point of views of different people. **R10**: It depends. I am a part of female entrepreneurs community in Denmark. Plus there are many other communities in Copenhagen for foreign entrepreneurs. **Benefits** - you meet people that are already in your topic that are already much more likely to understand what you're doing and help you with what you're doing. Because, they come from the same understanding, like you have already a lot in common. But it's very important to have smart people around you. And also, simply not feel alone on what you're doing. Because I think it's easy to fall in the hole of, I like, I'm working alone in my projects. And I don't know, it's kind of both important, I think socially, emotionally and practically to be part of some communities to meet people, maybe find partners, collaborate, and of course, learn also, from others experiences. **Drawbacks** – too many networking and socializing events, if you go too much – you can't concentrate on your business. **R11**: It's a very strange community in the sense that it's a very organic community. It's not, there's no like, specific place to go, where everybody is drinking coffee and talking about what's interesting for you. It's more like, there's people here and there. You have to seek out and always be like, checking what's going on. You also have to be careful not to be too much on it, so that you dedicate your time and things that matter to you. **Benefits** – people can trust you, helps to create a faster connection, you are much more resourceful. **Drawbacks** – community should be more active and more consisted and not scattered in different places. **R12**: I'm looking to become a part of international women in Denmark, which is like a specific group that is supporting the woman that movie here from, of course international like other places, and they are like specific, specifically like looking into the goals of each one and looking how to develop a bigger network and help them to integrate and to perform their own goals. I am also a part of Mexican community(group) called "RedGlobalMx", which focuses on the relationships with emigrant Mexicans. They have chapters in different countries and we have started with the Danish one. **Benefits** – networking. **Drawbacks** – time consuming, also we are sometimes individualistic.
Communication channels in finding information about Denmark	**R1**: Most of the stuff was covered in English, look specifically to Denmark to find necessary information. **R2**: Calling, official sites were of no help. **R3**: Google, but there is a gap in translation as I had to translate to Danish and then search, **R4**: I think a lot it's the expat group, lot of people who have the same struggles that you have. But yeah, I think most of the Danish websites are pretty good. I use a lot of Google Translate. When I sign in English page, it's a bonus. **R5**: To be completely honest, I didn't really think twice about going to Denmark, my story with that, that it was part of my study, I wanted to do some specific topic, I wanted to go into project management. I looked at where I could go, and that is basically the choice. They have special kind of

	degree. So either masters teach you in DTU, somewhere in China. I looked which is closer and it was Denmark and that's pretty much it. **R6**: Facebook. **R7**: Asking people around. **R8**: I haven't used any information channels. As for the Danish infrastructure – borger.dk. **R9**: None, just using the CBS website and Boligportal to find accommodation. **R10**: Internet **R11**: Phone. **R12**: Internet.
Using the network to establish a business in Denmark – how did it help	**R1**: Yes, tried to reach out for people that have already met, some friends that have also started a startups or that know a little bit more, because have been here for a while. And then these organizations that essentially support entrepreneurs from the municipality or from the other sides. **R2**: No. **R3**: Trying to build a network. Not leveraging my network for business yet. **R4**: Yes, whenever I can. I think it helps. People are spreading the word. And I'm noticing that I'm getting referrals now. The few people that I've talked to in person, those are the ones are getting real connections and real customers. So it's definitely helping. **R5**: Yes. There was a lawyer who I knew before I started that helped me. There was a coach, who helped me as well with the science and there were people that helped from before. **R6**: Yes, pretty often. It helped me with finding the clients, professionals, which could help me - accountant, advertising consultant. **R7**: If I need something I go to ask somebody that already has been on that position and can help me solve my problem **R8**: Yes, it got me contacts, business deals, new employees. **R9**: Before opening the business – yes, definitely. I asked some general questions is going back to my work at Accelerace, maybe there I have access to people who just been doing this their entire life. So I asked them just general questions about how they think it would make sense for me to grow what we started. **R10**: For business - yeah, for sure. You know, it's like this process, it's actually a kind of a dual process of when you develop your business, you grow your network, and when you grow your network, you develop your business. So it's like to tell you the mutual process, and for sure, network means everything for development. **R11**: Yes. They introduced people that I know are good at something. I just called them up. **R12**: Yes. One to one conversations that I usually have about my project, this is how I get names or referrals. And then I need to actively write to them and to get like these meetings straight away directly with them. And I have done this with both with Danish people and Mexicans. That have been living here for more than 10 years. And they already know how to do it.
Who to ask for help if it is required	**R1**: Friends, organizations, people with experience. **R2**: If I knew any more experienced people than me. **R3**: If I would need help, besides Google, I actually reach out to my immediate community in CSE, especially when it comes to running business. I reach out to the administrative personnel and CSE and also other founders in CSE first, and then see if that would solve my problem. **R4**: I don't think I have a person yet. I have a lot of other kind of vendors I would collaborate with. So if I want to put on a styled shoot, I go, and I reach out to people and you know, every basement really helpful, but I don't necessarily have one person that I go to yet. **R5**: The right people. That really depends, of course, what I'm looking for. I try for my network to be as you know, extensive as possible to have an answer to everything doesn't always work. But that's, honestly, I know that today I'm reaching the limit of Denmark, I know that it's starting to be more on the tip. I mean, the skills are missing in my network, start to be really specific and I don't have time to find them in Denmark, because it's too much niche. **R6**: I can do everything myself, no need for help. **R7**: Lawyer. **R8**: Depending on the task and the challenge. I would ask people that I've used as mentors when it comes to kind of business decisions, when you're talking about business related challenges. If its challenges of living in Denmark, I guess it's my wife and family. **R9**: Everyone at work. **R10**: Depends on what kind of help I think. Well, I would say in business, I would prefer to first ask my personal contacts on specific questions. If I can't find something then will go to the official source, like commune or just call them. **R11**: Anyone. **R12**: Well, now it's more about information. Because I feel that there are like so many stuff that I need to understand before making this official. So because, in regards the operations and logistics of what I want to do. Bringing products for Mexico is not easy, and it's not cheap. So I will like to be completely sure what is the best option for doing it.

Weak ties vs. strong ties – more help from friends/family or from acquaintances (business perspective)	**R1**: Acquaintances, but very context dependent. **R2**: Friends and family, definitely. Because with acquaintances, they rarely invest a lot of time and effort in it. **R3**: Personal matters – friends and family. In relation to my business – more from the acquaintances and my network. **R4**: I get a lot of help from my husband, for sure. And he's definitely pulling everything along, like going in early morning, flower market runs, so whatever I need to do, but I want to say that actually see the new acquaintances. Often they meet online, through social media, and they've been helping me quite a lot, or other people that have come to my workshop. And I've only met them once. They're, they're actually giving me a lot of opportunities that I wouldn't have otherwise had. **R5**: I usually don't ask for help from my friends, but I try to make a family out of my company employees. **R6**: I would say only professionals could have helped me. Because yes, my friends and family are very helpful, but they are not that much involved in my business life. **R7**: Friends. **R8**: For business purposes – acquaintances. **R9**: More acquaintances – as involving friends in a business is not a good idea (despite the fact that our project was built by me and two other friends) **R10**: Personally and emotionally – my friends, boyfriend, from business perspective – random people or acquaintances. **R11**: I don't mix my family with my business. Sometimes I get help from friends, but mostly – acquaintances. **R12**: I think friends and family. Because I feel like more with the confidence talking about the my project, and what I'm trying to. And with the people who are in Mexico, they're actively helping me with the operations part. With the people that are here, they're connected me with people that might help me.
Help from the same ethnicity people. If yes – what help are they getting	**R1**: Yes, with the things that are technical and not connected to Denmark, as another part of tech development located in Chile. **R2**: No, as calling helped to solve some challenges. Only help from German friends – concerning the recipes. **R3**: Well, I actually meet a lot of people, but I don't explicitly reach out to people from the US or India. Because mainly because, as I said, first of all, I like to be in a diverse environment. And the second thing, I see Copenhagen as a very international community. And I'm not exclusively in either of these networks yet. It doesn't matter what kind of nationally you are, if you have something valuable in a collaborative situation that I will definitely engage regardless of your background, it could be Danish for that matter. **R4**: Yes, with two Canadians. Professionally and networking - one of them I like to collaborate with and she's in marketing, so she can give me advice on that stuff. And then another one, I talked with her once, but she has now included me in like a little kind of woman in business dinner club that we do every month. So they're definitely my two Canadians are the ones that are currently helping them us business lives. **R5**: Yes, a lot. Interns from France as well as help from French Business Chamber of Commerce. They organized startup of the year competition every year. We had the best case, even if it didn't get the title, because it was not convenient for them, we know that we're going to get the help from them. And that's always what it is. They helping us a lot because we're French, they want us to be successful in Denmark as we want. **R6**: No. **R7**: No. **R8**: Yes, I have some Norwegian network here in Denmark. That it's basically friends, but help - it will be the information and contact part, networking part. But, I also run a company in Norway, so there I get help from Norwegians. **R9**: No, I don't know anybody from Luxembourg. **R10**: I don't know anybody from Latvia, to be honest. I don't have one single friend from Latvia. Here I have some who speak Russian, but they are not from Latvia. I would say yes. I think there is something about that you're more likely. I mean, there's somehow a sense of connection that that I feel was people when we speak Russian. **R11**: I try to integrate Denmark and Portugal, trying to do the work with people from both countries. For example, production and also some development and so on, so that we benefit from the European model where you can, you know, Denmark is good for some things, but OK for other things, and still quite expensive. So it makes sense to go to other countries and I want to be present in my country as well. And actually, I want to go there more. See my parents also and things like that. So it makes sense from many different levels to cooperate with Portugal and some Portuguese companies. **R12**: Yes. A lot of referrals and almost, I mean, for this stage is almost related to information. I received a couple of invitation for being part of cultural events and working together with some

	people that is also working in something similar. So I think that this is like the second stage might be, that I started like, identifying people that is trying to do something similar and how we can do it together.
Social medias to find information in Denmark	**R1**: LinkedIn, Facebook, Twitter. **R2**: None, but would use Google or Instagram for inspiration. **R3**: Facebook. **R4**: Facebook a lot. And there's a ton of Facebook groups that are really helpful. And it's also an easier one where I can translate, which helps try to join maybe entrepreneurial groups or, other florists groups. I join all of them, so I can keep an eye on the market and what's going on. Otherwise Instagram is huge for actually kind of seeing what's going on first. And being really well connected. **R5**: I don't use social media to find information. **R6**: Facebook, Instagram, Google, dr.dk. **R7**: I don't use social media to find information. **R8**: Instagram and Facebook. **R9**: Doing business in Denmark – Google, LinkedIn, CBS library. As for the other things – The Economist, Forbes, YouTube **R10**: Google, Facebook, Instagram. **R11**: Depends on the type of information, if it is people – LinkedIn, if it is events – Facebook and Meetup, if it's product or inspiration – Instagram. **R12**: Google, events – Facebook.
Which source of information is considered the most reliable?	**R1**: The official guides, that are provided online by the ministries or Danish authorities, or other organizations that are institutionalized. **R2**: Official websites. **R3**: When it comes to the business, I'll just go to straight to the first, like, if I have a tax related information that I need for the business, I'm reaching out the SKAT, so if it is business related, like CVR numbers and everything else, you're always reaching out the business authority. Also getting information from my immediate support network, which is my incubator. **R4**: Facebook groups, as there are people with experience and dealing with different situations. **R5**: Calling. **R6**: Primarily workshops, online courses, webinars. **R7**: Governmental websites. **R8**: TV2 – for news, Borsen – business news. Food regulations – food authorities in Denmark. Bank. **R9**: Academic information, The Economist. **R10**: Instagram is quite reliable with live streams and pictures "as is" to see the real business process and situation. **R11**: The best information is the written one, because people tend to say completely different things (even from the same institution) if you call them. **R12**: Official sites – newtodenmark.dk, cbs.dk, cse.dk.
Communication with Danes – Danish general personality traits	**R1**: Has a few Danish contacts and friends, but see no difference between them and foreigners. They are open and quite tend to be kind and polite. And so of course, sometimes they don't have time, but generally, they do reply. And if they cannot, they offer alternatives. **R2**: Rarely, mostly in clubs of the university or in daily interactions when you buy food and stuff, but very little. No real social bonds. **R3**: Almost on everyday basis. My experience is quite positive, Danes (the younger ones) are quite friendly. **R4**: It depends on the level. I mean, there are Danes I talked to in relation to business, collaborations, and maybe that's once or twice a week. But it's online. Actual face to face conversations with things maybe once a month, like a friends of my husband or something like that. Personal traits - I think the little bit more reserved, but extremely loyal. It's, you know, once I kind of do make a connection with somebody, then they're there. And they're super helpful. But it's hard to crack it. **R5**: Almost every day. Professional, efficient, calm, conflict avoidant. The fact that they don't seem to understand the whole way of behaving, hard to deal with Danes that haven't been out of the country and they don't realize how other things work. And that's, that makes sometimes very hard to talk with Danes. **R6**: Often, they are friendly, calm and closed. **R7**: Every day in the restaurant. When in the restaurant – very nice and very open-minded, when you walk out of the door – nothing in common and nothing to speak about. **R8**: Every day. Amazing people and they are kind and strict at the same time. Very professional. In most matters, they have a good way of balancing life and work in general. **R9**: Daily. Kind, nice people, but you have to make the first step towards them. It's hard to get into a circle. Nevertheless, it gives me a feeling of a community (much more than in Luxembourg). **R10**: Every day. I think Danes have created very interesting and beautiful country. And I think that's, again, like, either way, this the social structure, the economic politics, of course, it's a reflection of

	people's mindset, and how people see the world how they see what they believe in. So I think if so, I think when you when you are here, and you live in this, and you know, this is a reflection of people's values, generally, I have a very high opinion about the Danes, and their views on how to treat people generally like quality. Of course, like women-men equality, like opportunities for people to study and to have health care, I like the idea of equality, that I think in Denmark is as close to perfect as it is right now in the world, like, me not saying it's perfect, but like, if we look around the world, then this is so far how well it can get. People are also self-preoccupied. **R11**: Very often. They are lovely people. It depends on what you're talking about. If you're talking about something that is easy to talk about, Danes are very cool. If you're talking about something that is borderline, taboo, or something that is, you know, is this, can I do this, can I not do this, like, you know, something that could have someone say, it's not allowed to blah, blah, blah. So it's very stiff in that way. Also you need to formulate your questions so they would answer in the way that you would be able to interpret the answers well (as Danes tend to not be direct and you have to interpret the information that you get). **R12**: Often – weekly. I think that they are very polite people, ordered and organized with whom you could trust that stuff is going to happen when you're getting to agreements, more thinking about in businesses, deadlines, and all these kind of things that will be respected. What is also when there are like, many to whether it's complicated to be part of groups with them, because I think that is so easy for them just to talk about their topics and talk in Danish, that is not always something inclusive with all the internationals.
Doing business with Danes. Are they engaged in that and do they have Danish partners	**R1**: Yes. **R2**: No. I never had the opportunity to do business with Danes. So I tried to sell my product to Danish companies. But it was not successful. So it never really occurred. But maybe the only Danes work with were from the kitchen collective, so the organization that I collaborated with. **R3**: Yes, have a Danish partner and the two first customers are Danes. **R4**: Yes. Most of my business, I'm marketing towards Danes, because I do want that. But I don't have any Danish business partners. **R5**: Yes. **R6**: Yes. **R7**: No, only customers. **R8**: Yes. **R9**: Yes, we have 2 Danes in 13 people group. **R10**: During the last year, so I've been collaborating with a lot of Danes around my business and today. But officially I have just one business partner and she is not Danish. **R11**: Yes. **R12**: Not yet.
Danes as business partners – how they conduct business, business traits	**R1**: They tend to be quite reliable and straightforward. It's easy to once you agree on something, usually you can go even just with the word. **R2**: Very network-driven. So I think doing business with Danes requires having a network or social connection with them. So I think it's quite difficult especially when you don't speak the language, because I think a lot of daily things happen on their language level. **R3**: I think it's a very reliable people to do business. Very straightforward. If you are straightforward and honest - it's easy to do business with Danes. **R4**: I think it's usually quite casual relationships. Nothing is too formal. And I find that I actually get a lot more success the less formal I am, which goes against my type of a Canadian pleasing personality, but I got a lot better response when I take things easy. **R5**: Definitely very reliable people. They are trustworthy and straight to the point. **R6**: So Danes as business partners are very stable. I mean, if they say we have a meeting tomorrow, at one o'clock, they will come five minutes before. And if they say they are going to send me those like documents or staff, they will send it. They are very predictable. Also no cheating. **R7**: Nice and open-minded. **R8**: Comparing to where I'm from, they are much more strict and much more direct in the way of doing business and the way of communicating. But always with a sense of fairness. **R9**: Well, they know their stuff, they know what they're talking about. I'll say, especially Nicholas, who joined us along the way, from a business perspective, he knows so much as he started a lot of different businesses and even helped other people to start the business. And the other person still has not started the business with other people or with himself. So by himself, I think he's just knows how Danes work. We leverage his network as well. And he managed presenters, people that helped us, so that helped a lot as well. **R10**: I think I had both experiences, super positive and nothing really negative. But I think it was either very good, or just kind of it didn't work out, because of person. Most of the time, because a person like seemed to be interested to do something together. But when the time came to actually do the thing, then often I think they pull out of the agreement.

	R11: Well, I had a couple of collaborations already, I would say that they're very diligent, most of them, they're very hard working and if they set out for something, they'll do it. I think they're good. They're good at what they do, if they don't know how to do it, they will try to find a way. I like working with Danish people. **R12**: The only interaction with Danes was in the design market that I was part of, and where I could see how Danes as customers were interested in product. And sometimes they were willing to share their opinions, but mostly, they were like, quite close, and they do appreciate their own space. And not to be disturbed.
Success factors in doing business in Denmark	**R1**: Once you have certain size, you need to make sure you gain visibility to the more traditional channels. Because it's a relatively small country, and if nobody has heard of you, even if you have something good, maybe a bit hard to be perceived as something to go to, but if they feel it, like a Danish startup in a way, especially some sort of success keys, think that gives you a lot of advantage in the system. **R2**: Maybe a community for foreign entrepreneurs in Denmark. Maybe even a community that more specifically geared toward the entrepreneurial need. But I think most of all, government websites and information and forms in English. **R3**: Creating a solution for integration, building a social capital between the foreign community and the Danish businesses. The more interaction happens, the more social capital you build to access the relationships that you want to foster and it'll be a win-win situation for both Danish economy and the foreign community. **R4**: Bigger network, for sure. Everything is networking based here. **R5**: Denmark is a great playground for foreigners. Denmark has so many foreign entrepreneurs, because the thing is that the government is heavily subsidizing entrepreneurship. And you can look at the stats from the things like the Global Entrepreneurship Week. Denmark's goes really high in a lot of things, even in education and entrepreneurship. Solving the challenges mentioned before with NemID and laws. **R6**: A wider network. **R7**: Having people – influencers on the media, because everything is based on the influencer level (*network*). **R8**: Money, peace of mind, network, bringing value and making a greater good. **R9**: Don't be afraid to do the first step. That's the thing I see as the most relevant here. Don't be afraid to go towards a Dane that might not seem that interested in you in the first minutes. If you genuinely nice and that obviously, there is a sense of you going towards Dane, for whatever thing you trying to achieve. They're good people, I say in general. So I would say yeah, don't be afraid to be nice. That's more or less the two characteristic that would put as the main ones. **R10**: I think targeting the right issues and in solving the right issues will bring you success as a thing. Again, understanding what are the issues that needs to be solved and I think that would bring you success because that would match will attract people because they would want to solve and they would need your help to solve their problems. **R11**: I think I have to go worldwide, I can't just stay in Denmark. I think Denmark is the place to start and the place to expand up to a certain level. So if I can, you know, sustain funding and good network and good group of people that I can rely on to grow up to a certain point and then go worldwide, go you know, US, Europe, Asia, whatever, you just propagate them and sell the product for other countries and not depend completely on Denmark, you have to have your tentacles here and there. Then it's I think it's more likely to succeed. To succeed in Denmark - maybe it's to succeed in the world. **R12**: It will help me to have enough time for developing this thing, have enough knowledge or the legal, the taxation and all these things and the logistics of bringing the product. Because I've been a little afraid in giving this type of contacting. My idea is to be to have a B2B. So I haven't contacted the possible businesses, for me - my customers, because I don't have yet like the process of how to bring the product in here. So this lack of knowledge, I mean, right now is limiting the development of the project. But of course, it has a part of the time that I don't have enough right now for doing it. And also, like, by that moment, I will need to get another kind of skills, like communicating with Danes and how to develop and create a business relationship with them.

Note: Developed by the author based on the audio recordings of the interviews.

APPENDIX C – NUMBER OF IMMIGRANTS IN DENMARK

Population at the first day of the quarter
Unit: **number**

	2018Q3	2018Q4	2019Q1	2019Q2
Immigrants				
Western countries	249 181	257 938	256 198	259 752
Non-western countries	347 448	351 182	351 424	353 152

Source: Statistics Denmark (2019). Retrieved from

https://www.dst.dk/en/Statistik/emner/befolkning-og-valg/indvandrere-og-

efterkommere/indvandrere-og-efterkommere

APPENDIX D – LEWIS, COMMON TRAITS OF CULTURES (CATEGORIES)

Linear-Active	Multi-Active	Reactive
dominated by timetables and schedules	timetable unpredictable	reacts to partner's timetable
compartmentalizes projects	lets one project influence another	sees whole picture
sticks to plans	changes plans	makes slight changes
sticks to facts	juggles facts	statements are promises
gets information from statistics, reference books, database, Internet	gets first-hand (oral) information	uses both first-hand and researched information
job-oriented	people-oriented	people-oriented
unemotional	emotional	quietly caring
works within department	gets around all departments	considers all departments
follows correct procedures	pulls strings	networks
accepts favors reluctantly	seeks favors	protects face of other
delegates to competent colleagues	delegates to relations	delegates to reliable people
completes action chains	completes human transactions	reacts to partner
likes fixed agendas	interrelates everything	thoughtful
brief on telephone	talks for hours	summarizes well
uses memoranda	rarely writes memos	plans slowly
respects officialdom	seeks out (top) key person	ultra-honest
dislikes losing face	has ready excuses	must not lose face
confronts with logic	confronts emotionally	avoids confrontation
limited body language	unrestricted body language	subtle body language
rarely interrupts	interrupts frequently	doesn't interrupt
separates social/professional	interweaves social/professional	connects social and professional

Source: Lewis, R. D. (2006). When cultures collide. Leading across cultures

APPENDIX E – FOREIGN OWNED ENTERPRISES IN DENMARK

Foreign owned enterprises by unit, country, industry and time

	2013	2014	2015	2016
Enterprises (number)				
Foreign ownership				
Total	4 009	3 860	6 411	7 165

Source: Statistics Denmark (2016). Retrieved from

https://www.statbank.dk/statbank5a/default.asp?w=1536