

A Work Project, presented as part of the requirements for the Award of a Master Degree in Management from the NOVA – School of Business and Economics.

APPENDIX OF THE WORK PROJECT

ANALYSIS AND EVALUATION OF GROWTH POSSIBILITIES FOR THE COMPANY
POP SOLUTIONS GROUP

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Appendix 1: Example POP Media Instore *Nespresso*



Source: POP Solutions Group Marketing Presentation, 2015

POP Media Instore incorporates new technologies, for example, interactive presentation stands, digital signage, beacon, Oculus Rift experience, VR Gear Samsung and augmented reality applications for tablets and smartphones into their displays to extend the “Shopper Experience”.¹

Appendix 2: Example POP Merchandising *Volkswagen*



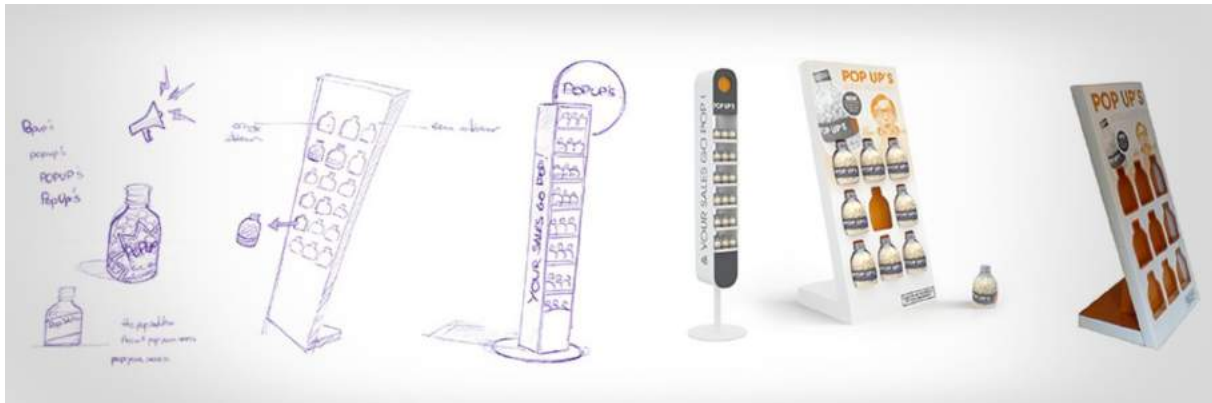
Source: POP Solutions Group Marketing Presentation, 2015

POP Merchandising uses all commercial optimization techniques, e.g. shopper tracking, available in retail spaces and contact points with the customer. It manages all stages of merchandising for the client, including storage, optimal delivery, installation, real-time reporting, and systematic quality control.²

¹ POP Solutions Group Website (2016): <http://www.popsolutions.be/en/experiential-marketing/> [accessed November, 20th 2016] & POP Solutions Marketing Presentation (2015)

² POP Solutions Group Website (2016): <http://www.popsolutions.be/en/experiential-marketing/> [accessed November, 20th 2016] & POP Solutions Marketing Presentation (2015)

Appendix 3: Example POP Design *Design Process*



Source: POP Solutions Group Website, 2016

POP Design and its display designers manage every part of the designing process with a thorough understanding of production and product constraints, the retail sector as a whole and technical processes which encourage impulse buying of the consumer.³

Appendix 4: Example POP Shopper Experience *POP Lab*



Source: POP Solutions Group Website, 2016

With the help of *POP Shopper Experience*, the company can contribute to optimizing its clients' customer experience. By combining the latest analytical techniques and years of expertise in the analysis of consumer behavior, POP Solutions helps its client to understand their current and future customer base, anticipate customer behavior and effectively manage the relationship with their customers.⁴

³ POP Solutions Group Website (2016): <http://www.popsolutions.be/en/experiential-marketing/> [accessed November, 20th 2016] & POP Solutions Marketing Presentation (2015)

⁴ POP Solutions Group Website (2016): <http://www.popsolutions.be/en/experiential-marketing/> [accessed November, 20th 2016] & POP Solutions Marketing Presentation (2015)

Appendix 5: Example POP Gifts *Beiersdorf*



Source: POP Solutions Group Marketing Presentation, 2015

Through *POP Gifts*, the company optimizes the impact of promotional gifts to its client customer base.⁵

Appendix 6: Example POP Promotional *Beiersdorf*



Source: POP Solutions Group Marketing Presentation, 2015

POP Factory offers a modern, high-quality production site with an outstanding team of professionals. The factory manages all processes of display production, including cutting, assembling and filling service. *POP Promotional* delivers POS displays made from cardboard. POP Promotional designs, produces and also stores the developed cardboard POS material. Furthermore, it offers professional advice, prototype production, and specific quotations.⁶

⁵ POP Solutions Group Website (2016): <http://www.popsolutions.be/en/experiential-marketing/> [accessed November, 20th 2016] & POP Solutions Marketing Presentation (2015)

⁶ POP Solutions Group Website (2016): <http://www.popsolutions.be/en/experiential-marketing/> [accessed November, 20th 2016] & POP Solutions Marketing Presentation (2015)

Appendix 7: Example POP Permanent *Moët & Chandon*



Source: POP Solutions Group Marketing Presentation, 2015

POP Permanent can produce high-quality point-of-sales displays with durable materials, such as plastic, wood, and metal. With the help of specialist workers, high-performance tools, and on-site production workshops, it is possible to equip the produced displays and furniture with lighting systems, screens, and other materials.⁷

Appendix 8: Blue Ocean Theory

The Blue Ocean Strategy was developed by Renée Mauborgne and W. Chan Kim. Most companies tend to engage in competition with other companies to gain profitable growth. However, in the nowadays overcrowded industries, this competition leads to a so-called “bloody” *Red Ocean* in fighting for the biggest profits in a shrinking profit environment. Alternatively, the *Blue Ocean* indicates a “competitive-free” environment due to a company’s penetration of new market possibilities (Blue Ocean Strategy, 2016). The table below shows the differences of a Blue and Red Ocean Strategy.⁸

⁷ POP Solutions Group Website (2016): <http://www.popsolutions.be/en/experiential-marketing/> [accessed November, 20th 2016] & POP Solutions Marketing Presentation (2015)

⁸ Kim, W.C. & Mauborgne, R. (2016), Blue Ocean Strategy: <https://www.blueoceanstrategy.com> [accessed December, 10th 2016]

<i>Blue Ocean Strategy</i>	<i>Red Ocean Strategy.</i>
Create uncontested market space.	Compete in existing market space.
Make the competition irrelevant.	Beat the competition.
Create and capture new demand.	Exploit existing demand.
Break the value-cost trade-off.	Make the value-cost trade-off.
Align the whole system of a company's activities in pursuit of differentiation and low cost.	Align the whole system of a company's activities with its strategic choice of differentiation or low cost.

(Kim & Mauborgne, own elaboration)

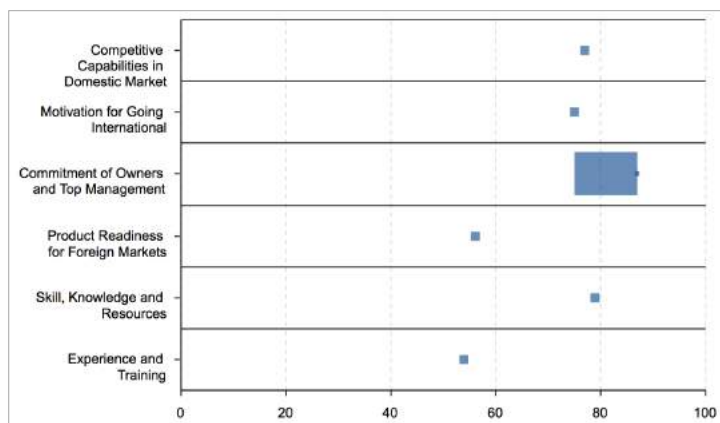
Appendix 9: Organizational Readiness for Internationalization

Dimension	Score	Rating
Competitive Capabilities in Domestic Market	77	Moderate
Motivation for Going International	75	Moderate
Commitment of Owners and Top Management	75-87	High
Product Readiness for Foreign Markets	56	Moderate
Skill, Knowledge, and Resources	79	Moderate
Experience and Training	54	Moderate
CORE	70-73	Moderate

Scoring of each dimension

With the assistance of the CORETM tool, the management of POP Solutions Group analyzed the company's readiness for internationalization. The CORETM is a self-assessment tool and consists of a set of questions on the dimension of competitive capabilities in the domestic market, commitment of the employees, motivation for going international, product readiness for a foreign market, skills, knowledge and resources within the company. The scoring is between 0 and 100 and should give the company an overview, where it stands regarding its internationalization plans.

As illustrated in the figure below, POP Solutions Group shows a moderate readiness for internationalization. Thus, the company and the product/services have several strengths and also some weaknesses. For the dimension "Competitive Capabilities in Domestic Market", POP



Dimension Organizational Readiness CORETM POP

Solutions Group had 77 points, which indicates a moderately competitive position in the domestic market.

Therefore, the chances of success in foreign markets are marginally enhanced, although the company

must take care to address any specific weaknesses in the domestic market. The result of the dimension “Motivation for Going International” (Score 75) indicates that the listed motivations for going international are generally acceptable (e.g. desire for significant long-term presence in foreign markets, exploitation of the company's unique technologies, and improving company's return on investment), but could also exhibit some possible problems for the enterprise (e.g. short-term, incremental sales and/or the desire to dispose of excess inventory). The dimension “Commitment of Owners and Top Management” reached a high score of 87. This emphasizes the appropriate level of engagement to the international expansion of the company. A strong commitment of the top management is the most important single factor in determining the likelihood of success in foreign markets. Companies, which are successful in international markets put a significant amount of resources (financial and personnel) into their internationalization effort. The dimension “Product Readiness for Foreign Markets” scored a lower result in the CORETM analysis with 56 points. Thus, the product/service appears to be sufficiently, but not outstandingly, equipped for foreign market penetration. Factors, which influence this assessment are, for example, willingness to modify product/service and its packaging, training and support needs for after-sales, the ability to meet regulations and standards in international markets, and comparisons with leading competitive products in foreign markets. The dimension “Skill, Knowledge and Resources” rated adequately with a score of 79. Factors, which influence this dimension are, for example, exporting and

international transaction experience, knowledge of barriers to entry in foreign markets, and access to resources such as capital. The last dimension “Experience and Training” rated the lowest score with 54 points. Thus, the company is performing moderately regarding this criterion in international marketing. Management experience aboard and the participation of the company in internationalization efforts, such as trade fairs, where the factors influencing this criterion.

Overall, the POP Solutions Group illustrated various strengths, such as financial control systems, product lifecycle, risk reduction, long-term expansion, target payback period, contractual relationships, strategic emphasis, time and managerial commitment, access to external funds and stained resource commitment.⁹

Appendix 10: Risks of International Business

Country risks are the risk produced by political systems, such as laws, regulations, unstable political systems and environments, corruption, expropriation, wars, and terrorism.

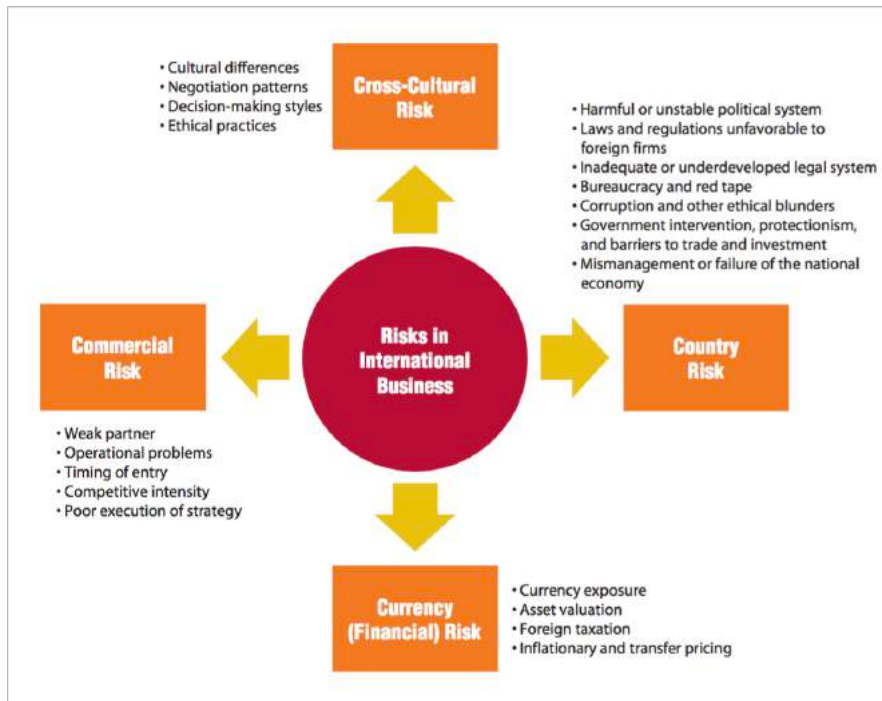
Cross-cultural risks arise from cultural differences, for example, different ways of doing business, ethical practices or negotiation patterns.

Commercial risks are the risk of doing business in a foreign country regarding partnerships, strategy execution or operational problems.

Financial or currency risk include all risks regarding taxation, inflation, currency exchange and asset valuation. The figure below illustrates the four main risks of doing business in foreign countries.¹⁰

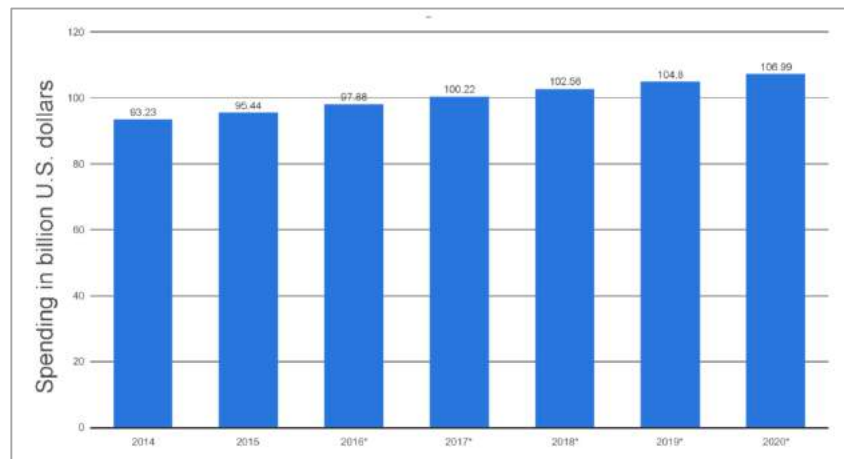
⁹ GlobalEdge Evaluation POP Solutions Group (2016)

¹⁰ Cavusgil et. al (2012): International Business: Strategies, Management and the New Realities, p.10



Source: Cavusgil et. al, 2012, p.10

Appendix 11: Advertising expenditures in Western Europe

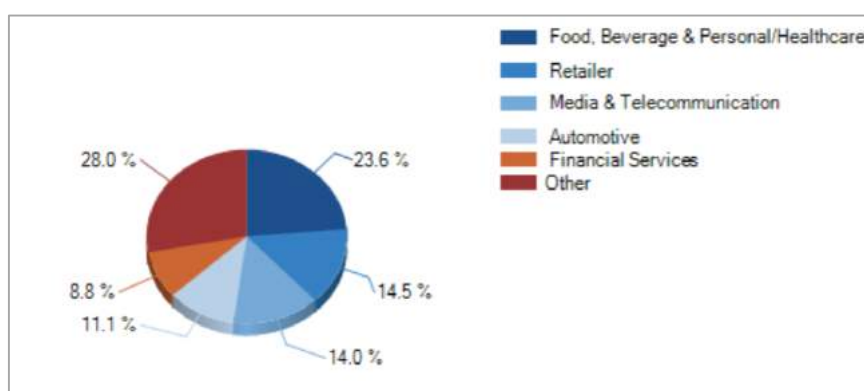


Source: Advertising in Europe - Statista Dossier 2015

The figure above shows the development of advertising spending in Western Europe from 2014 to 2015, with a forecast until 2020. The graph shows a constant increase in spending with \$93.23billion (bn) in 2014 and \$95.44bn in 2015. The forecast indicates a spending of \$97.88bn in 2016 and predicts advertising spending of \$106.99bn in 2020.¹¹

¹¹ Statista (2016): Advertising in Europe - Statista Dossier

Appendix 12: Market Segmentation European Advertising Expenditures



Source: MarketLine 2016

The figure above illustrates the market segmentation of advertising expenditures in Europe. The Food, Beverage & Personal/Healthcare market is the largest accounting for 23.6%. It is followed by the Retailer (14.5%), Media & Telecommunications (14%), Automotive (11.1%), Financial Services (8.8%) and other various markets (28%).¹²

Appendix 13: Market Data European Food and Grocery Industry

Table of development of Europe's food & grocery retail market value: \$ million, 2011–15

Year	\$ million	€ million	% Growth
2011	1,711,502.8	1,542,589.3	
2012	1,755,107.8	1,581,890.8	2.5%
2013	1,799,695.4	1,622,077.8	2.5%
2014	1,849,305.1	1,666,791.4	2.8%
2015	1,896,789.3	1,709,589.2	2.6%
CAGR: 2011–15			2.6%

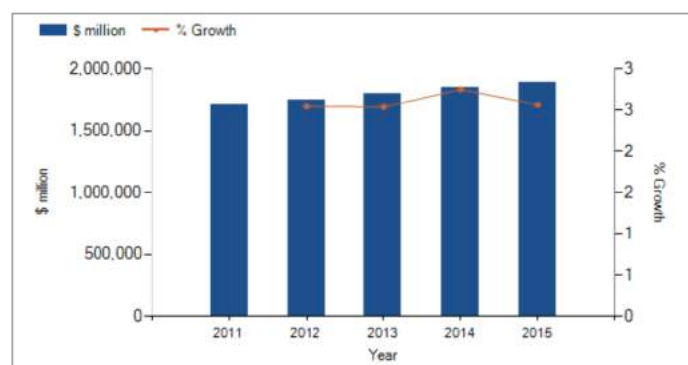
Source: MarketLine (2), 2016

The table above describes the numerical development of the European food & grocery retail market from 2011-2015, illustrated in the figure below this table. The growth rate has been steady in 2012 and 2013 and increased to 2.8% in 2014. However, in 2015, the growth rate fell to 2.6% around, leaving the market with a compound annual growth rate (CAGR) of 2.6% from 2011-2015.¹³

¹² MarketLine. 2016a. Advertising in Europe. edited by MarketLine Industry Profile. Retrieved from MarketLine database <http://advantage.marketline.com> [accessed December, 15th 2016]

¹³ MarketLine. 2016c. Food & Grocery Retail in Europe. MarketLine Industry Profile. Retrieved from MarketLine database <http://advantage.marketline.com> [accessed December, 20th 2016]

Illustration of development of Europe's food & grocery retail market value: \$ million, 2011–15



Source: MarketLine (2), 2016

The illustration above shows the numerical description of the European food & grocery retail market from 2011-2015 as a graph. The orange line indicates the growth rate, while the blue pillars stand for the amount spent in million USD.¹⁴

Appendix 14: Forecast European Food and Grocery Industry

Table of Europe's food & grocery retail market value forecast: \$ million, 2015–2020

Year	\$ million	€ million	% Growth
2015	1,896,789.3	1,709,589.2	2.6%
2016	1,946,426.6	1,754,327.7	2.6%
2017	2,002,556.7	1,804,918.2	2.9%
2018	2,062,130.4	1,858,612.3	3.0%
2019	2,127,557.0	1,917,581.8	3.2%
2020	2,195,455.1	1,978,778.9	3.2%
CAGR: 2015–20			3.0%

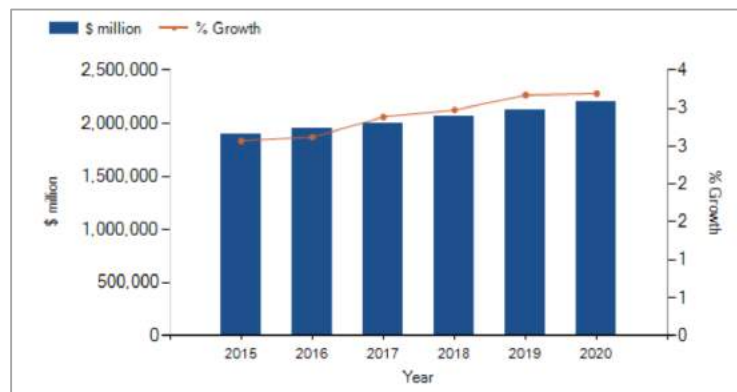
Source: MarketLine (2), 2016

The table above shows the forecast of the European food and grocery retail industry from 2015-2020. The forecast anticipates a steadily increasing growth rate from 2.6% in 2015 to 3.2% in 2020, indicating a CAGR of 3.0% from 2015-2020 and an industry value of 2,295,455.1 USD.¹⁵

¹⁴ MarketLine. 2016c. Food & Grocery Retail in Europe. MarketLine Industry Profile. Retrieved from MarketLine database <http://advantage.marketline.com> . [accessed December, 20th 2016]

¹⁵ MarketLine. 2016c. Food & Grocery Retail in Europe. MarketLine Industry Profile. Retrieved from MarketLine database <http://advantage.marketline.com> . [accessed December, 20th 2016]

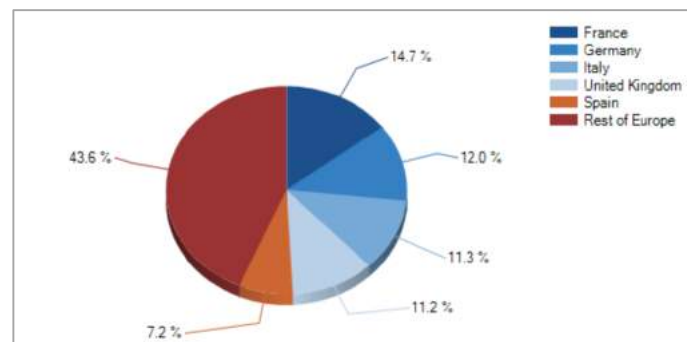
Illustration of Europe's food & grocery retail market value forecast: \$ million, 2015–2020



Source: MarketLine (2), 2016

The graph above illustrated the numerical forecast of the table above of the European food and grocery retail industry from 2015-2020. The orange line indicates the percentage growth rate, while the blue pillars show the amount spent in million USD.¹⁶

Appendix 15: Market Segmentation European Food and Grocery Industry



Source: MarketLine (2), 2016

The pie chart above illustrates the market segmentation of the European food and grocery retail industry. France has the biggest market share with 14.7%, followed by Germany with 12%, Italy (11.3%), the UK (11.2%), Spain (7.2%) and the rest of Europe (43.6%).¹⁷

¹⁶ MarketLine. 2016c. Food & Grocery Retail in Europe. MarketLine Industry Profile. Retrieved from MarketLine database <http://advantage.marketline.com> . [accessed December, 20th 2016]

¹⁷ MarketLine. 2016c. Food & Grocery Retail in Europe. MarketLine Industry Profile. Retrieved from MarketLine database <http://advantage.marketline.com> . [accessed December, 20th 2016]

Appendix 16: Market Data European Personal Care Retail Industry

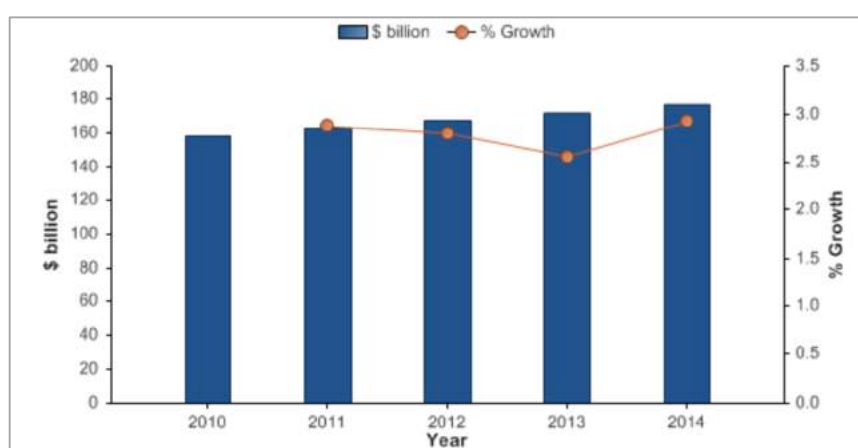
Table of Europe's personal products market value: \$ billion, 2010–14

Year	\$ billion	€ billion	% Growth
2010	158.7	119.4	
2011	163.3	122.9	2.9%
2012	167.9	126.3	2.8%
2013	172.2	129.5	2.6%
2014	177.2	133.3	2.9%

Source: MarketLine, 2015

The table shows the personal products market in Europe from 2010 to 2014. The market experienced a constant growth, but fell by 0.2% in 2013 and picked up again to 2.9% in 2014.¹⁸

Illustration of Europe's personal products market value: \$ billion, 2010–14



Source: MarketLine, 2015

The graph illustrates the development of the market value of the European personal products retail market from 2010-2014. The orange line indicates the percentage growth rate and clearly shows the drop in the growth in 2013. The blue pillars show the value of the market in billion USD.¹⁹

¹⁸ MarketLine. 2015a. Personal Products in Europe. MarketLine Industry Profile. Retrieved from MarketLine database <http://advantage.marketline.com> [accessed December, 24th 2016]

¹⁹ MarketLine. 2015a. Personal Products in Europe. MarketLine Industry Profile. Retrieved from MarketLine database <http://advantage.marketline.com>. [accessed December, 24th 2016]

Appendix 17: Forecast European Personal Product Retail Industry

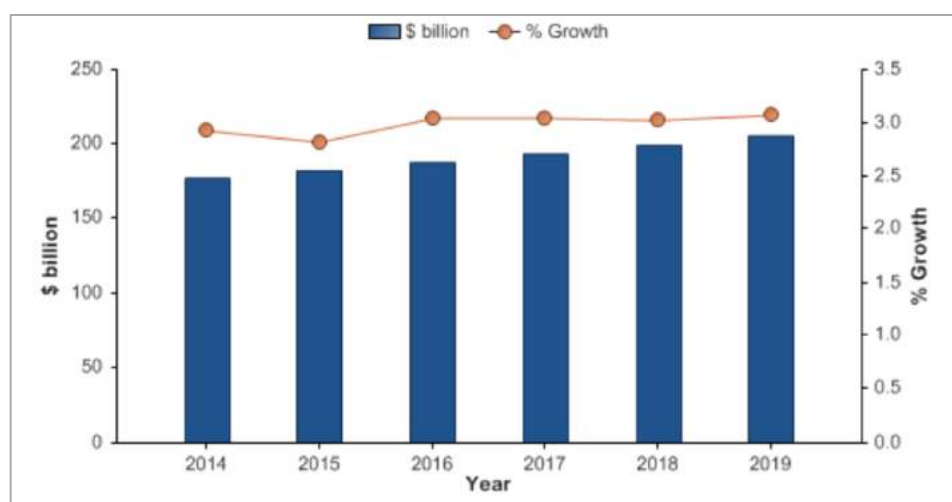
Table of Europe's personal products market value forecast: \$ billion; 2014-19

Year	\$ billion	€ billion	% Growth
2014	177.2	133.3	2.9%
2015	182.2	137.1	2.8%
2016	187.7	141.3	3.0%
2017	193.4	145.5	3.0%
2018	199.3	149.9	3.0%
2019	205.4	154.6	3.1%
CAGR: 2014–19			.0%

Source: MarketLine, 2015

The table presents the anticipated forecast for the European Personal Product Retail market from 2014 – 2019. It expects a market value of \$205.4 billion by the end of 2019 and a growth rate in that year of 3.1%. The growth rate is estimated to grow slowly but steadily until 2019.²⁰

Illustration of Europe's personal products market value forecast: \$ billion, 2010–19



Source: MarketLine, 2015

The graph illustrates the forecast for the European Personal Product Retail market from 2014 to 2019. The orange line indicates the percentage growth rate and shows a minor drop of the growth in 2015 and the recovery of the market until 2019.²¹

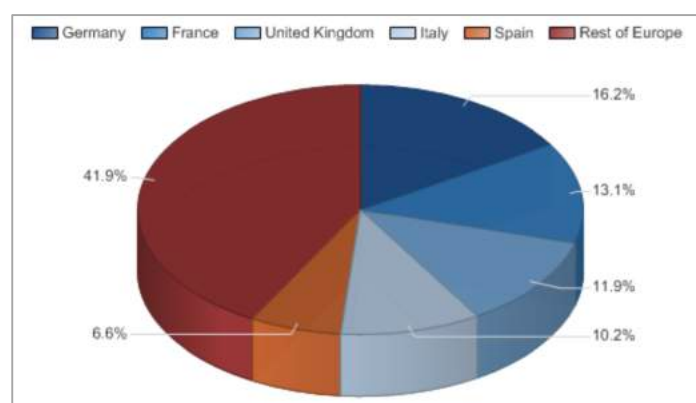
²⁰ MarketLine. 2015a. Personal Products in Europe. MarketLine Industry Profile. Retrieved from MarketLine database <http://advantage.marketline.com> . [accessed December, 24th 2016]

²¹ MarketLine. 2015a. Personal Products in Europe. MarketLine Industry Profile. Retrieved from MarketLine database <http://advantage.marketline.com>. [accessed December, 24th 2016]

Appendix 18: Market Segmentation European Personal Products Retail Industry

Geographical Segmentation by country

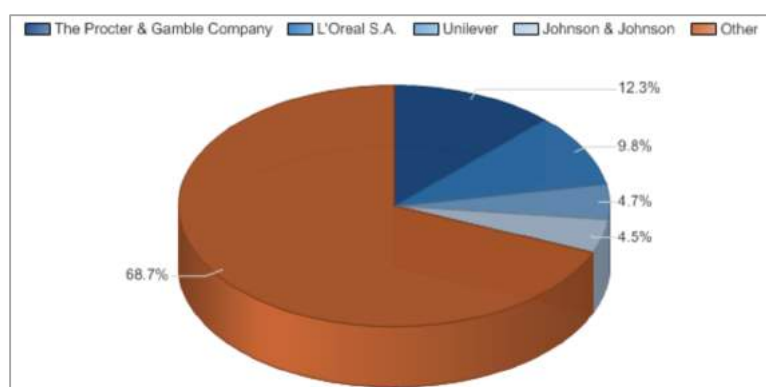
The pie chart below illustrates the geographical segmentation of the Personal Products Retail Industry in Europe. Germany is the biggest market with 16.2%, followed by France with 13.1%, the UK (11.9%), Italy (10.2%), Spain (6.6%) and the rest of Europe (41.9%).



Source: MarketLine, 2015

Market Segmentation by company

This pie chart represents the biggest market shares of companies in the European Personal Products Retail Industry and, therefore, potential clients for POP Solutions Group. The Procter & Gamble Company has the biggest market share with 12.3%; it is followed by L'Oreal S.A. with 9.8%, Unilever (4.7%) and Johnson & Johnson (4.5%). The remaining 68.7% are divided between various companies.²²



Source: MarketLine, 2015

²² MarketLine. 2015a. Personal Products in Europe. MarketLine Industry Profile. Retrieved from MarketLine database <http://advantage.marketline.com>. [accessed December, 24th 2016]

Appendix 19: Potential Customer Segmentation for POP Solutions Group

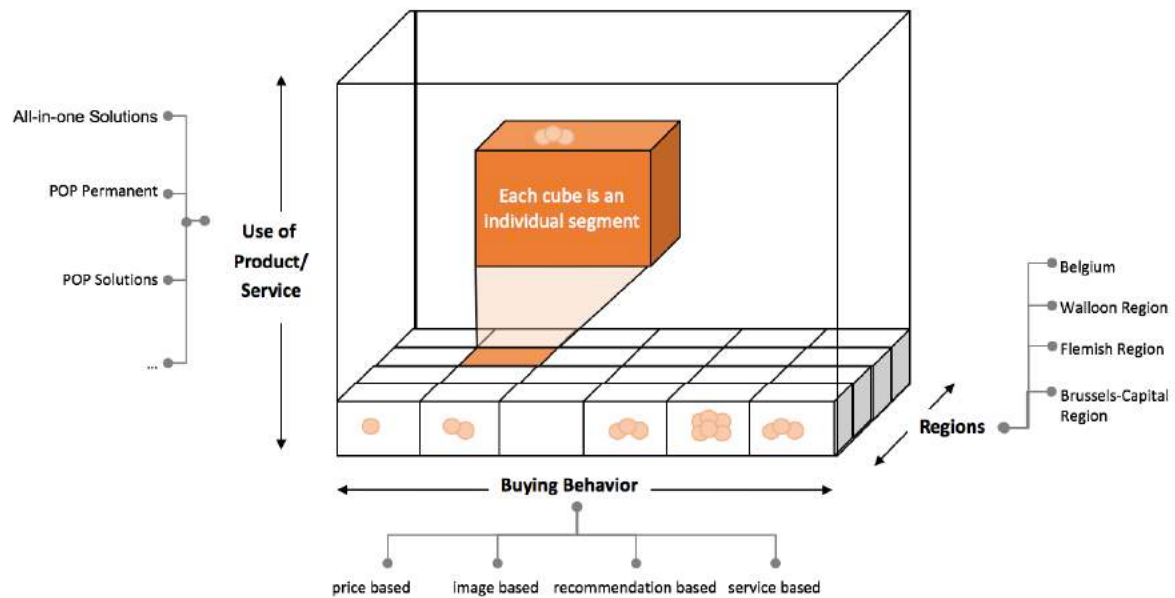


Figure 13: Customer Segmentation Model by Horváth & Partners
(own elaboration for POP)

The figure above illustrates the customer segmentation model of the company Horváth & Partners Management Consultants. It indicates a potential customer segmentation for POP Solutions Group in its home market Belgium if the company decides on staying in the domestic market and focusing its business activities on new customer groups.

POP should divide the potential customers into what kind of product/service they use, their buying behavior and the particular region of the customers. Afterward, each segment should be assessed and prioritized for the best fit for the company.

Based on what is important for the company, key performance indicators (KPIs) should be defined to measure the outcome and success of a segment. For example, for the segment Flemish region, the number of companies with a certain size could be a KPI.

Afterward, the attractiveness of each segment should be assessed for POP, meaning the business and market fit of the segment for the company. For example, if in the Walloon Region only a limited number of companies are operating within the important industries for POP Solutions Group, targeting this segment might not be very successful.

When every segment is assessed regarding its business and market fit for the company, the management should prioritize them according to their success potential for POP Solutions Group. For example, the management evaluates that the companies, which are located in the Brussels-capital region, use POP's all-in-one solution and are mostly price-based, are the most segment with the biggest potential for a successful customer diversification, these segment should be prioritized. A customer development plan, especially for this segment should be developed to allocate the right amount of resources and sales personnel on this segment.

Appendix 20: Explanation of the criteria for the country selection

	Criterion	Description	Year	Unit	Source
Macroeconomic factors	nominal GDP per head	the GDP includes the personal consumption, business investment, government spending and exports minus imports of a country, the "nominal" removes the effect of price changes and per head indicates the GDP per person	2015	\$	EIU Country Data
	real GDP growth rate	the GDP growth rate measures how fast the economy is growing by comparing one quarter of the country's economic output (GDP) to the last	2016	%	International Monetary Fund
	Index Economic Freedom	Index of Economic Freedom has measured the impact of liberty and free markets around the globe.	2016	#	The Heritage Foundation
Microeconomic factors	Subsidies from the government	subsidies regarding the establishment of businesses (additional to the ones granted by the EU)	2016		Government websites
	Number of companies with revenue >\$300mn	number of companies in a country with revenues of more than 300 million USD (value based on current customers of POP Solutions Group)	2015	#	ORBIS
	Advertising spent in country	amount which is spent on advertising in one year	2015	\$	Statista
	Growth in advertising spent	growth in the spending on advertisement compared to the EU average until 2017 (industry grows by 3% in the EU)	2015	%	MarketLine
	Competition	competitive landscape of the country	2016		Statista, MarketLine

The table above is an own elaboration for this work projects and describes the chosen criteria for the country selection.

The macroeconomic factors, nominal GDP per capita, real GDP growth rate and Index of Economic Freedom, have been selected to deliver an overview of the most important economic indicators of the preselected countries. The databases of EIU Country Data, the International Monetary Fund, and the Heritage Foundation has been consulted to gather this information.

The other criteria were chosen on an elaboration which criteria are the most important for POP Solutions Group and would indicate the highest possibility of the fit of a country for the company. Since a foreign direct investment means a large financial and personal investment of resources, potential subsidiaries from the target country's government would facilitate the

establishment of business. To gather information for this criterion, each government website has been consulted.

POP Solutions Group is mainly doing businesses with companies that have a revenue bigger than \$300 million, and in the case of internationalization, the company would like to do to business with a similar customer group as in Belgium. Therefore, the criterion of “number of companies with revenue higher than \$300 million” has been included. This figure gives an indication on how many potential clients POP Solutions Group could target in the new country. To obtain the number of companies, the website ORBIS company data has been consulted, and a list of all businesses has been evaluated.

Since the company is operating within the advertising industry, the amount spent on advertising was also identified as an important criterion. If a country does not spend a lot on advertising, the possibility of success for a company such as POP Solutions Group are highly unlikely. Furthermore, the growth in advertising expenditures is also a criterion which indicates potential success. If an industry is not growing, it might be a dying market and, therefore, it would not be advisable for POP Solutions Group to enter such a market. Statista and MarketLine provided the necessary information to obtain data for these two criteria.

The last measure has been the current competition in the countries. MarketLine and Statista provided some information about the existing competition, and a guesstimate has been executed.

Appendix 21: Data for country selection

[illegible]

This table gives an overview of the obtained data for each criterion, explained in Appendix 20. For comparison, the data for the EU and Belgium has been gathered as well, where possible.

Appendix 22: Explanation of country evaluation

	Austria	Denmark	Finland	Germany	Italy	Norway	Portugal	Spain	Sweden	Switzerland	United Kingdom	weighting
nominal GDP per head												
real GDP growth rate	2	3	1	3	0	2	1	2	4	4	3	10
Index Economic freedom												
Subsidies from the government	4	2	2	4	4	4	2	4	2	2	4	20
Number of companies with revenue >\$300 mn	2	1	2	3	4	1	1	4	1	3	2	10
Advertising spent in country	3	2	2	4	4	2	1	1	3	3	4	25
Growth in advertising spent	3	2	2	3	2	2	2	4	4	2	4	20
Competition	2	2	3	1	3	3	3	2	3	3	1	15
												100

The scoring table above shows how each country scored on each criterion. To better compare the countries, each was compared to the European value and the value of the home market Belgium. For example, Germany scored a 3 on the criterion *number of companies with a revenue > \$300mn* since the country has a higher (relative and absolute) number of companies than Belgium and a lower (relative and absolute) number than the European Union. However, even though the relative number in Germany is lower than the relative number in the EU, Germany scored a 3 since the score (relative number ~ 26.000) is only slightly below the European number (relative number ~ 28.000).

To better illustrate the results, the scoring of 1-4 has been put into an illustration with Harvey Balls, which can be found in the work project. The score 4 indicates a full Harvey Ball, 3 a three-quarters Harvey Ball, 2 a half filled, 1 indicates one-quarter and a scoring of 0 means a blank Harvey Ball.

Scoring	
0	
1	
2	
3	
4	

	Austria	Denmark	Finland	Germany	Italy	Norway	Portugal	Spain	Sweden	Switzerland	United Kingdom	weighting
nominal GDP per head												
real GDP growth rate	20	30	10	30	0	20	10	20	40	40	30	10
Index Economic freedom												
Subsidies from the government	80	40	40	80	80	80	40	80	40	40	80	20
Number of companies with revenue >\$300 mn	20	10	20	30	40	10	10	40	10	30	20	10
Advertising spent in country	75	50	50	100	100	50	25	25	75	75	100	25
Growth in advertising spent	60	40	40	60	40	40	40	80	80	40	80	20
Competition	30	30	45	15	45	45	45	30	45	45	15	15
Scoring	285	200	205	315	305	245	170	275	290	270	325	100

The table above illustrates the weighting and final score of each country. The weighting criteria as been determined due to the importance for the company. The score of each criterion was multiplied by the weighting and then added up to an overall rating. Therefore, each country has been allocated a Harvey Ball depending on their scoring in the model.

As it can be seen in the table, the United Kingdom and Germany scored the highest ranking with scores of 325 and 315 respectively.

Scoring	
$x > 350$	
$350 > x > 300$	
$300 > x > 250$	
$250 > x > 200$	
$x < 200$	

Appendix 23: PESTEL Analysis Germany

Political ²³	♦ strong democratic structure (describes perception of country's citizens if they can participate in selecting their government, freedom of expression, freedom of association, and a free media): #95 (out of 100) ♦ Political Stability and Absence of Violence/Terrorism (perceptions of the likelihood of political instability and politically-motivated violence, including terrorism): #70 (out of 100) ♦ government effectiveness (perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies): #94 (out of 100) ♦ control of corruption (perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as "capture" of the state by elites and private interests): #93 (out of 100) ♦ regulatory quality (perceptions of the ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development): # 93 (out of 100) ♦ strong position in the EU ♦ refugee crisis is still unsolved
Economical ²⁴	♦ largest economy in the EU ♦ 4th biggest in the world in USD terms; #4 in GDP 2015 (US\$3,4 trillion) ♦ #24 in GDP per capita 2015 (US\$41) ♦ growing trade surplus ♦ Gross Fixed Capital Formation grew solidly by 13.1% in 2010-2015 ♦ Germany's attractiveness as an FDI destination is boosted by its solid infrastructure offering and large manufacturing base in specialist industries
Social-cultural ²⁵	♦ 3rd highest educated workforce in the EU ♦ rapidly aging population ♦ growing spending on food and personal products (as analyzed in the work project)
Technological ²⁶	♦ new high-tech strategy of the German government ♦ digital agenda of the government
Environmental ²⁷	♦ focus on sustainability: the German government has a sustainability strategy for the next years
Legal ²⁸	♦ the rule of law (perceptions of the extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence): #93 (out of 100)²⁹

²³ Worldbank (2016): Worldwide Governance Indicators.

<http://info.worldbank.org/governance/wgi/index.aspx#home> [accessed January 2nd 2017]

²⁴ Euromonitor International (2016): ECONOMY, FINANCE AND TRADE: GERMANY.

<http://www.portal.euromonitor.com>. [accessed January 2nd 2017]

²⁵ Euromonitor International (2016): ECONOMY, FINANCE AND TRADE: GERMANY.

<http://www.portal.euromonitor.com>. [accessed January 2nd 2017]

²⁶ Federal Republic of Germany (2016): Innovation Policy

https://www.bundesregierung.de/Webs/Breg/DE/Themen/Innovationspolitik/_node.html [accessed January 2nd 2017]

²⁷ Federal Republic of Germany (2016): Energy Revolution

https://www.bundesregierung.de/Webs/Breg/DE/Themen/Energiewende/_node.html . [accessed January 2nd 2017]

²⁸ Worldbank (2016): Worldwide Governance Indicators.

<http://info.worldbank.org/governance/wgi/index.aspx#home> [accessed January 2nd 2017]

²⁹ Worldbank (2016): Worldwide Governance Indicators.

<http://info.worldbank.org/governance/wgi/index.aspx#home> [accessed January 2nd 2017]