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.

Brazil and USA

Internationalization Process of Zaask

Catarina Marques Figueiredo, 3844

Francisco José Galvão Rocha Falcão Toste, 3761

Manuel Maria Perloiro Corte-Real Cruz, 4313

A Project carried out on the Master in Management Program, under the supervision of:

Pedro Santos and Pedro Gonçalves

January 3rd, 2019

Acknowledgements

A Master Thesis, for a lot of students, represents the last academic assignment in one's life. In a group setting, one of the challenges is the need to converge the ideas of every individual into one homogenous paper. Every subject has a learning curve associated with it, and when three persons unknown to each other group together there is a learning process to find the best organizational method to achieve efficient and productive teamwork. Nevertheless, all the challenges and hardships that were faced in this project contributed to our own growth, as well as the opportunity to apply the knowledge and skills obtained during our studies, specifically in our Master program, into a practical context.

Besides the mutual aid amongst ourselves, we are glad that we had two dedicated, available and overall great advisors helping us. To Professor Pedro Teixeira Santos and Pedro Pereira Gonçalves, a big and sincere thank you. When the path ahead was not so clear, they helped us clear the fog and ultimately leading us to deliver a paper in which we are confident that represents of a job well done.

We would like also to thank Zaask for the time they took with us and for the opportunity to get to know from a closer perspective the environment surrounding a startup. At the end of this project, our knowledge on the disruptiveness of these companies, particularly the on-demand businesses, has increased exponentially compared to the beginning of the work and has helped us understand what is increasingly becoming the future of many industries.

Last but not least, we would like to individually thank our families and friends for all the support during this important phase of our lives. When we were not in our best, they were there to lift us back up, and that strength helped us surpass this final hurdle.

Abstract

This paper studies the internationalization possibilities of Zaask into Brazil and the USA. Through a PESTLE analysis the countries' conditions are determined, while an industry analysis rates its attractiveness and a company and competitors analysis verify the resources and advantages of Zaask in the markets. The markets are attractive, but the company lacks at the moment the capacity to pursue this expansion. It is recommended that Zaask pursues a differentiation focus strategy in both markets with the development of new resources, but also consider other potential markets.

Keywords: Zaask, internationalization, on-demand industry, services.

Table of Contents

Introduction

This project is born from Zaask's ambition of expanding to other countries to achieve higher growth rates. Therefore, the main goal of this project is to explore its internationalization possibilities, specifically of the two countries that Zaask identified as attractive markets: Brazil and the United States of America.

The methodology of this report was developed through the use of online research, specifically, various websites, databases, reports and research papers, but also from meetings and information provided by Zaask.

This report is divided into two main parts: situation analysis and recommendations. In the first part, an analysis of both countries and industry will be performed, as well as of the company. In the second part, recommendations regarding the course of action Zaask should follow will be drafted based on the conclusions of the first part.

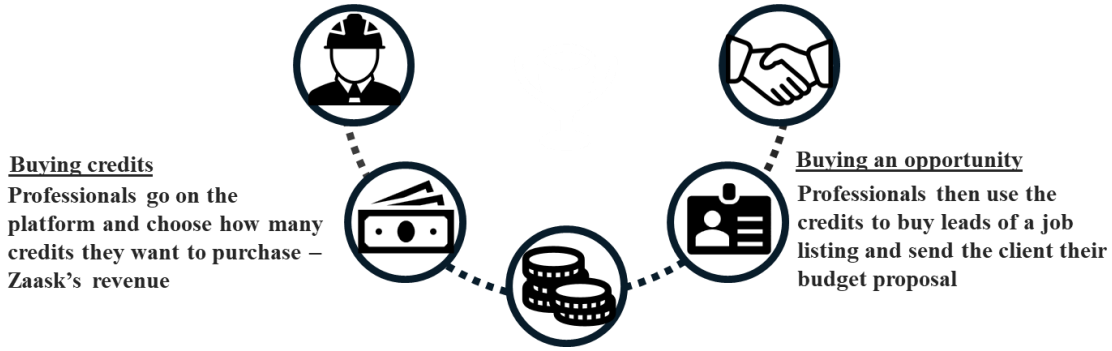
Company Overview

Zaask is a Portuguese start-up founded by two Lisbon MBA colleagues, Luís Pedro Martins and Kiruba Eswaran, in April 2012. It is an online marketplace for a variety of services, established in Portugal and also already present in Spain (Barbosa, 2016).

In the last year, Zaask´s total funding was €2.1 million (Crunchbase, 2018). At the beginning of 2018, this value increased as the company got another round of investment of €500,000 from the Portuguese company *SDC Investimentos* for 10% ownership and also an unknown value from *SIC Ventures* (Nunes, 2018).

This online marketplace for services acts as an intermediary linking demand with supply. Its users are those who use the platform to seek a service, while service providers are the ones who are registered on the website to obtain job/work opportunities.

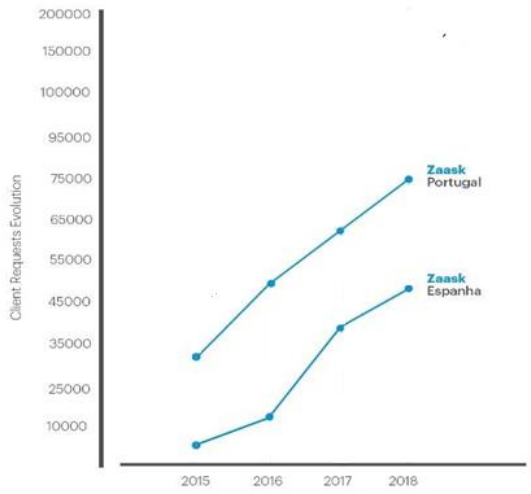
Exhibit 1 | Zaask business model scheme (Author, 2018).



Users make their request for a certain service through the website and are supplied with up to five budgets from different service providers. The value added to those looking for a service comes from the quick, free and easy access to a solution, as well as the possibility of evaluating the different options presented by the service providers. For service providers, the advantages of using Zaask come from the lowering of marketing costs incurred to gain clients since they are provided, more efficiently, by the platform. Service providers must purchase credits from Zaask – the virtual currency of the platform – in order to choose the opportunities for which they want to present a budget proposal. This allows a more cost-efficient gathering of users compared to generic commercial tools (e.g. a TV advert) because the latter targets a vast audience to obtain few prospective users, while through the model employed by Zaask the targeting is narrower but with higher probabilities of returns on investment.

Currently, Zaask has more than 50,000 service providers registered in more than 20 cities in Portugal and Spain, that are matched with the 300,000 people who visit the website looking for a service provider concerning a specific task (Alves, 2018).

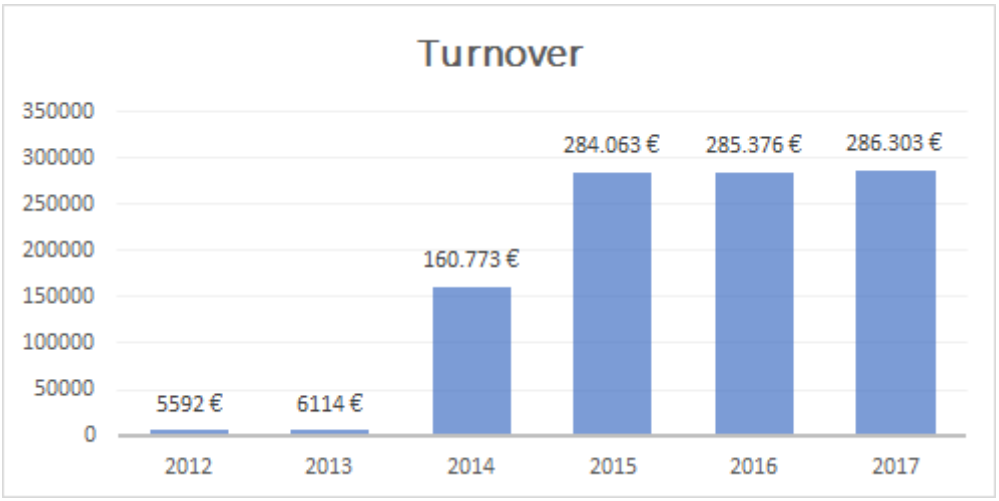
Exhibit 2 | Zaask's evolution of user requests (Zaask, 2018).



Last year, Zaask had a user growth of 60% in Portugal, with an average of 7,000 users per month and about 112% in Spain, with an average of 4,000 users per month. In the same period, the number of active service providers – those currently using the platform to find jobs – increased by 33% in Portugal, reaching 6,000 and in Spain the number was 2,000, after a growth of 36% (Start-up Lisboa, 2018). The evolution of the user requests in both markets is shown above, with more requests coming from Portugal and with higher growth, with the exception of 2017.

Looking at the turnover of the company (**Exhibit 3**), in the last three years, the annual growth was close to none – lower than 0.5% – with the annual values being slightly below €300,000.

Exhibit 3 | Zaask's turnover 2012-2017 (Sabi, 2018).



Company's Challenge

The analysis of **Exhibit 2** and **Exhibit 3** shows that despite the increase in requests, the revenue is not increasing since in the last three years turnover has been stagnant. As Zaask's earnings do not derive from the flow of requests but from the purchase of credits, this suggests that the number of service providers buying credits has not been increasing. A higher volume of requests and their conversion rate should positively correlate with higher credit acquisition because the platform is supplying more opportunities to service providers, who in turn need credits to access them. However, as shown, requests do not cause higher revenues. One plausible explanation could be that the company's value proposition has not been strong enough to increase the acquisition of credits by service providers. Another reason may be that Zaask has achieved the entire market potential in Portugal and Spain. The first circumstance was not possible to assess due to the lack of information and contact with service providers. For the second one, this can be assessed through the study of the market value of both countries and how much Zaask intermediated to service providers.

According to data from *Instituto Nacional de Estatística*, in Portugal in 2016, there was a turnover of approximately €20 billion in economic activities which are also available at Zaask (**Appendix 1**). In Spain, according to *Instituto Nacional de Estadística*, in the same year, the turnover was almost over €80 billion in activities related to legal, business consulting, wellness and more, which are a portion of the total services offered at Zaask (INE, 2018).

The CEO Luís Martins estimates that in 2016 the firm made its services providers earn €40 million (VerPortugal, 2017). Since the Iberian market for services was valued at €100 billion in 2016 and Zaask intermediated around €40 million to service providers, this indicates that the market is still largely untapped. Also, in 2016, Zaask reported a turnover value of €284,063 (Siba, 2018) while it, allegedly, transferred to service providers €40 million worth

of business, so its margin on the revenue transferred to service providers was 0.7%. This share is low, especially when compared with other on-demand platforms, such as Uber and Lyft, that capture between 20% to 30% of the value they intermediate (Ratcliffe, 2017) and Airbnb's share between 3% to 23% (Forbes, 2018). One explanation for this could be the business model, since these companies employ a brokerage model instead of a leads model – both of which are further explained in the General Outlook section. So, assuming a 20% margin on revenue transferred to service providers, the market potential for on-demand services platforms in the Iberian Peninsula is around €20 billion.

Although there are still growth opportunities in the Iberian market given the unaddressed market, €20 billion market potential, the purpose of this project is to understand if the expansion to other international markets may be a profitable strategy for Zaask, at the moment. The company selected the United States of America and Brazil as the targets of a potential internationalization and based on this selection they will be analyzed to assess whether Zaask should enter these markets, starting with a country analysis.

PART I – Situation Analysis

The first part of the report is divided into four sections. In the first section, an analysis of the countries' conditions is performed, followed by an industry analysis to assess if the industries are attractive in the second section. In the third section, a company analysis is presented to understand what Zaask's main resources are and if it has a competitive advantage in these foreign markets. Finally, in the fourth section, the concluding remarks are drafted from the analysis developed.

1. Country Analysis

1.1. Summary of Country Analysis

Exhibit 4 | Summary table of PESTEL analysis (Author, 2018).

	Brazil	USA
Political	- The levels of political stability in Brazil are negative - In the political rights index, Brazil is classified with 2 points, with 1 being the highest score and 7 the weakest - 96th of 180 countries in the Corruption Perception Index (a higher rank indicates lower corruption)	- The levels of political stability in the US are positive - In the political rights index, US is classified with 2 points, with 1 being the highest score and 7 the weakest - 16th of 180 countries in the Corruption Perception Index (a higher rank indicates lower corruption)
Economic	- The 8th largest economy in the world - The average yearly unemployment rate went from 6.67% in 2014 to 13.32% in 2017 - GDP growth is expected to bounce back and stabilize at around 2% until 2023 - GDP per capita PPP which last year was $15,483.5 is also forecasted to grow at rates above 3% - There are increasingly smaller and medium-enterprises and self-employed people - 25th in this year's FDI Confidence Index	- The largest economy in the world - The unemployment rate has gone back to its pre-recession levels - last year it was 4.36% - GDP growth rate in 2017 was 2.3%, in the second quarter of this year the annualized growth rate reached 4.2% - GDP per capita PPP displays the 13th highest value worldwide ($59,531.66) - 30.2 million small businesses compose 99.9% of American businesses - According to the FDI Confidence Index, US is the best country for FDI
Social	- The urban population has reached the level of 86% in 2017 - Brazil is one of the South American countries that are at the forefront in regard to sharing-economy initiatives - 106th out of 161 countries in the Global Peace Index - 24% of Brazilians use Boleto Bancário (cash-based payments) and 69% use local credits cards which can only be paid in Reais	- The US has the third largest population and 82% of its population live in urban areas - The numbers of sharing economy users have risen since 2016 and the forecast is that the number of users will reach 86.5 million in 2021 - 121th out of 161 countries in the Global Peace Index - 57.3 million people freelancing and if this growth rate continues, by 2027 50% of the US workforce will be made up of freelancers
Technological	- 64th of 126 countries in the Global Innovation Index - The number of digital buyers in Brazil is expected to grow exponentially, reaching 101 million digital buyers in 2022 - The percentage of the population with access to the internet is 70.7%	- 6th of 126 countries in the Global Innovation Index - The number of digital buyers in the USA is expected to grow exponentially, reaching 204.4 million digital buyers in 2021 - The percentage of the population with access to the internet is 95.6%
Environmental	- There are no environmental policies that influence on-demand service platforms	- There are no environmental policies that influence on-demand service platforms
Legal	- The time required to start a business lasts up to 21 days - The number of procedures necessary to open	- The time required to start a business lasts up to 5 days - The number of procedures necessary to open

	a business is around 11 and the average cost as a percentage of income per capita is 5% - 34% of corporate tax rate	a business is around 6 and the average cost as a percentage of income per capita is 1% - The corporate tax rate was cut from 35% to 21%

1.2. PESTEL – Brazil

1.2.1. Political factors

The Republic of Brazil is divided into 26 states and 1 federal district. The National Congress consists of the Federal Senate and the Chamber of Deputies. In 1985, Brazil moved from a military dictatorship to a democracy.

Over the course of recent years, Brazil has experienced times of economic, political and social disruption. According to the Worldwide Governance Indicators by the World Bank, Brazil performs worse than half of the world's countries on important indicators such as Rule of Law, Government Effectiveness and Control of Corruption (**Appendix 2**).

Brazil has failed to sustain political stability for the past decade and this instability has become more prevalent since 2014, when the Operation Car Wash scandal surfaced. According to the Political Stability Index developed by The Global Economy, Brazil has achieved its lowest score in 2017, with a score of -0.41, in a scale of -2.50 (weak) to 2.50 (strong). The average score for Brazil between 1996 and 2017 is -0.15, which states the unsuccessfulness of Brazilian governments (The Global Economy, 2018). As for the Political Rights index, which evaluates three different categories (electoral process, political pluralism and participation, and the functioning of government), Brazil received a score of 2 points, which is a positive score given the index ranges from 7 (weak) to 1 (strong) (Freedom House, 2018).

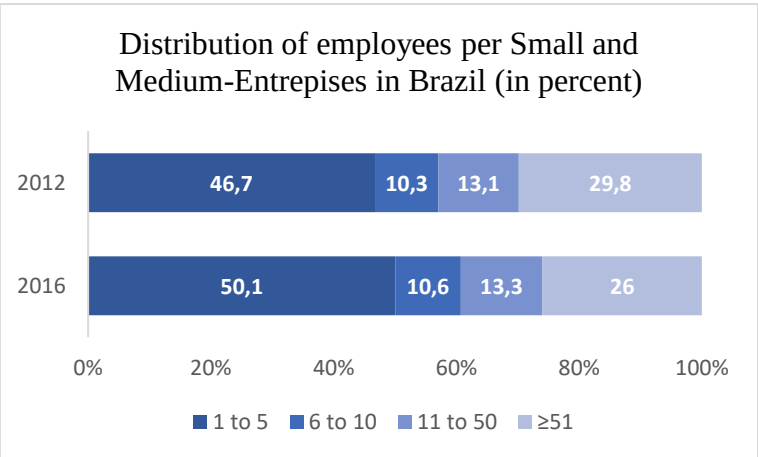
Corruption is a problem in Brazil, as evidenced by the Corruption Control indicator in **Appendix 2**. According to studies developed by Transparency International, Brazil is ranked

96th of 180 countries in the Corruption Perception Index, in which a higher rank represents a lower level of corruption. This organization also gave a score of 37 in a total of 100 to Brazil, where the same rationale applies, in which a score closer to 100 indicates lower corruption. Brazil has high levels of corruption when compared to the least corrupt countries such as New Zealand or Denmark, which in the same period ranked 1st and 2nd with a score of 89 and 88, respectively. In 2012, Brazil was ranked 69th, the best ranking it obtained between the period of 2012-2017, which is the same year it obtained its highest score in the same time period, 43 (Transparency, 2018).

1.2.2. Economic factors

Brazil has enormous potential to grow due to a large population and various resources available in the country, it is the 5th largest country in territory and the 8th largest economy in the world (Statista, 2018) (Investopedia, 2018). However, in 2014, Brazil suffered a political and economic crisis, which led to negative values of GDP growth in the following two years and the average yearly unemployment rate went from 6.67% in 2014 to 13.32% in 2017 (Word Bank, 2018). Nonetheless, according to IMF projections, GDP growth is expected to bounce back and stabilize at around 2% until 2023, and GDP per capita PPP which last year was $15,483.5 (World Bank, 2018) is also forecasted to grow at rates above 3% (IMF, 2018).

Exhibit 5 | Distribution of employees per Small and Medium Enterprises (*IBGE*, 2017).



According to *Instituto Brasileiro de Geografia e Estatística*, there are increasingly more small and medium enterprises (SMEs) and self-employed people (**Exhibit 5**) – which are the main source of service providers of marketplaces like Zaask. From 2012 to 2016, the number of self-employed people increased from 24 million to 28 million. Furthermore, the number of small enterprises increased from 60.8% to 68% in the North Region, and from 38.3% to 42.1% in the Southeast Region (Silveira, 2017).

Brazil is ranked as 25th in this year's FDI Confidence Index, falling down the ranking wherein 2016 it was ranked 6th. This recent drop comes at the expense of the recent political and economic turmoil, nonetheless as the largest economy in Latin America investors still maintain their interest in the country's potential as it is the recipient to 90% of major acquisitions in the region (A.T Kearney, 2018).

1.2.3. Social Factors

The country has more than 209 million citizens and this number is predicted to continue increasing, while the urban population has reached the level of 86% in 2017 (World Bank, 2018). However, due to the economic and political crisis of 2014, inequality and social exclusion increased. In 2017, according to the *Instituto Brasileiro de Geografia e Estatística* (IBGE), nearly 25% of the population lived below the poverty line with incomes of R$387.07 per month (Forte, 2017).

The country's environment is currently far from being safe due to high violence and murder rates, with last year establishing a new record for the number of homicides (Darlington, 2018) and civil unrest stirred by a presidential election held in October of this year. The global peace index reflects this environment, as Brazil ranked 106th out of 161 countries (Institute for Economics and Peace, 2018), with the state of peace being classified as medium.

According to the World Economic Forum, Brazil is one of the main South American countries that are at the forefront in regard to sharing-economy initiatives (World Economic Forum, 2017), which could demonstrate that increasingly more people are willing to use these types of services.

In Brazil, there are alternative methods of payment to debit or credit cards. It is estimated that 24% of Brazilians use *Boleto Bancário* (cash-based payments) and 69% use local credits cards which can only be paid in Reais (Allpago, 2018).

1.2.4. Technological factors

Brazil's ranking on the Global Innovation Index 2018 is the same as the one it obtained in 2013, 64th. Looking in detail at the reports from 2013 to 2018, Brazil shows small improvements on various areas, however, they have not been significant enough to increase its attractiveness and ranking. Despite the good scores on high-tech imports and a high percentage of gross expenditure on R&D by businesses, there are low numbers of graduates in science and engineering and the growth of productivity, measured by GDP per capita, is also low.

Nonetheless, the access and use of information and communication technologies have improved as well as its performance on high-tech exports (Global Innovation Index, 2018). The number of digital buyers in Brazil from 2016 to 2022 is expected to grow exponentially, increasing from 61 million at the beginning of the period to 101 million digital buyers (Statista, 2018), and despite only little over half of Brazilian adults own a smartphone (Pew Research Center, 2018), it is the most used device to access the internet has surpassed computers in 2014 (Gomes, 2018). Furthermore, the percentage of the population with access to the internet is 70.7% (World Internet Stats, 2018).

1.2.5. Environmental factors

The environmental analysis includes all the relevant factors that are determined by the surrounding environment. For the on-demand services industry, this factor is not so relevant since the firm's activities do not have a direct impact on the environment, as these platforms are an online intermediary, hence they are not liable for the harm service providers may cause. However, environmental issues in Brazil have great importance and the country participates actively in international discussions on this field (Ministry of Foreign Affair, 2018).

In Brazil, there are three main environmental issues which are the deforestation, air and water pollution and waste disposal (Meyer, 2010). Over the last years, Brazil has reduced its CO2 emissions by more than any other country by decreasing the deforestation (Bergen, 2015). Air and water pollution, as well as waste disposal in Brazil, has increased recently since many cities have expanded itself without considering the environmental impact, harming people's health and decreasing life quality (Meyer, 2010).

1.2.6. Legal factors

According to the World Bank, the process of setting up a company in Brazil is a complex, time-consuming and costly task, especially when compared high-income OECD countries (Doing Business, 2018). In order to open a company, it is mandatory to check the availability of the company name and the feasibility of location, apply for registration in various government agencies, such as Federal and State Tax Authorities, and pay for the registration fees. All this bureaucratic process has more than 10 different procedures, lasting up 21 days and the average cost as a percentage of income per capita is 5% (World Bank, 2018).

Also, according once more to the Global Innovation Index, firms have difficulties in getting credit and investment, and the number of new firms in the country is low (Global Innovation Index, 2018). Tax-wise, companies must pay corporate income tax (15%), a surcharge of 10%

on the annual taxable income in excess of 240,000 Brazilian Reais (BRL) and Social Contribution on Net Income (9%) (PWC, 2018).

1.3. PESTEL – USA

1.3.1. Political factors

The United States of America is a federal republic, composed of 50 states, a federal district and 5 territories. There are 3 branches of federal government: Legislative; Executive; and Judicial which are made up of the House of Representatives and the Senate, President, and Supreme Court, respectively. There is in place a two-party system, with the two major parties being the Democratic and Republican party, with the former viewed as politically leaning to the left and more liberal, and the latter as leaning to the right and more conservative.

The Political Stability index in the US received a positive score for 2017, 0.3, and the average between 1996 and 2017 was 0.48. This index represents the probability of the government being disturbed not only unconstitutionally but also through violence, such as terrorism (The Global Economy, 2018).

As for the political rights, according to the Political Rights Indicator developed by the Freedom House, US citizens have enjoyed strong ownership of their rights in the last couple of decades, obtaining the highest score every single year since 1972 until this year of 2018 where it increased to 2, the same score received by Brazil (Freedom House, 2017).

Concerning the levels of corruption, the US constantly appears on the top 20 least corrupt nations of the Corruption Perception Index. In this year's ranking, the US placed 16th of 180 (a higher ranking represents a lower level of corruption), which demonstrates that this is not an issue for the country (Transparency International, 2018).

1.3.2. Economic factors

The US is the largest economy in the world, responsible for around 20% of global output (FocusEconomics, 2018). Regarding the GDP per capita PPP, it has the 13th highest value worldwide – $59,531.66 – which is well above the world average – $16,940.79 (The World Bank, 2018). According to this year's FDI Confidence Index, the US is the best country in the world for foreign firms to invest in, which is a consequence of their large market, strong and sustained economic growth and also due to the recent corporate tax cuts (A.T Kearney, 2018).

Recently, the unemployment rate has decreased to its pre-recession levels, last year was 4.36% (World Bank, 2018), and while the annual GDP growth rate in 2017 was 2.3%, in the second quarter of this year the annualized growth rate reached 4.2% (Mutikani, 2018). It is commonly stated that small businesses are the backbone of the American economy. The numbers justify this statement as the 30.2 million small businesses compose 99.9% of all American businesses, and the 58.9 million employed in these firms account for 47.5% of the entire US employees (SBA Office of Advocacy, 2018). As for freelancers, in 2017, 57.3 million people were freelancing which represents an increase of 8.1% from 2014. If this growth rate continues, by 2027 approximately 50% of the US workforce will be made up of freelancers (Pofeldt, 2017).

1.3.3. Social factors

The US has the third largest population with around 327 million people, only behind India and China. Around 82% of its population live in urban areas (World Bank, 2018), which are the main locations that provide business to platforms similar to Zaask. The USA ranked 121st of 163 countries in the Global Peace Index, with its state of peace considered medium but borderline low. This is the outcome of recent political instability as well as chronic factors

present in the country such as the easy access to firearms and high incarceration levels (Institute for Economics and Peace, 2018).

Moreover, the number of sharing economy users has risen since 2016, at that time there were 44.8 million people using services like Uber and Airbnb, and the forecast is that the number of users will reach 86.5 million in 2021 (Statista, 2018).

1.3.4. Technological factors

The USA is one of the most technologically advanced countries in the world. Many American companies are leaders or major players in various industries related to technology or Internet-based, such as Amazon, Apple, Facebook, Google, Microsoft, etc.

The country is ranked 6th of 126 countries in the "Global Innovation Index 2018" (Global Innovation Index, 2018), and the country never ranked below its current ranking since 2013. The percentage of the population with access to the internet in the country is currently 95.6% (Internet World Stats, 2018) and the number of digital buyers in the USA is expected to increase from 177.4 million in 2016 to 204.4 million digital buyers in 2021 (The Statistics Portal, 2018). In spite of this, a lot of businesses, mainly SMEs, are still missing from the World Wide Web (Okyle, 2016). Furthermore, it was estimated that in 2016 around 74% of small businesses websites had no e-commerce.

1.3.5. Environmental factors

There are a number of issues the US faces in terms of the environment: from climate change to endangerment of species, as well as pollution and waste. The US is responsible for the second largest greenhouse gas emissions in the world, only behind China (World Resources Institute, 2017). The sector with the most share of emissions is the Energy sector, responsible for 87.5% of all US emissions, followed by the industries of Agriculture and Manufacturing, but with significantly smaller shares. As these businesses areas are the main culprits of water

and air pollution, the majority of environmental laws and regulations affect and target these industries, through the Clean Air Act and the Clean Water Act (Ballotpedia, 2018).

For firms of on-demand services, its activities do not cause considerable impact on the environment, and as these platforms are an online intermediary, they are not liable for the harm service providers may cause.

1.3.6. Legal factors

First, as it was said before, the US is recognized for the ease firms have in starting and doing business there, exemplified by the time it requires to start a business: up to 5 days, which is days less than the average of OECD high-income countries. The number of procedures necessary to open a business is around 6 and the average cost as a percentage of income per capita is 1%. (World Bank, 2018). In the 2018 report, the US is recognized for the ease firms have in obtaining credit and investments (Global Innovation Index, 2018) which is corroborated by the Doing Business reports which rank the US as the 3rd country with the highest ease of firms getting credit.

Regarding the corporate taxes, when the Tax Cuts and Jobs Act passed, the corporate tax rate was cut from 35% to 21% which will save a lot of firms billions of dollars (GT Reilly, 2018).

However, as these startups increase their impact on the economy it is expected that there will be an update or creation of laws that regulate these new types of firms. These new sets of regulation will affect all the agents involved in the share-based economy, from users, service providers and platforms.

2. Industry Overview

2.1. General Outlook

An analysis of the on-demand services industry is necessary in order to better understand Zaask's operations. The on-demand services are a digital marketplace which offers immediate access to services (Kerrigan, 2018). Firms of this type, work as an intermediary linking demand with supply. The increase in the number of customers who have smartphones, simple and secure purchase flows, and location-based services are some of the conditions and tech innovations that boosted on demand-services (Jaconi, 2014). These types of services are changing consumer behavior around the world because these platforms are more convenient, users can easily find a service and compare prices and quality based on ratings as well as simpler payments methods (Grace, 2018). These platforms allow to better satisfy users' needs in a more cost-effective and efficient manner than its predecessors (Jaconi, 2014).

Concerning business models, most fall within these three: leads, brokerage, or ads. In the leads model, service providers purchase the virtual currency of the platform which they, later on, spend it on leads – the user's information – in order to close deals. The brokerage model is when the platform simply receives a percentage of the job's payment and the ads model is when service providers pay for placement on the top of search results for service requests.

In 2016, an NTRS research allowed getting insights into the demographics of the on-demand economy consumers in the US. Men turn to these platforms slightly more than women (55%). Almost half of the users are millennials (aged 18 to 34), while 29% are between 35 and 54, and 22% are age 55 or older. From the data it is also observable that its users are not restricted to the richest set of the population, 46% of on-demand consumers have an annual household income of less than $50,000 whereas only 22% have an annual household income of $100,000 or more (Colby, 2016).

The number of companies, the categories represented, and the industry revenues are growing at an accelerating pace (Jaconi, 2014). In 2016, more than $16 billion in venture investment has flowed into on-demand services companies and local on-demand services reached 5.1% penetration in the USA and expected to reach 7.3% in 2017 (Ratcliffe, 2017). In 2017, 86.5 million customers used on-demand services and 45 million offered services in on-demand service (Grace, 2018).

2.2. Market Size

An important analysis to be done concerns the market size of the on-demand services industry in both countries. Since this industry is a fairly recent one, there is a lack of available and reliable data to perform an evaluation of market potential, size, and growth. Nonetheless, the market analysis will be performed with data collected from the USA and using the industry of on-demand platform-to-consumer food delivery as a proxy.

Exhibit 6 | Values in Millions of USD $ in 2017 for Consumption on On-Demand Platforms, Consumption on On-Demand Services Platforms and On-Demand Services Platforms Revenue in Brazil and the USA (Authors, 2018).

Values in Millions of USD $ in 2017	Consumption on On-Demand Platforms	Consumption on On-Demand Services Platforms	On-Demand Services Platforms Revenue (assuming 20% margin)
Brazil	$1 893	$338	$68
USA	$75 700	$13 500	$2 700

In the US, it is estimated that the on-demand economy across all services had a potential market of $785 000 million, in 2017. This potential is based on the value of what consumers spend on these firms – what they transaction through the firms which differs from the firms' revenues (Ratcliffe, 2017). In that year, reported consumption through these platforms was $75 700 million, while in the industry segment where Zaask operates, all services except

housing and transportation, the recorded values were of $13 500 million (Rockbridge Associates, 2018). Firms from the on-demand economy generally take about 20% to 30% of the revenue they intermediate (Ratcliffe, 2017), therefore, using the 20% retention rate, for 2017 the total value that on-demand companies captured in the US was $2 700 million.

In Brazil, there are no figures or estimates available, so in order to bypass this hurdle, the on-demand Food Delivery services figures are used as a proxy, as well as an assumption that in Brazil the consumer spending pattern – the percentage spent in each segment – follows that of the USA. According to a study from Statista, the on-demand platform-to-consumer Food Delivery sector generated $41 million in 2017 in company revenue (Statista, 2018), meaning that consumers spent about $205 million, assuming the 20% margin. The food delivery segment accounts for around 10.83% of the on-demand economy in the US (Rockbridge Associates, 2018). Assuming that this pattern, 10.83%, is the same in Brazil, the spending on the entire on-demand economy in Brazil was around $1 893 million in 2017. As for the on-demand services industry, where Zaask operates in, it is responsible for roughly 18% of the whole US on-demand economy. Applying the assumption that this 18% share is equal in Brazil, the consumer expenditure on on-demand services in 2017 was $337.5 million and given the 20% margin of revenue, this translates in $68 million gained by on-demand companies.

As for the market growth, the growth rates of Food Delivery platforms of each country are used as a proxy for the growth of on-demand services in their respective countries (**Appendix 3**). The USA growth rates, for the period of 2018-2023 (Statista, 2018) will go from 13.3% in the first year to 5% in 2023, constantly decreasing. In the case of Brazil, for the same period, the growth rates are expected to be 65.4% in 2018 and decreasing to 16.1% in 2023 (Statista, 2018). So, given these values for market growth and the revenue captured by the firms in on-

demand services, the total cumulative value made by firms between 2017 and 2023 in this industry will be of $1 819 million in Brazil and $26 216 million in the USA (**Appendix 4**).

Aside from revenue, it is important to also take into account the costs the firm will undertake and the difference between each country. Zaask's costs, aside from those related to the operating and development of software, are essentially paid ads on the internet to gather users and promote its brand. The most used platform is Google AdWords, as well as Facebook and LinkedIn ads. However, it is hard to obtain estimates of costs on these ad platforms because of their dynamic pricing algorithms which constantly updates pricing based on the amounts bid and demand. Nonetheless, based on World Stream, Brazil has an average cost per click (CPC) of 11% lower than the US average on Google Ads – the US CPC average is $1.16 (for e-commerce) (Statista, 2018). As for Facebook ads, in 2016 the cost of an app install in Brazil was $0.53 while in the US it was $2.74.

2.3. Competitor Landscape

In the US, there are a lot of firms competing for market share in this industry, with the most noteworthy competitors being Thumbtack, Upwork, TaskRabbit, Handy and Amazon Home Services (Owler, 2018).

Exhibit 7 | Comparison table of Zaask with competitors in the USA (Author, 2018).

	App	Chat	Payment flexibility *	Payment through platform	Access to invoices over the platform	Customer Satisfaction Policies *	Strategic Partnerships	Discounts	Focus	Total Funding (in millions)
Zaask	✓	✓							Diversified services	
Firms in the USA										
Thumbtack	✓	✓				✓			Diversified services	$273.2
Upwork	✓	✓	✓	✓	✓		✓		B2B	$168.8

TaskRabbit	✓	✓		✓		✓	✓	✓	Home services	$37.7
Handy	✓	✓		✓		✓	✓	✓	Home Services	$110.7
Amazon	✓			✓	✓	✓	✓	✓	Local Services	N/A

*See **Appendix 5**

Thumbtack is the biggest competitor at the moment to any on-demand service marketplace aiming to enter the US, and specifically to Zaask as they are very similar to it. Like Zaask, Thumbtack offers a variety of services that are not restricted to a single niche and their business model has shifted from a leads business model, which was the same as Zaask's, to a fee-per-contact model where providers only pay when users engage them (Smiley, 2018). Furthermore, they have in the website the cost estimate of each task, like Zaask, which allows users to anchor prices while comparing budgets and also they produce content through a blog to drive brand awareness and more visits to then convert into users. In 2017, it was estimated Thumbtack had 250,000 active service providers and 10 million users searching for workers (Taylor, 2017).

Upwork sets itself apart from competitors as its business focuses on a specific segment, the B2B services. Given most of their services revolve around digital freelancing it has been able to expand worldwide quite quickly as it reports having more than 14 million users in 180 countries (Snagajob, 2017). They allow users to choose either to pay by the hour or for the entire project as well as providing strong payment protection which enables users to release parts of the entire payment as certain objectives of the project are reached (Upwork website, 2018).

Another example is TaskRabbit which targets home improvement and maintenance services although it provides help in other areas like graphic design, dog sitting, etc. They operate in 47 US metro areas as well as 4 cities in the United Kingdom and in Toronto and Vancouver

(TaskRabbit, 2018). In September 2017, TaskRabbit was acquired by IKEA and have introduced the option of asking for help in assembling IKEA bought furniture (Perez, 2018). There is also Handy which does solely handyman-type of services, such as cleaning, mounting tv sets, assembly furniture, etc. (Handy website, 2018). Like TaskRabbit, they also are currently present all across the US, some cities in the United Kingdom and also Toronto and Vancouver. It is noteworthy that Handy has already established numerous partnerships to promote itself: Wayfair, an online store for home goods, now allows to select and schedule a service provider from Handy to assemble the purchased items at the checkout (Rogers, 2017); and with Walmart, giving shoppers the possibility to buy in-store an installation and assembly assistance card which they later redeem it on Handy's website (Perez, 2018).

These synergies between retailers and on-demand services are precisely what Amazon sought to capture when it launched Amazon Home Services. Their business focus is on local services, where service providers go to the users' houses to provide services from cleaning, plumbing, to guitar and Spanish lessons. Like Thumbtack and Zaask, all kinds of services can be found on the website – from changing tires to guitar lessons – but the leverage factor comes from the cross-selling opportunity that consumers have in ordering the installation for goods just added to their cart. However, as Amazon wants to ensure the best possible experience to its users, service providers are scrutinized to guarantee only the best ones are selected which means not every service provider will be able to enter Amazon's network (Amazon, 2018).

Some of these American competitors, specifically Thumbtack, TaskRabbit, Amazon Home Services and Handy have an important feature in their business, which is a relevant differentiation from Zaask, that are policies or company promises of coverage in cases property damages due to the negligence of service providers, or a free service for redeeming a bad experience.

Concerning the competition in Brazil, there are three main players which are, GetNinjas, Workana, and Iprestador.

Exhibit 8 | Comparison table of Zaask with competitors in Brazil (Author, 2018).

	App	Chat	Payment flexibility	Payment through platform	Access to invoices over the platform	Customer Satisfaction Policies	Strategic Partnerships	Discounts	Focus	Total Funding (in millions)
Zaask	✓	✓							Diversified services	
Firms in Brazil										
GetNinjas	✓	✓					✓		Diversified Services	$16.8
Workana	✓	✓		✓					B2B/ digital services	$12.2
iPrestador	✓	✓							Diversified Services	N/A

GetNinjas is the biggest competitive threat to Zaask since it is the most similar firm to it in Brazil and they are the pioneers in this industry in the country. Their website has achieved over 1.91 million monthly visits in the last six months (Similar Web, 2018). Currently, their plans consist of expanding to other Latin American countries, such as Mexico and Argentina. (Época Negócios, 2018). Their app is the largest one available for contracting services in Latin America and their business model is very similar to Zaask's – a leads model. The most requested services in GetNinjas are technical assistance for telephones, masons, and complete buffets for events (GetNinjas Website, 2018).

Workana is another big player in Brazil, their website has achieved 3.3 million monthly visits in the last six months. The platform is very similar to Upwork, as it focuses on B2B and digital services, like the design, multimedia, and translation. Their revenue streams are the commission charged for intermediating the connection and payment transaction between user

and service provider. Their payment method varies between, credit card, debit card, PayPal, among others (Workana Website, 2018); (Barboza, 2017); (Pati, 2016).

Finally, iPrestador is the most recent one of the mentioned firms and very similar to GetNinjas. According to the owner of the company, the difference between the firms resides on a more agile platform for hiring service providers, since it has direct search in more than 20 categories and 1000 professions, while the GetNinjas has 10 categories and about 400 professions. Moreover, the user can check the profile of the service provider as well as their social networks, plus their ratings and recommendations in the app. The app and its usage are free for both users and service providers as their revenue stream come from allowing ads on the app (Medeiros, 2017).

There are substitutes to these on-demand service platforms. Traditional classified ads are competitors to websites such as Zaask as well as word-of-mouth, and so are online classified ads websites. The operating mechanism of the latter consists of users posting a listing describing what they need. This is inserted under a specific category so then viewers of the website can browse through the categories to find a task. Concerning the US, Craigslist is the most known and used online classified ads platform, charging users for posting a listing. There is also Angie's List, where users can look at reviews for local contractors for free or pay a subscription for a more personalized and tailored service. In Brazil, there are also lots of classified ads platform such as Busquei e Encontrei, Info Jobs and Hyper Jobs (Lista 10, 2018) (Jorge, 2014).

There are also firms in both countries that despite their value proposition not being the intermediation of services, they indirectly enable it. Social media platforms are a prime example of this. Facebook allows users to find service providers through groups dedicated to this or even stumbling upon opinions and reviews of other users on such service providers on

your feed. Even more so, with social media one can easily ask a friend for a referral and obtain the profile of someone who can take care of a needed task, which is the traditional word-of-mouth employed through the internet. Search engines, such as Google or Bing, can also do the job of platforms like Zaask since users can freely look for any kind of workers through simple keywords.

2.4. Industries Analysis

Exhibit 9 | Six Forces Analysis (Author, 2018).

	Brazil	USA
Threat of Entry	**High** - Capital Requirements: Low costs of software development and high costs of online advertising - Moderate network effects - 35.17% geometric average growth rate from 2018 to 2013 - In the future, this force is expected to decrease as network effects become established	**Low** - Capital requirements: High costs of software development and online advertising - High network effects - 9.06% geometric average growth rate from 2018 to 2023 - In the future, this force is expected to decrease as network effects become established
Intensity Rivalry	**Moderate** - High concentration: few firms with large size - Companies have relatively small funding - In the future, this force is expected to increase	**High** - Moderate concentration: many competitors with different focuses - Competitors have already big sizes and large funding - In the future, this force is expected to decrease
Substitutes	**Moderate** - Low switching costs - Wide range of substitutes in the market - Demand is relatively elastic with respect to the price, even because some of substitutes are free - For service providers reaching users through substitutes can be harder than with service platforms - In the future, this force is expected to increase	**Moderate** - Low switching costs - Wide range of substitutes in the market - Demand is relatively elastic with respect to the price, even because some of substitutes are free - For service providers reaching users through substitutes can be harder than with service platforms - In the future, this force is expected to increase
Buyer Power	**Moderate** - Low switching costs for both users and service providers	**Moderate** - Low switching costs for both users and service providers

	- High price sensitivity - Low relative bargaining power - In the future, this force is expected to remain moderate	- High price sensitivity - Low relative bargaining power - In the future, this force is expected to remain moderate
Supplier Power	**Moderate** - Essential for small firms with few financial resources - In the future, this force is expected to remain moderate	**Moderate** - Essential for small firms with few financial resources - In the future, this force is expected to remain moderate
Complementors	**Low** - Partnerships with firms to provide tips and skills to service providers and also getting credits from purchases at these firms - In the future, this force is expected to increase	**Moderate** - Partnerships with retailers and e-commerce websites linking them to service providers from the platforms - Cross-selling goods with services within own firms - In the future, this force is expected to increase
Industry Attractiveness	**Both are attractive**	

Concerning Brazil and the US on-demand services industries, the substitutes, buyers' and suppliers' power are similar between the two countries. The biggest differences occur in the threat of new entrants, internal rivalry and the power of complementors.

In the USA, there are many players with different focuses and some firms have already large user bases and funding. Comparing Zaask with its most identical competitor, Thumbtack has 10 million registered users and has received more than $250 million in funding (Crunchbase, 2018). The internal rivalry is high given the number of firms in the market, their size and their financial resources. Furthermore, the platforms available in the USA are sophisticated, offer advanced features and possesses strong brands implemented in the market. It is expected that in the future few companies will fully dominate the market, as growth rates decrease the market will become more consolidated. Since existing companies will achieve stronger network effects, the internal rivalry is expected to decrease.

The on-demand industry in the US is expected to grow on average 9.06% per year from 2018 to 2023 which makes the industry attractive for investors (Statista, 2018). New entrants must incur in costs such as cloud computing, software, marketing for user acquisition to get their businesses started. The USA is the second country in the world with the highest costs per click (WorldStream, 2018). Furthermore, to hire a software developer it is expected to cost more than $150 per hour. The networks effects are strong and due to the lower expected growth rates of the market in the future, the threat of new entrants is moderate, and it is expected to decrease as networks effects become established.

On the other hand, the Brazilian market is increasing at a high rate, 65.4% in 2018 (Statista,2018), and this implies that firms have room to increase without competing for each other's market shares and consequently will attract new firms to the industry, however, this growth will steadily diminish over the years. Nonetheless, new entrants face issues penetrating this industry due to the existing network effects of the incumbent companies. In Brazil, these networks effects are still moderate because the market is not mature yet. Regarding costs, to hire a software developer, companies have to spend on average between $30 and $49 per hour and the cost per click is the 5th most expensive in the world, which means that capital requirements are moderate (Timokhina, 2017) (WorldStream, 2018). The threat of new entrants in this country is high, however with the decrease of growth rates and with the consolidation of the market, it is expected to decrease in the future.

In Brazil, the concentration of firms is very high since there are few companies but with large user bases. However, these companies have not achieved large investments funds. Comparing Zaask with its most identical competitors, GetNinjas has achieved around $17 million from investors and reports having 400,000 service providers on its platform (Crunchbase, 2018). Therefore, the internal rivalry is moderate, however it is expected this force increase in the future as the threat of new entrants is high.

Regarding the complementors, this force is starting to be exploited by these on-demand services firms in both countries. Companies are increasingly establishing partnerships to link other businesses to their own. In the USA, Handy has made partnerships with physical and online retailers who sell home goods to give consumers the option of getting their products assembled by a Handy worker. Furthermore, some platforms are exploring cross-selling goods with services within themselves. Amazon is linking its e-commerce with its Home Services platform and IKEA bought TaskRabbit and since then has implemented the option of users requesting assembly of IKEA products through the TaskRabbit app. For these reasons, this force is considered moderate and it is expected to grow in the future because platforms had already identified that complementors can be a source of competitive advantage.

As for the Brazilian market, GetNinjas has partnered with Diageo, a company which sells famous spirits such as Johnnie Walker and Smirnoff, to provide tips, tricks, and recipes for bartenders registered on the platform and the opportunity for them cashing back on their purchases at Diageo's products through the awarding of credits on GetNinjas. However, most other platforms are not yet developing cross-selling goods with services making this force still low, although it is expected companies will increasingly leverage these synergies with complementors.

Concerning the threat of substitutes, both markets face a similar moderate threat from them. In both countries, Facebook and Google are the biggest indirect competitors these on-demand service platforms have, but there are also listings websites such as Craigslist, Angie's List in the US or Busquei e Encontrei, InfoJobs and HyperJobs in Brazil which are the online equivalent of classified ads. There is still the traditional word-of-mouth. For users, they have no switching costs since they can search simultaneously on multiple channels without barely any costs. As for service providers, social media and search engines are not perfect substitutes to on-demand service platforms because to promote themselves on the former is more

expensive, time-consuming and does not yield the returns of the latter. As there is a wide range of available substitutes and even some of them are free, demand is relatively more elastic in respect to the price which means that services providers can switch easily in response to an increase in price (Grant, 2008). For the future, it is expected these substitutes, especially the social media and search engine giants, specifically Facebook and Google, develop new features to enter in new markets and evolve from substitutes to direct competitors. Facebook, for example, has already inserted a marketplace for goods in its platform.

Buyers encompass both the users and the service providers, the latter are the ones who provide revenue to these platforms in most business models, while the former are the ones who provide business opportunities for the platform to profit from. As mentioned in forces above, despite the existence of network effects, users have no switching costs and actually gain from being on multiple platforms since obtaining budgets has no cost. So, the more proposals they receive, the more information they have which improves their decision-making power. For service providers, the switching costs are higher, since on the platforms where they must pay for credits, these purchases work as a lock-in effect, although they could also be viewed as a sunk cost. In addition, being registered on multiple websites would also increase their likelihood of obtaining business opportunities, and the cost of registering, aside from time, is none. So, they have an incentive to be present on various platforms and also there is a wide range of substitutes. As switching costs are low, both users and service providers tend to be more price sensitive, with service providers being less price sensitive due slightly higher switching costs. However, as the size and concentration of service providers are low because these platforms are dealing with freelancers and small companies, the bargaining power relative to the companies would be low. Users' bargaining power is moderate since the buyer concentration is low and switching costs are low as well, which

decrease and increase their bargaining power, respectively. To sum up, the buyer's power in total is moderate and is expected to remain moderate as these two powers are not predicted to change.

For startups, which generally do not have a high amount of capital/cash available, it is easier and cheaper to outsource some tasks instead of developing themselves. For technology-based companies like on-demand service platforms, cloud computing for servers, storage and data management, payment processors, human resources, among other tasks are normally left for other firms to handle. Although most of these services can be done by an international firm, since these are cloud or digital functions, some require local suppliers, such as payment processors because they operate with basis on consumer's habits – for example, in Brazil users normally pay online through *boleto bancário* instead of credit or debit card as it is commonly used in western countries. This indicates that the suppliers' power in the two countries is moderate is expected to remain unchanged.

Given the analysis above, both Brazil and in the US show indicators of being an attractive industry, as suppliers, substitutes and complementors are not high threats or do not have power over firms.

3. Company analysis

Despite the results obtained from both the industry analysis and the market valuation, it is also important to analyze the firm to consider if there are any competitive advantages that Zaask is able to deliver in the countries in question.

3.1. Value Proposition

In order to be an outperforming marketplace between service providers and users, Zaask created an online service marketplace that connects service providers in different areas to users who are searching for such services.

The users can access the website for free, choose from hundreds of possible tasks and receive up to five budgets from qualified service providers available in the platforms to provide the service when and where they need it, within 24 hours. With these kinds of platforms, users can save time in finding service providers through typical manners: word-of-mouth, looking at classified ads, or going to a store. When users receive the proposals, they can check the reviews and information made available by service providers ranging from their professional license and qualifications to their criminal record, insurance, among others.

Zaask helps service providers increase their business by reaching customers without spending time and money on commercial tools they would need to spend otherwise since the platform provides them direct access to users and consequently visibility they would normally need to work and pay to earn. More importantly, this allows service providers to focus on their core competencies which are performing services, leaving client outreach to Zaask. Service providers only need to respond and make a proposal to the job listings they are interested in, so they only pay for the jobs they really want. Zaask incentives the service providers to fill their profiles with the most relevant and as much information as possible to become more appealing to users. The profiles that meet all of Zaask's recommendations will get a "Golden profile" ranking, which besides statistically giving them more chances of winning bids, also works as a brand awareness technique since service providers are encouraged to place this "Golden profile" logo on their websites.

3.2. Business Model

Zaask has evolved from a brokerage to a leads business model. The basis of this model is paying for an opportunity. As explained before, service providers spend their credits to obtain leads, which is the information of the users who posted a job listing, such as their names, e-mail and phone number. After purchasing the lead, they are able to contact the user and supply them with a budget proposal which users may try to negotiate, accept or dismiss it. These credits are a virtual currency only usable on Zaask's platform and service providers buy it with real money – the revenue stream of Zaask. The credits needed to obtain a lead vary from service to service. The process of determining how many credits to charge for a lead takes into consideration the following factors: the estimated value of the task; the conversion rate of the service in the location of the request; the average number of service providers who apply to that type of service request; and the Zaask margin. This all comes together in the following formula:

$$Estimate\ value\ of\ the\ task\ \times Conversion\ Rate\ \div Average\ number\ of\ applications\ \times Zaask\ Margin$$

The conversion rate refers to the percentage of requests which are matched with a service provider, whereas the Zaask Margin is a value ranging from 5% to 10%.

3.3. Organizational Resources

In order to understand if Zaask has or not a competitive advantage, it is necessary to analyze the structure of the organizational resources within the company. Organizational resources are the source of a firm's capabilities and these are the main source of its competitive advantage (Grant, 1991). To analyze a firm's internal resources, it is necessary to conduct a VRIO Analysis on its resources to assess whether they are valuable, rare, inimitable and organized within the firm and if therefore they provide Zaask with competitive advantages. To evaluate

the organizational resources, the criteria are considered in a comparison with the global market of on-demand services platforms.

Organizational resources are categorized within three subsets: Specialized Assets, Competencies, and Architecture of Relationships. Starting with Specialized Assets, one Zaask's resources are the **learning economies** achieved. This resource is valuable and rare since it is a product of years of development and analyzing the intricacies of the business for over 6 years by Zaask. Regarding imitability, however, since the core function of the business is transparent and not overwhelmingly convoluted, other companies can understand the essential developments needed to start and operate a business similar to Zaask's, even if not as efficiently at first.

Another specialized asset is the **platform's algorithm**. It is a valuable resource since it is what enables Zaask to attract users and service providers and matching them accordingly. However, since having a marketplace is a standard requirement, and the foundation, for any firm attempting to compete in this industry, it cannot be considered a rare resource, much less inimitable since there are various manners to emulate a website or platform like this one. Therefore, this resource only provides a competitive parity.

As for competencies, there is **operations management**. This encompasses the ability of Zaask to understand the current state of liquidity between service providers and users and act on it, such as gathering more of certain service providers to respond to a spike in demand for a specific service. This is valuable since it allows a more efficient functioning and spending on marketing for service providers and users based on the needs on the platform. However, since this is a competency that every on-demand platform inserted in this industry will need to develop in order to be competitive, it cannot be classified as rare. Moreover, regarding if the competency is organized, as shown at the beginning of the report, Zaask has experienced

increases in both service providers, users and user requests without a significant increase in its revenues. Given that, this competency is likely not organized within the company.

Process and product development are also among the competencies of the company. The in-house programmers and developers are valuable since they are instrumental in developing the asset that is the basis for Zaask's business: the platform. Nonetheless, once more this resource is not qualified as rare given that any company can hire programmers or a developer, provided they have the financial capacity to do so.

On the basis of these organizational resources, Zaask has been able to develop and improve its competency of **marketing management.** The results of these marketing operations are noticeable through namely their organic appearance on the top of Google search results for various services like plumbing and electrician in Lisbon for example. This is the outcome of its long development of Search Engine Optimization (SEO) tactics and compliance with Google's webmaster guidelines which improved Zaask's PageRank – rank of the website on Google's search engine. This is valuable are rare since it not only allows to be ahead of competitors in the market in gathering users but also lowers its need for paid advertising. Nonetheless, other firms with larger financial capacity can resort to paying ads to show up first on search results or develop their own SEO tactics, so this imitability means this resource only provides a temporary competitive advantage.

Given the resources identified above, besides Zaask having no resource within the architecture of relations subset, it only has two competencies (learning economies and marketing management) providing a temporary competitive advantage. Therefore, it has no resource which fulfills all the criteria of VRIO. Learning economies, and to some extent marketing management as well, provide the company with a competitive advantage in Portugal as well because Zaask benefited from first-mover advantages.

Because this marketing management delivers a strong and cost-efficient online presence specifically in Portugal, this temporary advantage is non-transferable to other markets, with only learning economies being transferable to foreign markets. Other resources which provided only competitive parity, such as the platform's algorithm, the process and product development, and the operations management are also transferable to any countries. Regarding its marketing management capabilities, SEO efforts are mostly country-specific, especially on websites with a local focus such as Zaask. However, the modus operandi of these on-demand platforms does not suffer strong pressures for local responsiveness, as the channels to reach users and service providers are the same and despite potential differences in the volume of services, these are needs that are mostly universal. Therefore, Zaask's learning economies are a transferable competency to other markets in which they choose to operate.

3.3.1. Comparison of Zaask with Competitors

With the company and competitor's analysis elaborated above, it is important to compare Zaask with the incumbent firms in Brazil and the US, regarding both the value proposition and organizational resources.

As shown in **Exhibits 7** and **8** (displayed in the topic "***2.3. Competitor Landscape***"), Zaask shows the least number of features available, together with Iprestador. For instance, Zaask does not provide an app to all its users as it is only available to users with Apple's iOS, while users who own phones or tablets with other operating systems such as Android do not have an app accessible to them. Furthermore, there is no promotion of it on Zaask's home page, unlike what is executed by all the other companies.

The value proposition of Zaask is lower compared to that of the incumbents in Brazil and the US since its offer to service providers and users is not as vast as those of, for example, Thumbtack and GetNinjas. Zaask does not offer users access into its platform in all channels, neglecting the app channel, and it does provide assurance to them with policies to guarantee

satisfaction. Furthermore, firms in these markets provide service providers with more than achieving clients, as through partnerships they offer access to training or advantages at these partnering firms. Therefore, Zaask's offer has a lower value than that of its competitors in the US and Brazil.

As for resources, firms in Brazil and in the US have various architecture of relations resources. From the strategic alliances mentioned in the partnerships created, to co-creating reports with other institutions or associations, and the wider network of finance provider, as shown in the total funding obtained. These resources are needed for Zaask to be able to compete in these foreign markets, and, currently, Zaask has no architecture of relations resources, and its financial resources are much lower than its competitors, especially those in the US.

Without these resources, currently, Zaask is at a competitive disadvantage with the incumbent firms in Brazil and in the US, which diminish its profitability prospects in these foreign markets.

3.4. SWOT Analysis

Exhibit 10 | SWOT Analysis of Zaask (Author, 2018).

	Positive	**Negative**
Internal	**Strengths** • Learning Economies • Marketing management	**Weaknesses** • Lack of availability and promotion of an APP • No protecting policy guaranteeing protection to clients in case damages caused by service providers • No possibility of payment through the platform
External	**Opportunities** • Market growth and a high percentage of unaddressed market in both countries • Lower network effects in Brazil • Growth in online presence and spending	**Threats** • Inability to keep both clients and professionals from doing business outside the platform • Substitutes in terms of Social Media and Search Engines like Facebook and Google • A high number of firms and network effects in the US • Large funding and investment capacity by US firms

4. Concluding Remarks

Exhibit 11 | Summary of PART I analysis (Author, 2018).

	Brazil	USA
Country Analysis	- The number of digital buyers is expected to grow exponentially - Limitations in regard to the ease of starting and doing business as well as getting credit and investment - GDP PPP per capita: $15,483.5 - There are increasingly smaller and medium-enterprises and self-employed people - Urban population has reached the level of 86% in 2017	- The number of digital buyers and sharing economy users is expected to grow exponentially - Ease of starting and doing business as well as getting credit and investment - GDP PPP per capita: $59,531.66 - 30.2 million small businesses compose 99.9% of all American businesses - Third largest population (82% live in urban areas)
Market Size	- Market size around $68 million - The total value made by firms between 2017 and 2023 will be $1 819 million - Average cost per click (CPC) is $1.03 – 11% less than the US average – on Google Ads	- Market size around $2 700 million - The total value made by firms between 2017 and 2023 will be $26 216 million - Average cost per click (CPC) is $1.16
Six Forces Analysis	- Moderate network effects of firms - Few firms with moderate internal rivalry - Moderate threat of substitutes	- High network effects of firms - Lots of firms and well-established, high internal rivalry - Moderate threat of substitutes
Company Analysis	- Zaask has no organizational resource providing sustainable competitive advantage	- Zaask has no organizational resource providing sustainable competitive advantage

Considering all analysis performed, both countries show attractive conditions, there has been an increasing trend of online presence and spending, as well as more than 80% of the population are settled on urban areas, with the two countries having a large number of residents. The on-demand services industry is attractive in either country and its growth rates are high (two-digit figures) and large market sizes. However, an analysis of Zaask and of the incumbent competitors in the on-demand services industry indicate that Zaask lacks some resources that are crucial to be able to compete, mainly strategic alliances and a network of finance providers.

PART II – Recommendations

Given the analysis and conclusions in Part I, it is recommended that at the current moment Zaask should not expand to Brazil either to the USA. Looking internally at Zaask, it only has one resource which provides it a temporary competitive advantage in Portugal that is transferable to other foreign markets. And in spite of both markets dealing huge amounts of revenue and high growth rates, according to Robert M. Grant, a firm's ability to achieve profitability above that of its competitors is based on two factors: the industry's attractiveness and the firm's establishment of competitive advantage over rivals. So, although the industry in either country is attractive, Zaask currently lacks some organizational resources necessary to be at a competitive parity with the local firms in Brazil and the US.

Moreover, Zaask is currently not exploiting and obtaining the returns that the Iberian market can potentially provide, as evidenced in the comparison between the value that was created through Zaask and the total value of the market. The company is also not transferring its growth of users, service providers and requests into revenue growth. This lack of capitalization appears to indicate that there are issues regarding the efficiency of the business as a whole, most likely in its operations management competency. Despite the eventual prospects of business growth of entering a foreign market, firms may not be able to capture the benefits of an expansion if they do not possess the needed management capabilities in order to do so (Alexander et al, 2008). Therefore, in conclusion, Zaask should not undergo an expansion process to any of the mentioned two countries, at the present moment, since it is expected it will not be able to compete and achieve profitability in such markets.

However, despite this assessment, both the industry and the country conditions are attractive, although these growth rates will steadily decrease over time as the market will saturate due to the high number of firms entering this industry, leading to the consolidation of the market and

companies having their network-effects more well-established. Given these conditions, Zaask should develop a strategy to enter these markets in the near future, by following through the necessary improvements within the organization so that the potential levels of profitability in these foreign markets may be higher.

Therefore, this part of the report will consist of three main recommendations, an entry plan for Brazil, an entry plan for the US and also an analysis of other potential markets that the company should contemplate a possible expansion into.

6. Brazil Entry Strategy, *by Manuel Cruz*

This part of the report is divided into six sections. The first section is an analysis of the strategy that Zaask should adopt in order to successfully enter the Brazilian market. In the second section, a market selection is performed which includes a segment, targeting and positioning analysis. In the third section, it will be explained how they should enter into the market by presenting an entry mode analysis. The fourth section will be a topic related to the company implementation, where it will be exposing some resources that Zaask should develop, and the respective implementation plan. Finally, in the fifth section, some limitations were presented followed by the concluding remarks in the sixth and the last section.

6.1. Strategy Suitability

According to Michael E. Porter, a company can considerably improve its performance within the industry through the adoption of the right competitive strategy. Looking at the analysis of Michael E. Porter, the generic competitive strategies differ according to the competitive scope (broad target vs narrow target) and competitive advantage (low cost vs differentiation). There are three generic strategies, which are cost leadership, differentiation and focus (includes, differentiation focusing or cost focusing). Concerning Zaask's case, it is important to establish

which of the generic competitive strategies will better fit the company, and this one must be selected considering not only Zaask resources but also the characteristics of the market. Given Zaask business model, both cost strategies do not increase the company's value proposition since users have free access to the platform and the service providers just pay to purchase credits. Hence, the main decision is among differentiation and differentiation focusing.

Concerning Zaask resources, the broader targeting is not the best option since it requires a larger financial capacity in order to reach all the potential market. As shown before, Zaask does not have the financial resources of Brazilian companies, such as GetNinjas or Workana, which makes even more difficult for them to enter with a broad range of segments in a too vast market. Furthermore, by focusing on a specific segment it could be easier for Zaask to create brand awareness and attach customers since they can focus all their marketing efforts to a specific business segment, instead of focusing less deeply on multiple ones. On the other hand, it is also relevant to consider the network effects of the established companies. For instance, Getninjas and Workana are already operating there since 2012. So, they have been able to reinforce their position in the market and they have already a large base of users. However, these companies target a vast number of segments, thus, there may be some specific segments that are not being fully addressed, which could be an opportunity for a small firm like Zaask.

Looking into the Brazilian market and considering the dimension of the companies, and the numbers of the market, it can be assumed that the industry of on-demand platforms is one step ahead of the one in Portugal. Indeed, in Brazil, the industry is already experiencing its growth stage while in Portugal its still on a start-up stage (which can be seen from the fact that Zaask was a pioneer in this market). Thus, knowing that Brazil has a developed and mature market may be more advisable for Zaask to initially focus on a specific segment.

Moreover, according to Porter, even when a company do not have a sustainable competitive advantage over its rivals (Zaask's situation in Brazil), "by optimizing its strategy for the target segments, the focuser seeks to achieve a competitive advantage in its target segments (…)" (Porter, 1985).

Therefore, considering what Porter mentions, Zaask's resources and the characteristics of the Brazilian market, the best option for Zaask is the adoption of a **differentiation focus strategy**. For that purpose, they should select not only one specific segment in the industry but also the right place within the country from where to start since due to the dimension of the market, it does not make sense to enter all market at the beginning.

6.2. Market Selection

6.2.1. Segmentation

The segmentation analysis will be divided into two parts. Firstly, a geographic segmentation will be performed in order to decide which is the best state for Zaask to enter in Brazil. Secondly, a business segmentation will be done considering the services that were identified as the most attractive ones for Zaask.

Exhibit 12 | Top 5 states of Brazil ranked by market potential (Author, 2018).

	Market Size	Market Intensity			Market Growth			
	Population	PIB Per Capita (R$)	Nº of Companies	Online Consumers (%)	Share of Total GDP (%)	Internet Usage (%)		
States/Weight	**0,20%**	**0,10%**	**0,15%**	**0,15%**	**0,20%**	**0,20%**	**Total**	**Ranking**
São Paulo	100	64,1	100	100	100	100	96,4	1º
Rio de Janeiro	37,5	55,3	23,9	33,5	34,5	100	48,5	2º
Minas Gerais	46,1	28,6	35,1	22,1	28,5	100	46,3	3º
Paraná	24,7	46,4	25,8	9,3	20,3	80,2	34,9	4º
Distrito Federal	6,3	100,0	6,1	7,3	11,8	94,6	34,5	5º

From the classification of all states (**Appendix 7**), it was extracted the top 5 states in Brazil (**Exhibit 12**). According to literature behind entry into foreign markets, the methodology

adopted on the geographic segmentation was a ranking approach. Given that, in the first step, the 27 states of Brazil were selected as potential target markets. In the second step, it was selected the appropriate dimensions required to measure the market potential of each state. These dimensions were selected according to Cavusgil on the Seven Dimensions of Market Opportunity (Cavusgil, 1997), however, taking into account that what is being decided is in which state should they enter rather than a specific country, it was just included the ones considered most appropriate for this case. Then, the indicators on each dimension were selected considering literature, information about the company and the industry. Therefore, the market attractiveness was measured through 3 dimensions – Market Size, Market Intensity and Market Growth –, which are represented by 6 indicators – Population, PIB per Capita (R$), Nº of companies, among others.

For all the Brazilian states these indicators were computed (**Appendix 6**), however, regarding the Internet Usage indicator the analysis was made by region instead of states since it was not found specific data on each state. Besides, despite this analysis is among Brazilian states, for PIB Per Capita indicator it was used the value of the capital municipium of each state (for instance, for Distrito Federal state it was used Brasilia, which is the capital) since it was not found reliable data on each state. Afterwards, to convert all these indicators into a final homogeneous index, the values were standardized in order to convert all the indicators on a scale of 1 to 100. After computed and converted all the values to all the states, it was selected a weight for each indicator, in order to create a table with the total scores and the rank of each state. The weights were selected according to what is proposed by Cavusgil - market size (4/20), market growth (3/20) and market intensity (3/20) - however, as it was only used three dimensions among the existing seven, these variables together only represent 50%. Hence, the other 50% were split among the most relevant indicators considering the industry and company.

Looking into the **Exhibit 12**, it is noticeable the differences between the first one, São Paulo – with a total score of 96,4 out of 100 – and the other states. For instance, Rio de Janeiro is the second one and has registered 48,5 points, which is almost a half. Considering the classification of each factor, São Paulo registered the maximum in all of them, with the exception of PIB Per Capita. Hence, São Paulo is the largest state in Brazil, with an estimated population around 45 million people and a population density of 7398,26 people per (IBGE, 2018). The municipium of São Paulo has a PIB per capita of R$54357.81 and only 30% of the state revenue comes from external sources, also is the one with the highest number of companies and organizations, around 1.7 million (Deepask, 2015). Moreover, São Paulo has the highest number of online consumers and also has a strong penetration of internet usage, which are two relevant factors considering the on-demand services industry (Portal Telecomunicações, 2016) (IBGE, 2015).

Therefore, considering both the state ranking and the characteristics of São Paulo, it was concluded that this state is the best option for Zaask to start operating in Brazil.

Exhibit 13 | Analysis of business segments in São Paulo (Author, 2018; Instituto Brasileiro de Geografia e Estatistica, 2016; Statista, 2018; SEBRAE, 2015).

Category	Services/Indicators	Segment Revenue (approx. in million USD)	Nº of Service providers registered (approx.)	On-demand Competition
Home	**Domestic repair services**	840	19.644 businesses registered	Strong competition
	Maid services	2 000	N/A	Strong competition
Events	**Catering services (b2b)**	4 000	3 779 businesses registered	No relevant players
Technical Assistance	**Electronic repair services**	1 700	16.658 businesses registered	Relevant competition
	Vehicles repair services	3 000	16.528 businesses registered	Relevant competition
Digital	**IT services**	28 000	61.251 businesses registered	Very strong competition
Personal Care	**Beauty & Wellness services**	3 000	46.341 businesses registered	Strong competition

This analysis of business segments was made mainly through data from *Instituto Brasileiro de Geografia e Estatística* and the Statistics Portal, and due to the lack of more detailed and reliable data on the business segments, the data is almost all for the whole country.

The selection of the potential services was made according to the combination of two factors, the main service categories of Zaask in the Iberian market and the most requested services in the online marketplaces for all services in Brasil. Given that, it was identified five different service categories, which were home, events, technical assistance, digital and personal care. For home services, it was selected domestic repair and maid services, for events it was selected corporate catering services, for technical assistance it was selected electronic repair and vehicles repair services, for digital it was selected the IT services, and for personal care, it was selected beauty and wellness services. This analysis can be observed through the **Exhibit 13**.

6.2.2. Targeting

In fact, through the table above it is noticeable that the IT services is the most relevant segment in terms of revenue, and it is also a segment with a high number of service providers. However, it is the most saturated one regarding on-demand competition, since there are already strong marketplaces which focus solely on digital services, such as Workana, Upwork, Red Station, Vibbra, among others. Also, there are other marketplaces for all services with a category of digital services, such as Getninjas and Iprestador. Besides, in digital services, one competes against any marketplace/professional in the world because this type of technological services may not involve the physical presence of the service provider.

For the segment of beauty & wellness services there are also an intense competition. Aside from the competitors that offers all services, there are numerous online marketplaces focus only on this segment, such as Singu, Posher, Avec Brasil and Tok Beauty, and all of them

already operate in São Paulo. Moreover, it is important to mention that the high value of service providers reported below is due to the tremendous increase of 567% in beauty salons from 2010 to 2015, in Brazil (Dino, 2018). So, this number can be misleading since includes beauty salons businesses, which is not the typical service provider that will be available at the online platform.

The segment of vehicles repair services was also not considered the most attractive one, given two main reasons. Firstly, the perspectives for the future are not positive, since not only due to ecological but also technological reasons, increasingly there will be fewer vehicles and more alternatives of transports (SuaOficina, 2017; Criado,2017). Secondly, as vehicles are becoming more sophisticated, the vehicles industry companies have started offering their own field of repair services. For instance, Chevrolet which is the best-selling brand of cars in Brazil, with *Serviços de Chevrolet* (SuaOficina, 2017; Serviços Chevrolet, 2018). With this type of services, it becomes more challenging to attract customers since, for customers, not only it is more comfortable and safer to solve these problems directly with their car brand, but also because the vehicle devalues whenever it is repaired outside the brand company.

Concerning the catering services, according to a study from Statista, the revenue generated was the second highest (assuming the 2010 year). Also, considering the projection from the same study, the event catering industry generated around $10 154 million in revenue, in 2018 (Statista, 2012), which indicates that this segment has increased a lot in the last years. Besides, an important point of on-demand catering services is the fact of being something related to the online food delivery since this industry has increased a lot in recent years in Brazil, and according to Statista, it is expected to increase until 2023.

Looking into this sector growth, it is known that according to *Associação Brasileira de Empresas de Eventos (ABEOC Brasil)*, the corporate event industry has increased by 14% a

year and the number of international events increased 400% in last 10 years (Panrotas, 2016; Dino, 2016), which appears to indicate that this segment has developed a lot in recent years and the prospects for the future are positive. Besides, according to a study from *Serviços Brasileiros de Apoio às Micro e Pequenas Empresas*, private companies are one of the groups that searche the most for spaces to do private events and more than half are in Southeast region, where São Paulo belongs. So, given a large number of companies in São Paulo comparing to the other states, one can deduce that there is a high percentage of corporate events in this state.

Regarding the competitors, it was not found any on-demand platform focused solely on corporate catering services, in São Paulo. In this segment, the competitors are composed of all online platforms focused only on catering services and all the online marketplaces for all services that included also catering services, like Zaask in the Iberian market. Concerning the online platforms focused only on catering services, it was found only one competitor called *Catering.com.br*. It is a website that connects catering businesses with people and/or companies who needed this type of services (Catering website, 2018). There are also other companies that focus not only on catering services but also on other services related to company events and B2B sector. For instance, *N. Eventum*, *Seu Evento Corporativo* and *EVNT*. Regarding the online marketplaces for all services, Zaask will compete against the ones that were already mentioned on the project, which are GetNinjas and iPrestador. However, the main sector targeted by these marketplaces is not the B2B sector (**Appendix 8**), so its competition will not be so aggressive as it could be in another sector.

Above all, it is important to mention that for this type of industry the networks effects are a relevant factor to consider, and knowing that in this segment there are no relevant and direct competitors yet, Zaask can benefit from first mover advantages. Indeed, considering the

analysis of the segment attractiveness in regard to the on-demand services industry, it seems to exist an untapped and attractive segment regarding the catering services in B2B sector.

However, as what is being analysed is the attractiveness in regard to the on-demand services industry, one should also analyse the attractiveness considering Zaask business. In fact, looking into Zaask case as their business model consist on selling credits to service providers, there is a weakness with this segment which is the low number of service providers registered. Thus, for this segment to be considered an attractive one for Zaask it is required an adaptation of their business model in order to overcome the small number of service providers in the market. It is recommended for Zaask to change from the leads to the brokerage model, in order to receive a percentage of each service payment, since catering services are a segment with a high level of services turnover, so by charging a percentage for each service instead of selling credits, their margin on the revenue will be higher. Besides, as shown at the beginning of the report, Zaask margin on the revenue transferred to service providers was 0,7% in 2016 that is very low especially when compared with other on-demand platforms, which reinforces this eventual business model adaptation.

Finally, it is important to verify which of Zaask's organizational resources are transferable into the Brazilian market and can help the company to achieve its strategy there. Firstly, the learning economies achieved by the company allows them to have the required know-how about how to work within this industry. Secondly, they have the platform itself and its functioning algorithm, so they just have to make some adjustments, such as the language translation and update it to the specific needs of the target segment, and extend its operation to São Paulo. Thirdly, they have their own programmers and software.

Therefore, based on the conclusions of the analysis of the segment attractiveness in regard to the on-demand services industry, and considering the current market dynamics and the

required adaptation of Zaask business model, it can be concluded that entering in São Paulo with the segment of corporate catering services seems to provide the most appealing opportunities for Zaask.

6.2.2. Positioning

The on-demand corporate catering services are the segment that acts as an intermediary linking catering businesses with companies. Unlike the on-demand food delivery platforms, whose focus is on the B2C sector and to delivery individual meals, the on-demand corporate catering focus is specifically on the B2B sector and mainly to delivery in large quantities. Thus, this segment targets two types of users, which are all the companies that seek for any type of catering services, and the catering companies that want to be available in the online platform. Zaask must create an efficient and unique positioning in both users' minds.

For catering companies, Zaask's offers new clients by conceiving an online marketplace where they can register themselves and promote their services. Through a platform highly engaged with corporate catering opportunities, Zaask provides to customers an effective way to gain clients, especially because of its experience on matching the needs of both sides in the intermediation services industry. The advantages of using this platform come from the lowering of marketing costs incurred to gain clients since they are provided more efficiently by the platform. Also, the platform allows service providers to focus on their core competencies which are performing the catering services, leaving client outreach to Zaask.

For general companies, Zaask offers a wide range of catering services solutions. Companies can access the website for free, describe which type of event they have and what they need. Based on that, they will receive budgets from qualified catering businesses available on the platform to provide the service when and where they need it. Then, when companies receive the proposals, they can check the reviews and feedback from past users, so that based on a

strong support being capable to decide which one fits better their needs, avoiding wasting time in searching for which are the best service providers available at the market. Thus, through its adaptation to the specific companies needs/orders, Zaask acts as a personal and unique online platform capable to fulfil specific needs (in terms of quantity, complexity and special requests), reducing significantly the time consumed in searching for an individual company able to fulfil all specific requirements. Basically, Zaask offers an online intermediation platform that not only facilitates the daily routines of companies but also provides the opportunity to create an impact on the company environment.

Therefore, Zaask's unique selling proposition to users should be the capacity to efficiently schedule a specific order for specific days and times, taking into account all the specific needs and characteristics of what is demanded by companies in terms of catering services.

6.3. Entry mode

After performed the market selection, it is relevant to analyse how Zaask will enter in the new market, and besides how they will operate there. Indeed, there are a wide range of entry modes which a company can adopt, and these differ according to the level of control.

Concerning Zaask case, the core element of this business model is the online platform, and it is what will be exported and launched in Brazilian market, after the required changes. However, considering the type of industry and literature behind foreign market entry of e-businesses, just exporting the online platform is not a sufficient strategy in order to be successful in the foreign market. The physical presence is considered by experts as a very relevant issue in these processes of internationalization (Kim Dung Le and Franz Rothlauf, 2008). Thus, Zaask should create a commercial department, in São Paulo. This department should be composed by two teams. One of teams should be responsible for gathering caterers, while the other one should be responsible for gathering companies who needed catering

services. Given the type of industry, this department is crucial since the equilibrium between supply and demand it's a required condition for Zaask to be considered a convenient and efficient marketplace by its users. The more catering businesses Zaask has registered, the more companies will search for services, and vice-versa. Moreover, these teams will be also responsible to create and develop strategic partnerships in order to increase company's value proposition.

Besides, this commercial department will be relevant to act before Zaask starts officially operating there to guarantee that the platform already has some service providers and users registered in it, which is crucial to avoid in the early stages that any service provider and/or user looking for a service ends up disappointed and with a bad experience. Although it is supposed to be a small department, it will be required an office to work from São Paulo. For instance, they can rent a coworking room or something similar in order to save money and be easier in logistics terms.

6.4 Implementation

6.4.1 Resources development initiatives

Looking into the organizational resource's analysis, one of the main conclusions and disadvantages about Zaask is the lack of architecture of relations resources when comparing to the Brazilian companies. Therefore, Zaask should develop strategic alliances in order to increase its value proposition for both users and services providers. First, it is recommended that Zaask becomes a member of *Associação Brasileira de Empresas de Eventos*, which the main purpose is to coordinate, guide and defend the interests of its members, represented by promoters and service providers for events. Hence, it is a relevant partner because through this association, catering companies can benefit from business opportunities, business partnerships with suppliers, among others (ABEOC Brasil, 2018). Secondly, Zaask should

develop partnerships with hotels in São Paulo, in order to be able to help catering companies in providing alternative spaces for companies who need it to do specific corporate events.

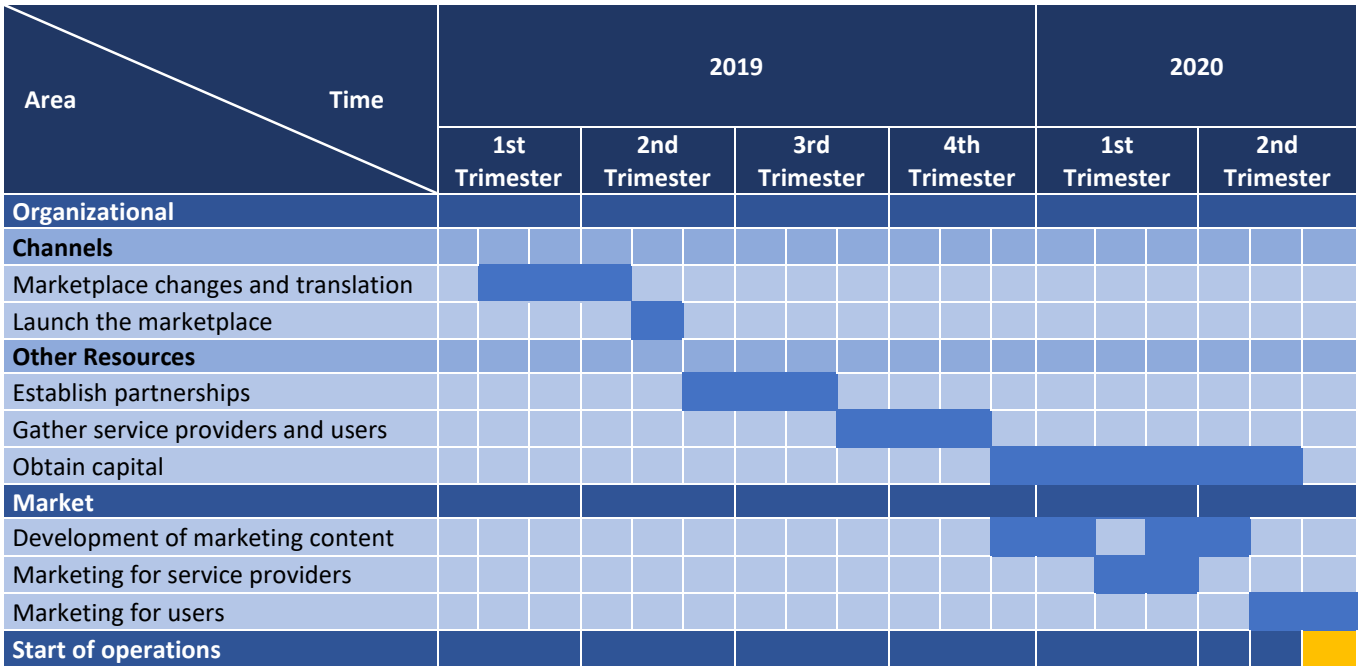
Besides, there are also some features to be developed in the marketplace in order to increase the value of the segment. Thus, it is relevant to develop a service monitoring system in order to help the companies when something goes wrong with service provided, and it is also important to develop specific categories among the caterers in order to companies being able to choose according to their specific needs. For instance, it has to be possible choose the caterer according to the type of meal that the company need.

Lastly, it is recommended that Zaask should increase their investment on marketing since it is considered crucial to develop brand awareness, that then can be converted into users. So, not only due to that but also given the increasingly competitive market, they should increase their financial resources too.

6.4.2 Implementation Plan

Concerning the implementation plan, **Exhibit 14** shows the timeline of activities which Zaask should perform to prepare an expansion into São Paulo. There are two types of activities, the organizational (internal activities) and market (external activities). According to this timeline, all these activities should take about 1.5 years to be finished, and upon completion, Zaask will be ready to start operating in São Paulo, by June 2020.

Exhibit 14 | Timeline for Zaask's entry in Brazil (Author, 2018).



6.5 Limitations

Finally, it is extremely relevant to highlight the limitations of the analysis performed in order to increase the legitimacy of the recommendations presented before. First, in the geographic segmentation, the methodology used – ranking approach – was selected according to literature on evaluating entry into foreign markets. However, in this case, what is being decided is in which state should they enter rather than a specific country. Still in the geographic segmentation, there were some problems in finding specific and reliable data on some indicators for each state, such as Internet Usage and PIB Per Capita, as it was explained before. Lastly, another difficult was to select the weights within the multi-criteria setting.

Concerning the business segmentation, it was not possible to include all the segments available in the market not only due to time and space restrictions, but also because of the inexistence of reliable data to perform the analysis. Thus, it is possible the existence of some other attractive segments in the market. Moreover, there was also the problem of finding data

in regard to some specific indicators, and although the analysis was focused on São Paulo state, the data used were almost all for the whole country.

6.6 Concluding Remarks

Considering this analysis, the best alternative for Zaask to succeed in Brazil is through the adoption of a differentiation focus strategy. Given that, based on the analysis of market potential among the Brazilian states, it was decided that entering in São Paulo is the best option. Also, by taking advantage of its resources and adding new ones, they should position themselves as an efficient on-demand platform in offering catering services in regard to the B2B sector, capable to create an impact on company's environment by supporting their specific needs. Lastly, assuming that Zaask will take about 1.5 years to develop the implementation activities recommended, the company is ready to start operating in São Paulo by June of 2020.

7. Entry Strategy – the USA*, by Francisco Toste*

7.1. Strategy Adoption

To enter the US, Zaask needs to employ a strategy that will provide it with a competitive advantage. According to Porter, there are three generic strategies for achieving competitive advantage: cost leadership; differentiation; or focus which divides in two forms – differentiation focusing or cost focusing. The distinction between differentiation and a cost leadership strategy is that the former is used to target customers across most segments based on attributes that are considered important to drive a premium price, while the latter strategy pursues production at the lower cost to further increase profit margins. The focus strategy differs from differentiation and cost leadership on the scope of business, focus seeks a narrow target segment while the two latter push for a broad targeting (Porter, 1985).

Cost leadership and cost focusing are strategies which does not increase by much the company's value proposition to its end users since users have free access to the platform and service providers only pay to purchase credits. While pursuing any of these two strategies could enable Zaask to reduce the price charged to service providers, there are obstacles such as the dependency and inability to negotiate with key suppliers, for instance, cloud computing suppliers, that reduce the margins for lowering production and operating costs.

Between differentiation and differentiation focusing, Zaask has more resources to employ a successful strategy on a narrower scope rather than at a broader targeting. In terms of financial resources, by targeting a narrower set of business segments implies a lower need of marketing costs because instead of paying for ads in multiple segments, it will be limited to a few segments, which for a firm like Zaask that lacks the financial capability of local US competitors is crucial. As for network effects, most on-demand platforms with a broad target have been operating for 6 years, and in the case of Thumbtack for 10 years, which has given time to settle their network effects. However, these platforms may lack penetration in certain segments due to more specific needs which are not being addressed. The US market for on-demand platforms is also a much more advanced stage than the Portuguese market. While Zaask was a pioneer in Portugal and the adoption of on-demand services platforms for services (excluding for Housing and Transportation) is most likely still at an Innovators adoption stage or at the beginning of the Early Adopters in a more optimistic forecast. In the US, it is already at the Early Majority stage in technology adoption. Therefore, in the US has the adoption is more widespread and the market is more matured, it is more advisable for Zaask to target a niche with a differentiation focusing. And as Zaask has no competitive advantage over its counterparts in the US, it may still obtain a competitive advantage according to what is written in Porter's book *Competitive Advantage: Creating and Sustaining Superior Performance*, "by optimizing its strategy for the target segments, the

focuser seeks to achieve a competitive advantage in its target segments even though it does not possess a competitive advantage".

7.2. Market Selection

7.2.1 Segmentation

7.2.1.1. Geographical Segmentation

It is important to define the scope of entry, especially in a large country like the US. A digital platform, such as a website or app once launched is easily scalable and is instantaneously available anywhere a person is located at, which makes it advantageous for digital-based firms to operate immediately on a large geographical scale. However, considering Zaask's inability to compete with incumbents on financial resources as well as the requirement of establishing other resources, such as service providers, an entry serving the whole market is riskier since it will demand and drain more of the scarce resources the company has. Hence, it is advisable that the entry scope is limited to a single state in the beginning, with expansion to further states subject to the success of the initial entry strategy.

Exhibit 17 | Top 5 states of the United States ranked by market potential (Author, 2018).

	Market Size	Market Growth		Market Intensity	Market Consumption Capacity			
States	Urban Population	GDP Growth 2016-2017	Internet Growth Rate	Median Household Income	Searching for a Job Online	Use of Consumer Services Online	Number of Small Businesses	Ranking
California	100	75	57	70	50	60	100	76,68
Texas	64	76	71	43	49	37	66	57,69
Florida	51	60	100	28	26	45	64	51,10
Washington	17	100	73	85	41	83	15	51,02
Colorado	13	77	37	82	73	90	15	49,46

As shown in **Exhibit 17**, California is the state with the highest Overall Market Opportunity Index (OMOI), therefore the recommended state for Zaask to enter into the US. This is largely attributed to having the largest urban population with estimates of 37 million inhabitants in metropolitan and micropolitan areas, as well as the highest number of small

businesses, 3.9 million. Despite not being the highest performing state on the remaining factors, it consistently obtained a score of 50 or above in them which explains why it outscored the other forty-nine states. Texas and Florida placed second and third in the final ranking, respectively, with their population being a key factor given that they are also the second and third largest state population wise, respectively.

This segmentation to find which state should the company enter into was elaborated through the adoption of literature on evaluating entry into foreign markets. The states were analyzed based on the different dimensions for evaluating market potential, such as Market Size, Market Growth, Market Intensity, and Market Consumption Capacity, which are then further explored through the variables of Urban Population, GDP Growth, Median Household Income and much more. These dimensions were chosen considering the Seven Dimensions of Market Opportunity (Cavusgil, 1997), although only four dimensions were used since other dimensions had little applicability – such as Economic Freedom and Market Receptivity – considering this analysis is not on different countries but rather states within the same country.

The measures to assess each dimension were obtained through the literature review and the analysis of the most relevant factors concerning Zaask's business. From the variables chosen, standardization is performed to remove the differences in scales between the different types of variables and obtain scores ranging from 1 to 100. The resulting z-scores are then multiplied by their respective weights and are all summed to provide the score of each state. These weights were chosen considering Cavusgil's OMOI, however, given that only four dimensions were used instead of seven, the weights were adjusted considering the relevance and impact to this industry. In **Appendix 9** it displays the z scores of each variable as well as

the final ranking for the fifty states, while in **Appendix 10** it presents the same table but with the values for the variables before standardization procedure.

7.2.1.2. Business Segmentation

To choose a set of business segments which are potentially attractive for Zaask to focus on, the analysis of the business segments was performed taking into account dimensions such as the Industry's Revenues, Industry's Growth, Number of Service Providers Employed, Growth in Employment and Competition. The industry's revenue and growth are important to measure the potential market size of each segment but also the expected revenues in the future, while the number of service providers employed, and expected growth indicate the potential number of people who could join Zaask to find work. Finally, competition is useful to understand if the segment is already saturated, or if Zaask could still enter and earn market share.

Exhibit 18 | Business segments in California (Author, 2018; Crunchbase, 2018; IBISWorld, 2018; U.S. Bureau of Labor Statistics, 2018).

Segments	Industry's Revenue (in millions of USD)	Industry's Growth	Number of Service Providers Employed	Growth in Employment 2016-2026	Competition
Home care Services	11 000	3,5%	585 000	41%	A large publicly traded firm and few startups
Personal care Services	9 000	4,4%	86 000	12%	Numerous
Wedding Services	9 480	2,6%	N/A	N/A	Few but experienced and well-funded
Veterinary Services	3 600	4,6%	6 500	19%	Numerous
Legal Services	12 690	5,8%	80 000	9%	Numerous

Due to the lack of data regarding the revenues of some of the industries, the values were obtained through an analysis of the personal consumption expenditure data. This data encompassed the entire country, so to bypass the unavailability of more granular data, the personal consumption expenditure in California was extrapolated by multiplying the total for

the US by 12%, given that this percentage represents approximately both the share of population and personal consumption in the state relative to the total of the US. The business segments were also chosen given the economic activities in which Zaask operates in the Portuguese and Spanish market.

7.2.2. Targeting

Observing **Exhibit 18**, shown above, the segment with the highest revenue is the legal services segment, which also has the highest growth among the industries. However, home care services are a close second in terms of revenue and are by far the one with the largest number of service providers employed, as well as the segment expected to have the largest increase in employment between the selected services. Wedding services despite being an attractive option as it is a market which is largely fragmented and yields high revenues, it has the lowest growth rate and the trend indicates that the industry will suffer decreases in revenues as more individuals choose to remain unmarried. There has been a steady decline in the marital status of adults in California, as shown in **Appendix 11**, 51% of Californian adults were married in 2016, a drop from 74% registered in 1960. It is noteworthy that no segment is free of competition, even though the level may vary among them. From the analysis of **Exhibit 18**, the home services segment is the recommended option for Zaask to target in their entry into the US considering the high industry revenue and the tremendous expected growth in service providers in this field, which despite having quite a big competitor in it, the growth this market is expected to have, increases the margins for an incumbent to enter it and achieve market share and profitability in it.

The projected growth in the number of service providers in home care services is a consequence of the aging of the baby boomer generation allied with the developments in medicine which have allowed the increase of a person's lifespan, best exemplified on **Appendix 12** where it projects the US population by age and sex in 2010, 2030 and 2050.

However, it is not just a demographic change prompting this rise, it is also a change in the consumer's preferences that is leading this demand for care at home. According to a survey, three in four US adults who are 45-years-old or more wish to stay at their current residence as long as possible. The trend has already caused shifts in the present day, as in 2015 for the first time in the US the amount spent on nursing home care was surpassed by that spent on home care (CNBC, 2018).

In this segment, the key demographic of users is those seeking any kind of care at home, from medical to non-medical care, such as assistance in activities of daily living (ADLs), nurses, physical therapists to even a doctor's appointment. As for service providers, Zaask needs to obtain a vast range of non-medical and medical professionals, from personal care aides and home health aides which do not require certification to exercise practice, but also on certified nursing assistants, skilled nursing providers, physical and occupational therapists, speech-language pathologists and doctors with different medical expertise.

7.2.3. Positioning

Zaask by targeting the home care services will enter in direct competition with other marketplaces alike, either with a narrow or broad focus, but also with the traditional companies such as an agency and local employment registries in non-professional care services, and with clinics and nursing homes for professional care. Agencies are an easy and quick solution for those seeking home health or personal care aide, as they have lots of workers that have already been screened and can start the very next day. But even though individuals pay the agency directly, agencies, in general, are more expensive and impose limitations on the minimum number of hours, negotiating payment and choice of the aide. With employment registries, on the other hand, individuals can negotiate pay, hours and find your best match but at the same time, the user must spend their own time researching on

aides, and any problems that might occur there is no third party that is accountable (AARP, 2018).

Zaask can offer a wide selection of service providers giving users the ability to choose their best fit and with reviews from past users, have feedback to support their decision-making and reduce time in investigating the service providers. Furthermore, with the agility that online platforms provide it is much faster for users to obtain a service provider that matches an individual's needs than going through local employment registries or referrals of acquaintances, because the platform allows users to filter searches – based on factors such as availability, skills required, etc. – which decreases the time wasted on incompatible workers. Also, prices will be lower than compared to Agencies because service providers set their own prices, which will have to be competitive since they will be competing between themselves. Finally, having a third-party, in this case, the platform, intermediating users and service providers ensures accountability for both parties as there is an entity to complain to in case of an unsatisfactory occurrence.

Another important factor is that many residents avoid medical care for reasons such as long waiting periods, not having enough time or clinic hours are incompatible with work schedule, inability to obtain transportation or being too far to reach (Taber, 2014). This, paired with the preference of individuals to continue living in their residences, is an opportunity for Zaask as it can deliver an offer that is valued by users, which clinics and nursing homes do not provide. Therefore, Zaask's unique selling proposition to users should be the ability to receive quick at home care, by a tailored, vetted service provider.

7.3. Entry Mode

To proceed with the implementation in California, it must be selected the appropriate entry mode. There are various entry modes from which a company opt to follow, and these vary on

the level of control, which is "the ability to influence systems, methods and decisions" (Anderson and Gatignon, 1986). Higher control entails greater resource commitment at the prospect of higher returns, but also at the expense of increased risks.

In Zaask's case, a low-control entry would be just opening a website for the US, maintaining its operations in Portugal as they currently are and manage everything through online communications. On the other hand, a high-control entry would mean Zaask opening its own subsidiary in the country, managing the entirety of the operation there. Zaask, however, does not have the financial capacity to employ a high-control entry mode since it would demand a resource commitment that exceeds what the company is capable, and empirical evidence demonstrate that startups, specifically in high-technological industries, usually opt for low resource intensive entry modes (Burgel and Murray, 2000).

Nevertheless, it is recommended that entry in the US commits more resources than simply creating a website in the country. The firm should employ a commercial team in California responsible for recruiting service providers to the platform and also a team in charge of creating and managing strategic partnerships. The remaining business functions would continue to be operated by the Zaask employees at Lisbon, such as customer service, marketing and development of the platform.

7.3.1. Resource and Product developments

In terms of resources, there are two sets: resources to be transferred, and resources to be developed. Concerning those resources which Zaask already possesses and can transfer to its expansion into the US, they are the learning economies, the product and process development, platform's algorithm and the operations management. However, the marketplace will need to undergo adaptations before it is ready to be launched, specifically, the translation of the

website to the English language in the .com domain as well as update it to serve the specific needs of this segment.

As for product development, Zaask needs to develop a full app offer, this means developing an app to both users and service providers in both major smartphone and tablet operating systems, iOS and Android. Although Zaask already has an app, it does not provide one to android users and it would need to undergo considerable changes to match the specifications of the focus segment. Through an app, there is the possibility for real-time messaging and that enables users to send instructions to service providers or request an update on how the family member's condition is, which the service provider can respond via text, photo or even live video.

Regarding resources, partnerships is one which needs to be developed. Enterprises of home medical equipment could be one valuable partnership. With an increase in health awareness, as well as of older adults to continue living in their homes, the need to have access to medical equipment such as meters, monitors, assertive technologies, etc. will most likely increase. A KPMG report estimates that the CAGR of global medical sales for the period of 2015 to 2030 will be of 5.2% (van den Heuvel, 2018). A partner firm could benefit from Zaask driving its users towards it for medical equipment purchases and in return these could refer its clients to use Zaask's services to obtain home care, or even provide training to service providers registered at the company in the use of their equipment.

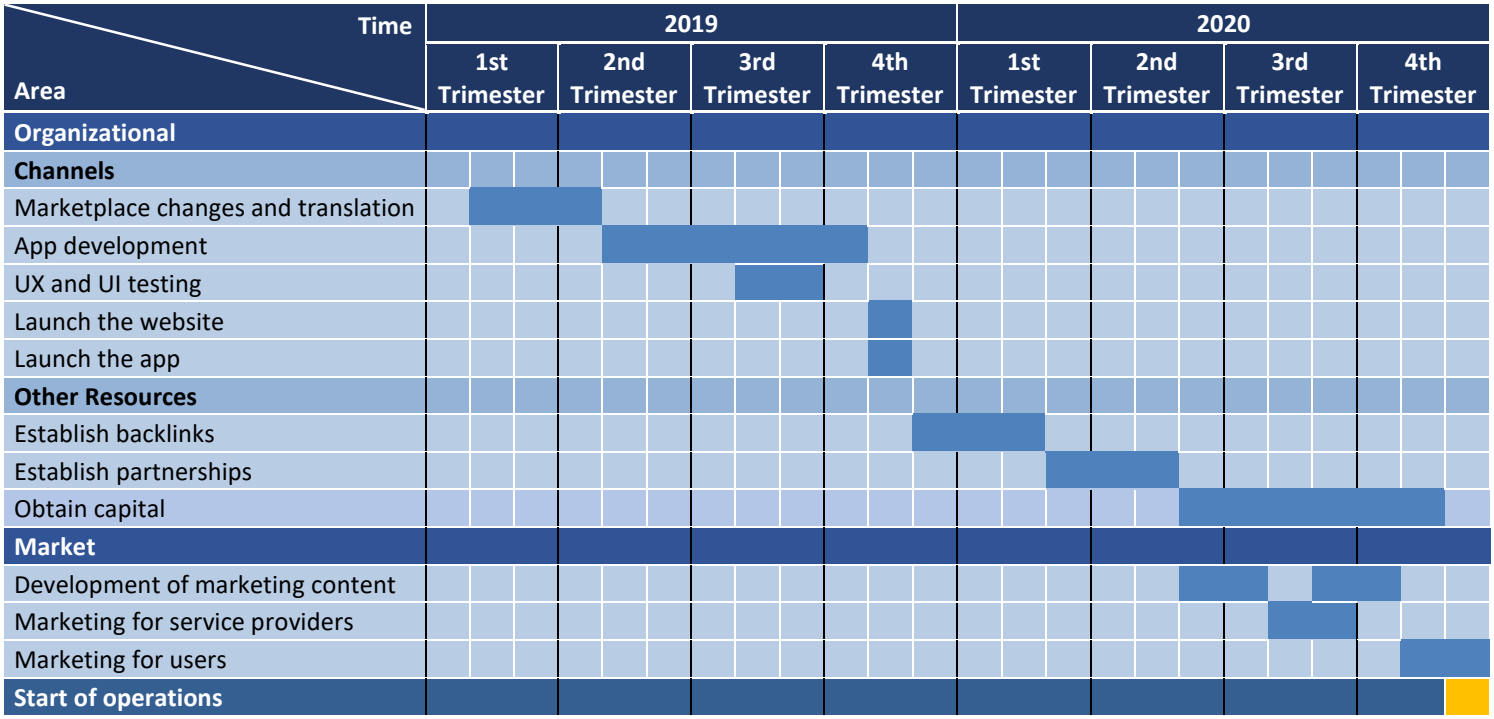
Another partnership which would increase the value proposition of Zaask to its health service providers is with institutes that offer training in the healthcare area. With this, Zaask would be offering its service providers both business opportunities but also possibilities to increase their competencies, which leads to higher business opportunities. Institutes or firms offering training could grant a discount to service providers referred by Zaask, increasing their

revenues while Zaask benefits from having more qualified registered service providers, increasing its appeal to users searching for home healthcare services.

Another resource which Zaask needs to increase is their financial resources. In a very competitive environment such as that of the US market, especially in a B2C industry, marketing expenses are necessary to develop brand awareness, which then can be converted into users.

7.3.2 Implementation Plan

Exhibit 19 | Timeline for Zaask's entry in the USA (Author, 2018).



In **Exhibit 19**, shown above, indicates the timeline of activities which Zaask should perform to prepare an expansion into the US, specifically into California. The activities are segmented into to two areas: Organizational and Market. The former refers to all the resources and related activities needed to be developed and created, while the latter concerns the activities that target the market, namely the attainment of service providers and users. According to this

plan, Zaask should be able to enter the US market in a period of almost two years, by December 2020.

7.4. Limitations

In order to better understand the validity of this analysis, it is imperative to state the limitations it is subject to. One limitation regards the constraint in the analysis of the industries. The segments highlighted and the one selected reflect the best choice given the information available and accessible. However, this does not necessarily mean that the recommended business segment is the most attractive one for Zaask, since the existence or access to more granular data could produce a different outcome. Therefore, the choice is conditioned by the data that is available. Another limitation concerns the use of personal consumption to substitute the lack of figures for industry revenue. This inference will most likely present a value much lower than the actual industry revenue as it will not take into account the revenues made in the B2B, representing only the fraction dedicated to B2C. While on a segment like personal care services the discrepancy may be quite low, in legal services the difference ought to be significant. Finally, estimating the values for industry revenues in **Exhibit 18** in California through the US total by multiplying it by the share of the population in the state draws an assumption that the consumer behavior in California is equal to that of the entire country. This assumption, in reality, will most likely not hold true since the habits of Californian people will differ, even if slightly from those of the average American citizen.

7.5. Concluding Remarks

This entry plan for the US concludes two important conclusions: Zaask in its approach to the US market should initially enter only in the state of California and should adopt of differentiation focus strategy targeting home care services. It will need to adapt its platform to

the segment it will focus on as well as to the local language, English, but also develop new resources such as partnerships. By following the recommendations provided it should aim at entering the market in two years' time, in December 2020.

8. Entering in new markets, *by Catarina Figueiredo*

In the previous section, it was concluded that Zaask is not prepared to enter in the United States and Brazil. Although the industry and countries are attractive, Zaask doesn't have relevant organizational resources to achieve competitive advantage.

The purpose of this section is to explore new markets, not regarded initially by the company, to enter take into consideration the resources and capabilities available nowadays in Zaask.

8.1 Literature review

A profitable growth strategy can be built through international expansion. In order to expand its business, the companies need to define the type of products it wants to market, the country it wants to enter, the timing of entry and the mode of entry. The country selection is vital and *"plays a critical role in shaping the performance of foreign activities and influences the future success of the company."* (Górecka et al, 2013).

In the literature, there are two main approaches to evaluate markets: the systematic approach and non-systematic approach. The systematic approach can be seen as the rational market selection approach which describes how decisions should be made it rather than how decisions are made. (Andersen et al, 2001) This approach is highly formalized and structured in a sequence of steps. First, decision makers should define the objectives and select a set of alternative solutions. At this stage, companies identify prospective target markets for subsequent in-depth analysis, and they use macro-level indicators to eliminate countries that don't match the company's aims (Górecka et al, 2013). Afterwards, they should identify the

variables to be used in order to evaluate countries and their weight that should be adjusted according to the importance of each indicator to the firm's objectives. Lately, the decision maker adopts quantity methods using data from secondary sources with the purpose of clustering or ranking a wide set of countries in terms of attractiveness and accessibility. (Facchinetti et al., 2012). In order to create a ranking, according to Cavusgil, all variables have to be standardized to prevent artificial weighting and hence the score should be converted on a scale of 1 to 100 to provide a better and more intuitive interpretation of the index.

In order to do that, we should use the following formula:

Formula 1

$$X'_{ij} = \left(\frac{X_{ij - MIN_y}}{R_i} (99) \right) + 1$$

Where Xij is the average score of country j on dimension i; X´ij is the scaled final value of country j for the dimension i; min_i is the minimum value for dimension i; and R_i is the range of dimension i.

The main constraint of this approach is the lack of product specify because these indicators are not readily available as secondary data and require extensive and costly market research (Cavusgil, 2003). Furthermore, there is no consensus about the set of variables to be used to measure market attractiveness and the respective weights. (Facchinetti et al., 2012).

While systematic approach is normative, the non-systematic approaches is descriptive (Andersen et al, 2003). When there is a little knowledge about international markets and the perceived uncertainty prevails, firms' selections markets is largely based on physical distance and decision makers tend to selected countries closest to the home country (Kovács, 2014)(Facchinetti et al., 2012). According to Jan Johanson and Jan-Erik Vahlne, physical

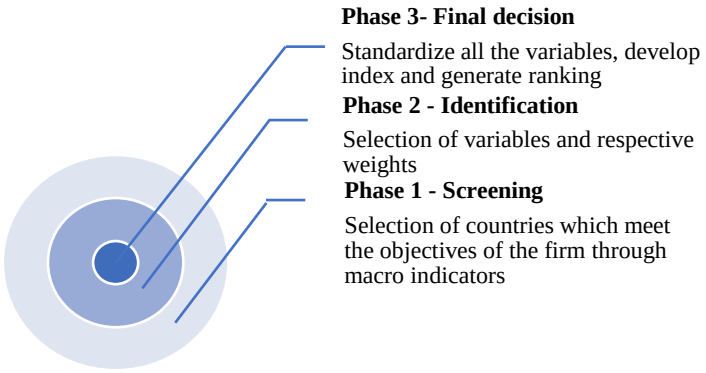
distance is the *sum of factors preventing the flow of information from and to the market*, such as, differences in language, education, business practice, cultural and industrial environment. Based on their model, Uppsala, firms began expanding to neighboring markets that are similar to domestic market, entering more distant markets only at a later stage when their commitment on a foreign market and knowledge of the market grow (Tykesson et al, 2011). The main constraint of this approach comes from cognitive distortions in problem formulation, data acquisition, judgement and choice. Moreover, many variables tend to be ignored and empirical validation is lacking (Facchinetti et al., 2012). Small firms are less structured and consequently use this kind of approaches to select international markets.

8.2 Methodological approach

The analysis is related to the selection of foreign market not considered by Zaask in the beginning of their market selection process. In order to meet the target goals, it will be adopted a ranking approach where countries are evaluated in terms of their overall market attractiveness. Ranking method help to identify the best possible market to enter and it's useful given the *large number and the heterogeneity of foreign markets* (Facchinetti et al., 2012) (Iazi et al., 2015).

The international market selection followed in this analysis is described below. At the premilitary stage, a set of variables will be selected to allow discrimination among 195 countries. Given the complexity of this analysis and due to time pressures, it will be selected nine countries at this stage, including Brazil and United States to provide a measure of comparison.

Exhibit 18 | International Market Selection Process (Author, 2018).



In order to restrict our sample, we will look at OECD countries that encompasses 34 high-income economies with high levels of Human Development Index. All these countries have been characterized as market economies backed by democratic institutions. Portugal and Spain, countries where Zaask operate, are included in this group of countries. This restriction comes from non-systematic approach addressed in the first part and aims to select countries "closest" to Portuguese market and at same time include countries with high level of GDP.

In order to further restrict our sample in nine countries, it will be selected the countries that spend most in online channels. This barrier aims to understand where on-demand industry has more adherence identifying countries with highest market potential.

At this stage, compensatory rule will be used, it means that countries with highest score is regarded as the best. Based on Website Builder Expert, the OCDE countries with highest ecommerce spend per capita was United Kingdom, United States, France, Canada, Spain, Australia, Italy, Germany and Mexico in 2017. As Zaask is already in Spain, this country will not be considered in analysis (**Appendix 13**).

Once the nine countries are selected, nine variables will be chosen in order to evaluate the overall market attractiveness, 8 objective and 1 perceptual. The variables can be found in the table below. All these variables were selected taking into consideration the variables analyzed in the first part.

Exhibit 19 | Variables used to measure market attractiveness (Author, 2018).

Dimension	Factors	Indicators
Country Assessment	**Political**	• FDI Confidence Index
	Economic	• GDP per capita • GDP per capita growth
	Social	• Urban Population
	Technological	• Global Innovation Index • Number of digital buyers
	Legal	• Ease of doing business
Industry Analysis	**Demand characteristics**	• Market size • Market growth
	Competition	• Level of competition
	Costs of entry	• Digital advertising costs

Measuring objective variables

Some of objective variables were retrieved from available series of secondary statistical sources. However, some indicators, including market size and market growth, are not available as secondary data. In order to overcome this problem, the on-demand Platform-to-Consumer Delivery is used as proxy, as well as an assumption that all countries follow the same spending pattern of the USA. In USA, firms from the on-demand economy generally take about 20 to 30% of the revenue they intermediate. Furthermore, the food delivery segment accounts for around 11% of the on-demand economy and the industry that Zaask operates in, it is responsible for roughly 18% of the whole US on-demand industry (Rockbridge, 2018). These assumptions will be used to estimate the market size. In order to compute it, the following formula will be used:

$$Market\ size = \frac{\frac{Revenues\ in\ the\ Platform\ Consumer\ Delivery\ Segment}{0.20}}{0.11} * 0.18$$

Market growth is a vital indicator to understand market behavior and predict future revenues. In this analysis, it will be computed geometric average revenues returns in the Platform-to-Consumer Delivery from 2018 to 2023 as a proxy to market growth.

To find out the most attractive market, it is important to know how much it will cost to enter in a specific country. In this industry, the investment in online marketing channels represent the largest share of costs incurred by the firms. The country with highest online marketing costs is the United States. The World Stream provide us a comparison between costs in USA and the rest of the world. As higher marketing costs correspond to lower levels of market attractiveness, countries with lower costs should have higher scores. Based on this data, United States of America was classified as zero in this analysis. The scores of the other countries correspond to the difference in the average cost per click (%) compared to United States of America.

Measuring perceptual analysis

In order to measure the perceptual variable, level of competition, an analysis will be conducted to classify these indicators into three different categories: low, medium and high. Thus, as before, countries with lowest levels of competition must have higher scores because it improves market attractiveness. As we need to transform these indicators into numerical values, the scores will vary from 1 to 3 (3 correspond to low level of competition and 1 correspond to high level of competition).

All countries have a platform in common, Upwork. Upwork, as it was mentioned in the first part, is focused on B2B services and allow clients to choose either to pay by the hour or for the entire project as well as providing a strong payment protection which enables customers to release parts of the entire payment as certain objectives of the project are reaches (Upwork website, 2018).

In United Kingdom, there are some players in the market, however they offer basic features to their clients, including app (some of them not available to all operative systems) and chat. The only platform where is possible to pay through platform is Guru.

In France, Germany and Italy there are some platforms available for different kind of services, however, these players offer simplistic features to their clients. Although Upwork is operating on the market, the assessment of both countries will be high because they don't have yet developed local platforms to hire local professional services (**Appendix 14**).

In Canada, Mexico and Australia the level of competition is very high. They have different players providing valuable features to customers including payment through platforms and customer satisfaction policies. In Australia, Airtasker have partnerships with IKEA, Amazon, Ebay and Coles.

The analysis about competition in United States and Brazil was conducted in the first part of this project.

Then, in order to convert all these indicators into a final homogeneous index, the formula 1 presented in literature review will be performed to convert all the variables in an index on a scale of 1 to 100.

In the literature, authors split the variables into seven dimensions: market size, market industry, market growth rate, market intensity, economic infrastructure, market receptivity and economic freedom. In this analysis, we will use the weights provided by Cavusgil for market size (4/20), market growth (3/20) and market intensity (3/20). Average costs are not considered in the literature; however, this variable is fundamental to understand barriers and constraints that company will face. For this reason, this variable will weight (3/20). These variables together represent 65% of the total weight. The country assessment will represent 35% of the overall evaluation. Based on Cavusgil, market consumption capacity should weight 2/20. The rest represent 25%, it means that each variable will weight 5%.

8.3 Results and conclusions

Exhibit 21 | Ranking approach to measure market attractiveness (Author, 2018)

	USA	UK	France	Canada	Australia	Italy	Germany	Mexico	Brazil	Weights
FDI CI	100	56	46	63	41	29	62	15	1	0,050
GDPPC	100	61	59	72	89	46	71	1	3	0,050
GDPPC g.	81	57	75	100	7	88	100	38	1	0,050
UrbanPop	75	81	63	69	100	1	44	63	100	0,050
GII	99	100	79	74	70	49	92	8	1	0,050
nº digital buyers	100	15	6	7	1	3	19	15	24	0,050
EOFB	100	99	76	88	91	63	87	61	1	0,050
Market size	100	28	19	13	2	9	8	1	2	0,200
Market growth	8	6	13	32	38	22	1	100	73	0,150
Competition	1	67	100	34	34	100	100	34	67	0,150
Google Adword cost	1	21	100	46	9	40	49	78	18	0,150
Index	54	43	**56**	43	32	40	48	42	31	

The output, measured as a value within a 0-100 range, produces a country market ranking (in the table below); the higher score for the country market, the greater is the attractiveness. All indicators and parameters used to produce the ranking can be found in **Appendix 15**. By analyzing the results obtained, it is possible to conclude that France is the most attractive market to entry while United States of America is the second.

France, comparing to USA, has an average cost per click 64 percent lower than the US average. Furthermore, the level of competition is still low and the platforms available in the country are not yet developed and offer simplistic features to their clients. This is particularly important, because unlike the situation in United States, Zaask does not have a competitive disadvantage over rivals and it is in a situation of equality providing the same features to customers. Furthermore, the networks effects are still low reducing the entry barrier in France. For this reason, in France it is cheaper to reach customers, because digital advertising costs are lower, and it is easier to retain them since the competition is not strong. This is particularly important due to constraints Zaask faces including limited funding capacity. Besides that, as France is a member of EU, there are several benefits that haven't been

analyzed in ranking approach but are relevant. European Union have a set of harmonizing standards such as technical and safety standards that are applied to all countries. In this specific industry, European Union is working and developing rules, obligations and regulations in order to protect customers, workers' rights and ensure tax obligations and fair competition that will be applicable to EU countries. (European Parlment, 2018). Furthermore, the transaction currency is the same, makes doing business much simpler. Moreover, France is the country in the world with highest concentration of Portuguese immigrants and their descendants with more than 615000 people. Zaask can take advantage of it to penetrate the market, establish partnerships and find local professionals services since the majority of Portuguese's work in the construction industry and cleaning/domestic services (Santos, 2016).

United States of America obtained a high score only due to their market size and their macro-economic levels. However, as it has seen in the first part, Zaask is at a situation where local firms in these markets have a competitive advantage over them due to their size, funding capacity, brand recognition, valuable partnerships and network effects. Furthermore, these platforms offer advance features and services including payments through platform, guarantees to customers and payments flexibility. Even with a strong market potential, Zaask would not be able to achieve profitability in this market unless Zaask develops the needed competencies and adopt one strategy to compete with rivals.

Germany is the third most attractive market based on these results, however, despite having low level of competition and low levels of networks effects, the initial capital requirements is higher, comparing to France, which means that Zaask needs more funding to reach customers. Furthermore, the market grow is slower compared to France and all countries analyzed in this research and because of it, there is a little room to increase revenues without competing for each other's market shares.

It is interesting to note that Brazil is the country with lowest market evaluation. Despite having a lower market size than the others, except Mexico and Australia, Brazil has huge advertising costs as well as a very high level of competition which makes this country non-attractive. In addition, macro-economic indicators in Brazil are weaker than the other countries.

In brief, it is recommended that Zaask adopt for France instead of United States and Brazil in case of internationalization take into consideration the resources and capabilities available in Zaask.

8.4 Limitations

During this analysis, many challenges and problems have risen. The first big issue faced in this paper derives from the lack of information since some indicators are not available as secondary data. In order to estimate these indicators, it was used assumptions which could bias the results and consequently compromise the truthfulness of research. Another great problem arose from the difficulty to set the weights within multi-criteria setting. Furthermore, literature review doesn't include variables essentials to evaluate a specific industry, for example, competition and costs to entry and it is focus solely on macro indicators. For this reason, I adapt the weights based on my sensitivity in this matter and this fact can compromise the results. In addition, it is vital to include perceptual variables that is not available as secondary data and it is hard to measure, such as level of competition. This is subjective and derives from an analysis that faces many difficulties because of language constraints.

Due to all above and to the fact that the outcome of this analysis depends on the dimensions and measures that are used in it, the research and the conclusion drawn in this paper is

truthful, within certain limits, take into consideration that all assumptions and data is one hundred percent accurate and reliable.

9. Conclusion

This work started with a question from the CEO of Zaask regarding which country the firm should enter next, between Brazil and the USA. The two main conclusions are that the industry in both countries is attractive and Zaask, with the current competitive set and competences, should not expand into either country. The industries show high growth rates, high market value and the threat of substitutes and of suppliers is not high which offset the network effects that companies already established already possess. Nevertheless, Zaask lacks a transferable VRIO resource, or capability, to these markets, and has a competitive disadvantage in financial resources and channel development. Furthermore, from an organizational standpoint, Zaask is not converting its growth in users, service providers and user requests into revenue which corroborates the decision that at this time the company should not start immediate expansion into either country.

Based on the first conclusion that these markets are attractive, it is recommended that Zaask should undergo a development process so that it can enter either country within two years' time. Along with the recommended entry plans, it is also suggested other possible foreign markets that the company should consider as targets of future expansions.

Keeping both Brazil and the United States as target countries, Zaask should employ a differentiation focus strategy to target a niche segment, changing from its current broad target strategy applied in Portugal and Spain. Concerning Brazil's case, based on the analysis of market potential among the Brazilian states, it was concluded that entering in São Paulo is the best option for Zaask. Besides, according to the analysis of business segmentation, it was decided that the corporate catering services is the segment that represents the most appealing

opportunities for Zaask. As for the US, it is recommended that Zaask should initially enter exclusively in the state of California because, among other factors, it surpasses all other states in terms of population. In this entry, the company should focus on home care services as it is a segment which is expected to register high growth both in demand by users and supply of service providers.

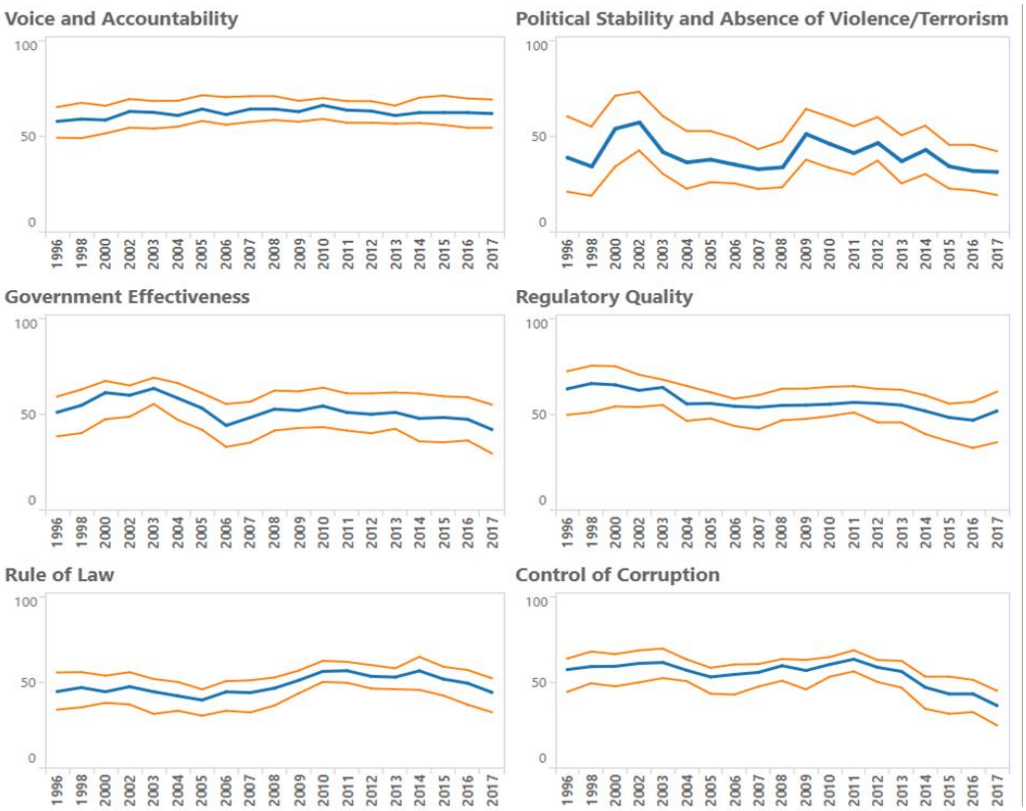
A country market ranking was conducted in order to choose and to answer the following question: What would be the best country for Zaask to enter? In this analysis, France came first in the market evaluation. Comparing to USA and Brazil, France has lower advertising costs and lower level of competition. Furthermore, Zaask can benefit from the proximity to Portugal and Spain, geographically and politically. The European Union is working to define regulations for this industry which are to be applied to all its member states. Besides the harmonized standards and regulations, Portugal and France share the same currency easing the process of doing business.

Appendixes

Appendix 1: List of economic activities which Zaask participates in (Author, 2018).

Electrical installation, installation of piping, installation of climatization systems and others; Building completion work; Activities related with moving house by road; Catering; Management and operation of computer equipment; Other activities related to information technology and computer services; Legal and accounting activities; Activities of head offices and management consultancy activities; Architectural activities; Advertising agencies; Market research and public opinion polling; Design activities; Photographic activities; Activities related to translation and interpretation; Veterinary activities; Renting of motor vehicles; Renting of personal and household goods; Activities of security guard; Investigation activities; Cleaning activities; Supply of gardening services and maintenance of gardens; Photocopying, document preparation and other specialized office support activities; Other activities related to business support and services to enterprises; Sports and recreation education; Teaching of cultural activities; Professional training, language schools and other educational activities; Repair of computers and communication equipment; Repair of consumer electronics and household goods; Repair of household appliances, home and garden equipment; Repair of furniture and home furnishings; Hairdressing and other beauty treatment; Activities focusing on the physical and mental well-being; Other personal service activities.

Appendix 2: Governance Indicators in Brazil (World Bank, 2018).



Caption:

The inner, thicker blue line shows the selected country's percentile rank on each of the six aggregate governance indicators.

The outer, thinner red lines show the indicate margins of error of a 90% confidence interval.

Appendix 3: Online Food Delivery Platforms Industry Growth Rates in Brazil and in the United States of America (Author, 2018; Statista, 2018).

Growth Rates	2018	2019	2020	2021	2022	2023
Brazil	65,4%	57,0%	43,7%	31,8%	22,7%	16,1%
USA	13,3%	12,1%	10,7%	9,1%	7,1%	5,0%

Appendix 4: Revenue of On-Demand Services in Millions of USD in Brazil and in the United States of America (Author, 2018; Statista, 2018).

Revenue of On-Demand Services in Millions of USD $	2017	2018	2019	2020	2021	2022	2023	Total
Brazil	$68	$112	$175	$252	$332	$407	$473	$1 819
USA	$2 700	$3 059	$3 429	$3 796	$4 142	$4 436	$4 657	$26 219

Appendix 5: Explanation of Payment Flexibility and Customer Satisfaction Policies in Exhibits 8 and 9 (Author, 2018).

- Payment Flexibility refers to the ability of users to choose between different options of payment, such as paying as milestones are completed, making a down payment and giving the remaining fee after the job is completed or paying once for the entire service.
- Customer Satisfaction Policies encompasses any company practice in which protects or compensates users from a bad experience, as for example, covering for property damages caused by service providers or offering a second service free of charge.

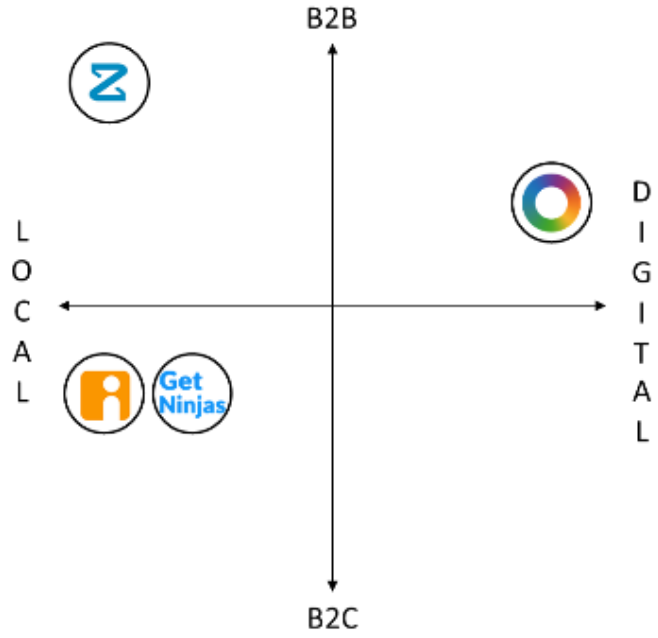
Appendix 6: Dimensions and their respective measures of market potential of Brazil (Author, 2018; Deepask, 2012; IBGE in "*Pesquisa Anual por Domicilios*" , 2015; Portal de Telecomunicações, Internet e TIC´s: Redação, 2016; MoneyTimes, 2018).

	Market Size	**Market Intensity**			**Market Growth**	
States	Population	PIB Per Capita (R$)	Nº of Companies	Online Consumers (%)	Share of Total GDP (%)	Internet Usage (%)
Southeast Region						
São Paulo	45 538 936,00	54 357,81	1 694 694,00	44,30	31,50	65,10
Rio de Janeiro	17 159 960,00	49 527,98	396 988,00	14,60	10,80	65,10
Minas Gerais	21 040 662,00	34 910,13	587 877,00	9,50	8,90	65,10
Espirito Santo	3 972 388,00	64 744,84	106 495,00	4,30	1,90	65,10
South Region						
Paraná	11 348 937,00	44 624,32	429 561,00	3,80	6,30	61,10
Santa Catarina	7 075 494,00	39 678,10	287 729,00	3,10	4,10	61,10
Rio Grande Do Sul	11 329 605,00	46 122,79	466 165,00	4,30	6,50	61,10
Midwest Region						
Distrito Federal	2 974 703,00	73 971,05	93 421,00	2,90	3,60	64,00
Mato Grosso	3 441 998,00	36 556,40	86 578,00	1,20	1,90	64,00
Mato Grosso do Sul	2 748 023,00	28 417,05	64 824,00	0,60	1,40	64,00
Góias	6 921 161,00	32 594,32	166 548,00	1,50	3,00	64,00
Northeast Region						
Bahia	14 812 617,00	19 812,07	251 229,00	3,40	4,20	45,10
Pernambuco	9 496 294,00	29 701,32	137 977,00	1,40	2,60	45,10
Alagoas	3 322 820,00	20 400,62	38 936,00	0,40	0,80	45,10
Ceará	9 075 649,00	22 092,58	149 713,00	1,30	2,20	45,10
Rio Grande do Norte	3 479 010,00	24 029,17	59 018,00	0,60	1,00	45,10
Paraíba	3 996 496,00	23 169,14	60 097,00	0,60	1,00	45,10
Piauí	3 264 531,00	20 879,75	46 439,00	0,50	0,70	45,10
Sergipe	2 278 308,00	24 769,38	31 492,00	0,40	0,70	45,10
Maranhão	7 035 055,00	24 986,18	70 056,00	0,70	1,40	45,10
North Region						
Amazonas	4 080 611,00	32 592,94	35 034,00	0,40	1,40	46,20
Tocantins	1 555 229,00	27 135,06	26 747,00	0,30	0,50	46,20
Pará	8 513 497,00	20 340,21	76 713,00	0,90	2,30	46,20
Amapá	829 494,00	19 915,89	8 383,00	0,10	0,30	46,20
Rondônia	1 757 589,00	27 741,10	33 801,00	0,60	0,60	46,20
Acre	869 265,00	22 308,66	9 584,00	0,10	0,20	46,20
Roraima	576 568,00	23 570,22	6 566,00	0,10	0,20	46,20

Appendix 7: States of Brazil ranked by market potential (Author, 2018; Deepask, 2012; IBGE, 2018; Portal Telecomunicações, 2016; MoneyTimes, 2018).

	Market Size	**Market Intensity**			**Market Growth**			
	Population	PIB Per Capita (R$)	Nº of Companies	Online Consumers (%)	Share of Total GDP (%)	Internet Usage (%)		
States/Weight	20%	10%	15%	15%	20%	20%		
Southeast Region							**Total**	**Ranking**
São Paulo	100,00	64,15	100,00	100,00	100,00	100,00	96,4	1º
Rio de Janeiro	37,51	55,32	23,90	33,48	34,53	100,00	48,5	2º
Minas Gerais	46,06	28,60	35,09	22,05	28,52	100,00	46,3	3º
Espirito Santo	8,48	83,13	6,86	10,41	6,38	100,00	33,9	7º
South Region								
Paraná	24,72	46,36	25,81	9,29	20,29	80,20	34,9	4º
Santa Catarina	15,31	37,31	17,49	7,72	13,34	80,20	29,3	8º
Rio Grande Do Sul	24,68	49,09	27,95	10,41	20,93	80,20	35,8	6º
Midwest Region								
Distrito Federal	6,28	100,00	6,09	7,27	11,75	94,56	34,5	5º
Mato Grosso	7,31	31,61	5,69	3,46	6,38	94,56	26,2	9º
Mato Grosso do Sul	5,78	16,73	4,42	2,12	4,80	94,56	23,7	10º
Góias	14,97	24,37	10,38	4,14	9,86	94,56	28,5	8º
Northeast Region								
Bahia	32,35	1,00	15,35	8,39	13,65	1,00	12,5	11º
Pernambuco	20,64	19,08	8,71	3,91	8,59	1,00	9,8	12º
Alagoas	7,05	2,08	2,90	1,67	2,90	1,00	3,1	22º
Ceará	19,71	5,17	9,39	3,69	7,33	1,00	8,1	13º
Rio Grande do Norte	7,39	8,71	4,08	2,12	3,53	1,00	4,2	19º
Paraíba	8,53	7,14	4,14	2,12	3,53	1,00	4,3	18º
Piauí	6,92	2,95	3,34	1,90	2,58	1,00	3,2	21º
Sergipe	4,75	10,06	2,46	1,67	2,58	1,00	3,3	20º
Maranhão	15,22	10,46	4,72	2,34	4,80	1,00	5,3	16º
North Region								
Amazonas	8,72	24,36	2,67	1,67	4,80	6,45	7,1	15º
Tocantins	3,15	14,39	2,18	1,45	1,95	6,45	4,3	18º
Pará	18,48	1,97	5,11	2,79	7,64	6,45	7,9	14º
Amapá	1,56	1,19	1,11	1,00	1,32	6,45	2,3	25º
Rondônia	3,60	15,49	2,60	2,12	2,27	6,45	4,7	17º
Acre	1,64	5,56	1,18	1,00	1,00	6,45	2,7	24º
Roraima	1,00	7,87	1,00	1,00	1,00	6,45	2,8	23º

Appendix 8: Zaask and Brazilian competitors target sector (Author, 2018).



Appendix 9: States of the United States ranked by market potential (Author, 2018).

States	Market Size	Market Growth		Market Intensity	Market Consumption Capacity			Ranking
	Urban Population	GDP Growth 2016-2017	Internet Growth Rate	Median Household Income	Searching for a Job Online	Use of Consumer Services Online	Number of Small Businesses	
Alabama	8	56	88	21	30	18	9	27,09
Alaska	2	63	13	77	52	71	1	34,30
Arizona	17	75	97	48	51	45	14	42,91
Arkansas	5	31	63	15	29	46	6	24,18
California	100	75	57	70	50	60	100	76,68
Colorado	13	77	37	82	73	90	15	49,46
Connecticut	9	1	23	78	62	83	8	35,49
Delaware	2	39	1	51	54	64	1	27,75
Florida	51	60	100	28	26	45	64	51,10
Georgia	21	70	80	37	33	36	25	37,95
Hawaii	4	47	67	80	26	48	3	32,00
Idaho	4	66	49	45	60	77	3	38,05
Illinois	30	32	54	57	34	57	30	40,20
Indiana	13	59	46	42	35	73	12	35,99
Iowa	6	27	67	54	34	72	6	33,06
Kansas	6	30	68	39	40	57	6	30,70

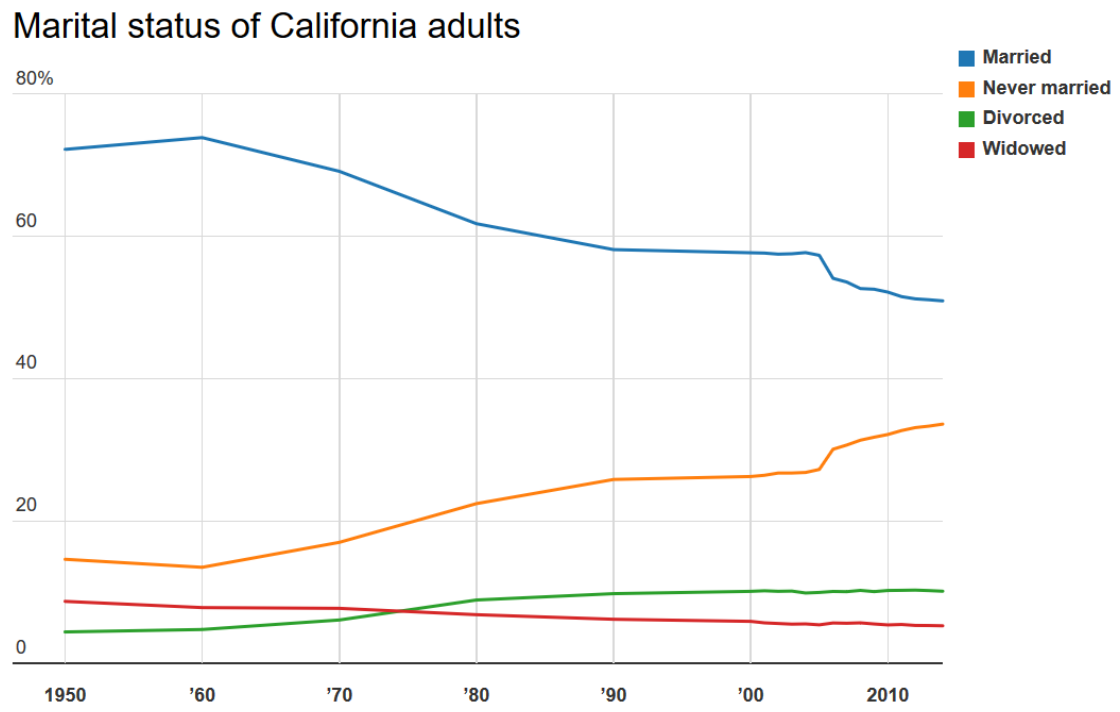
Kentucky	7	53	50	22	46	32	8	27,15
Louisiana	9	50	73	2	37	19	11	24,86
Maine	2	55	77	23	7	74	3	28,40
Maryland	14	58	48	100	56	95	14	48,97
Massachusetts	17	67	27	79	60	94	16	47,19
Michigan	20	56	45	39	14	59	22	33,15
Minnesota	11	50	46	76	41	98	13	42,70
Mississippi	4	32	68	1	17	6	6	15,28
Missouri	12	36	45	36	39	61	13	31,49
Montana	2	46	40	42	23	94	2	31,18
Nebraska	4	40	50	44	45	70	4	32,15
Nevada	8	87	75	35	40	40	6	34,75
New Hampshire	3	61	60	83	14	82	3	35,82
New Jersey	23	49	44	79	24	39	22	35,69
New Mexico	5	53	49	13	39	17	3	21,61
New York	47	63	54	51	39	43	54	48,38
North Carolina	18	63	84	19	100	57	22	47,79
North Dakota	2	39	91	44	54	94	1	40,21
Ohio	24	59	54	44	47	54	24	40,42
Oklahoma	7	82	79	31	20	32	8	30,10
Oregon	9	83	68	57	47	93	9	45,40
Pennsylvania	27	65	61	53	45	76	25	46,66
Rhode Island	3	34	47	61	40	80	2	33,31
South Carolina	9	64	74	31	24	61	10	33,53
South Dakota	2	38	57	36	1	44	2	20,64
Tennessee	12	66	86	32	32	46	15	35,33
Texas	64	76	71	43	49	37	66	57,69
Utah	8	71	67	74	62	100	6	48,41
Vermont	1	45	18	55	16	67	1	24,65
Virginia	17	49	65	74	47	82	18	45,20
Washington	17	100	73	85	41	83	15	51,02
West Virginia	3	83	70	6	22	1	2	20,43
Wisconsin	11	41	46	54	30	75	11	34,35
Wyoming	1	87	54	39	49	79	1	37,66

Appendix 10: Dimensions and their respective measures of market potential of the states of the United States (Author, 2018; National Telecommunications and Information Administration, 2017; U.S. Bureau of Economic Analysis, 2017; U.S. Census Bureau, 2017).

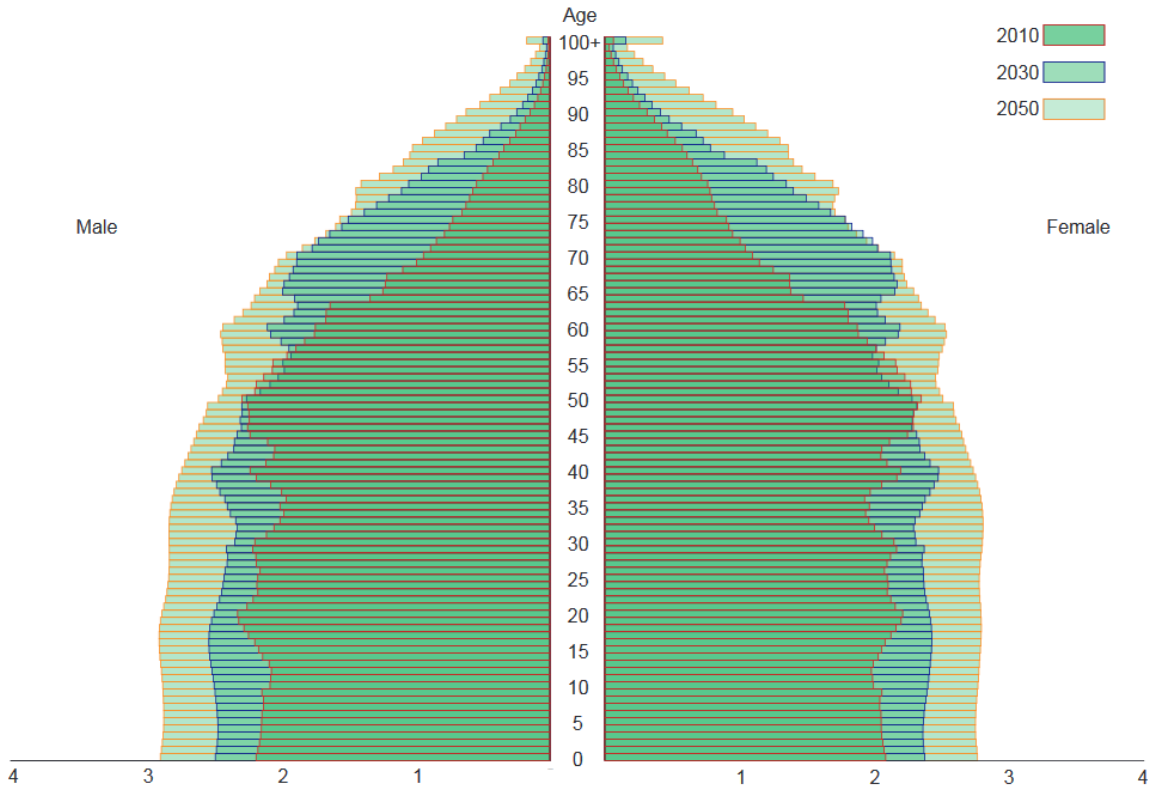
States	Market Size	Market Growth		Market Intensity	Market Consumption Capacity		
	Urban Population	GDP Growth 2016-2017	Internet Growth Rate	Median Household Income	Searching for a Job Online	Use of Consumer Services Online	Number of Small Businesses
Alabama	2 876 101	3,86%	9,31%	$51 113	19,00%	60,10%	392 939
Alaska	488 265	4,25%	-5,42%	$72 231	22,30%	71,50%	71 841
Arizona	6 300 610	4,99%	11,10%	$61 125	22,10%	66,00%	553 779
Arkansas	1 688 405	2,30%	4,31%	$48 829	18,90%	66,20%	247 018
California	37 559 820	4,96%	3,26%	$69 759	22,00%	69,10%	3 900 000
Colorado	4 833 367	5,09%	-0,67%	$74 172	25,30%	75,70%	611 495
Connecticut	3 157 602	0,48%	-3,48%	$72 780	23,80%	74,20%	342 443
Delaware	801 295	2,81%	-7,71%	$62 318	22,60%	70,10%	79 417
Florida	19 137 773	4,08%	11,60%	$53 681	18,40%	65,90%	2 500 000
Georgia	7 832 464	4,69%	7,76%	$57 016	19,50%	64,00%	1 000 000
Hawaii	1 311 907	3,27%	5,20%	$73 575	18,50%	66,60%	128 863
Idaho	1 212 162	4,47%	1,72%	$60 208	23,40%	72,90%	158 426
Illinois	11 329 790	2,35%	2,71%	$64 609	19,70%	68,60%	1 200 000
Indiana	4 826 776	4,00%	1,04%	$58 873	19,80%	71,90%	508 924
Iowa	2 013 255	2,08%	5,16%	$63 481	19,70%	71,70%	267 733
Kansas	2 161 537	2,27%	5,28%	$57 872	20,50%	68,60%	251 985
Kentucky	2 601 246	3,66%	1,86%	$51 348	21,40%	63,00%	347 159
Louisiana	3 428 932	3,50%	6,26%	$43 903	20,10%	60,30%	437 437
Maine	516 996	3,79%	7,03%	$51 664	15,70%	72,10%	145 536
Maryland	5 277 498	3,94%	1,39%	$81 084	22,90%	76,70%	581 712
Massachusetts	6 311 033	4,51%	-2,74%	$73 227	23,50%	76,50%	652 661
Michigan	7 431 884	3,82%	0,93%	$57 700	16,70%	69,00%	870 301
Minnesota	4 087 652	3,49%	1,08%	$71 920	20,70%	77,30%	513 118
Mississippi	1 474 145	2,36%	5,30%	$43 441	17,10%	57,40%	254 598
Missouri	4 303 927	2,64%	0,78%	$56 885	20,30%	69,40%	523 459
Montana	587 226	3,25%	-0,13%	$59 087	18,00%	76,50%	118 315
Nebraska	1 403 576	2,84%	1,91%	$59 619	21,20%	71,30%	172 958
Nevada	2 824 153	5,72%	6,78%	$56 550	20,50%	64,90%	254 337
New Hampshire	809 705	4,12%	3,77%	$74 801	16,70%	73,90%	133 676
New Jersey	8 528 345	3,44%	0,77%	$72 997	18,10%	64,60%	861 373
New Mexico	1 616 166	3,66%	1,66%	$47 855	20,40%	59,80%	154 257
New York	17 447 622	4,26%	2,61%	$62 447	20,30%	65,50%	2 100 000
North Carolina	6 790 730	4,27%	8,38%	$50 343	29,30%	68,40%	890 398

North Dakota	452 480	2,79%	9,79%	$59 886	22,60%	76,50%	72 723
Ohio	9 082 056	4,00%	2,58%	$59 768	21,50%	67,80%	944 797
Oklahoma	2 602 232	5,40%	7,50%	$55 006	17,60%	63,20%	347 165
Oregon	3 355 649	5,49%	5,34%	$64 610	21,50%	76,30%	368 308
Pennsylvania	10 077 958	4,36%	3,92%	$63 173	21,30%	72,60%	1 000 000
Rhode Island	961 093	2,50%	1,27%	$66 390	20,50%	73,50%	99 821
South Carolina	3 331 157	4,34%	6,56%	$54 971	18,20%	69,40%	406 536
South Dakota	493 101	2,72%	3,31%	$56 894	14,80%	65,80%	85 252
Tennessee	4 459 413	4,47%	8,93%	$55 240	19,40%	66,10%	589 546
Texas	23 973 993	5,07%	6,02%	$59 295	21,80%	64,10%	2 600 000
Utah	2 810 261	4,73%	5,09%	$71 319	23,70%	77,80%	277 140
Vermont	242 603	3,15%	-4,36%	$63 805	17,00%	70,70%	77 683
Virginia	6 394 865	3,42%	4,74%	$71 293	21,50%	74,00%	723 962
Washington	6 228 230	6,52%	6,32%	$75 418	20,70%	74,20%	590 908
West Virginia	884 322	5,49%	5,72%	$45 392	17,90%	56,40%	114 391
Wisconsin	4 068 429	2,94%	0,97%	$63 451	19,10%	72,50%	448 032
Wyoming	375 396	5,70%	2,62%	$57 837	21,80%	73,30%	65 462

Appendix 11: Dimensions and their respective measures of market potential for US states (The Sacramento Bee, 2016).



Appendix 12: Age and sex structure of the population for the United States: 2010, 2030, and 2050 in millions (U.S. Census Bureau, 2008).



Appendix 13: OCDE countries with the highest e-commerce spend per capita.

UK	4021 US dollars
USA	3428 US dollars
France	1946 US dollars
Australia	1764 US dollars
Germany	1283 US dollars
Spain	1206 US dollars
Italy	1040 US dollars
Germany	819 US dollars

Source: Website Builder Expert

Appendix 14: Competition analysis in UK, France, Canada, Australia, Mexico, Italy, France and Germany (Author, 2018)

	App	Chat	Payment flexibility	Payment through platform	Access to invoices over the platform	Customer Satisfaction Policies	Strategic Partnerships	Focus	Score
All countries									
Upwork	✓	✓	✓	✓	✓		✓	B2B	
Firms in UK									**2**
Bidvine	✓	✓						Diversified	
Bark	✓	✓						Diversified	
Guro		✓		✓				B2B	
Firms in France									**1.5**
Travaux	✓							Household	
Enchatier								Household	
Twago				✓				Digital services	
Firms in Canada									**1.5**
Askfortask	✓			✓		✓		Handyman	
Guru		✓		✓				B2B	
HomeStars	✓							Home Services	
Firms in Australia									**1.5**
Serviceseeking	✓							Diversified	
Airtasker	✓	✓		✓		✓	✓	Diversified	
Firms in Mexico									**1.5**
Iguanafix	✓			✓	✓			Home Services	
Workana	✓	✓		✓		✓		B2B/Digital services	
Firms in Italy									**2.5**
Twago				✓				Digital services	
ProntoPro	✓							Diversified	

Firms in Germany									2.5
ProntoPro	✓							Diversified	
MyHammer	✓							Home services	
Twago				✓				Digital services	

Appendix 15: Macro and perceptual indicators in UK, France, Canada, Australia, Mexico, Italy, France and Germany (Author, 2018; Statista, 2018; The World Bank, 2017; The global Innovation Index Website, 2018; World Stream, 2018)

	USA	UK	France	Canada	Australia	Italy	Germany	Mexico	Brazil
FDI CI	2,09	1,77	1,7	1,82	1,66	1,57	1,81	1,47	1,37
GDPPC	59531,7	39720,4	38476,7	45032,1	53799,9	31953	44469,9	8902,8	9821,4
GDPPC g.	1,50%	1,10%	1,40%	1,80%	0,30%	1,60%	1,80%	0,80%	0,20%
UrbanPop	82%	83%	80%	81%	86%	70%	77%	80%	86%
GII	59,8	60,1	54,4	53	52	46,3	58	35,3	33,4
nº digital buyers	184,4	41,1	24,24	26,4	16,54	19,81	47	40	55,15
EOFB	82,54	82,22	76,13	79,29	80,14	72,7	79	72,27	56,45
Market size (billions)	13,626	3,7962	2,57508	1,8081	0,22896	1,17	1,12896	0,13896	0,34074
Market growth	9,06	8,22	11,06	18,64	20,94	14,66	6,06	46,09	35,17
Competition	1	2	2,5	1,5	1,5	2,5	2,5	1,5	2
Google Adword cost	0	13	64	29	5	25	31	50	11

References

AARP. 2018. “How to Hire a Caregiver For Your Loved One” https://www.aarp.org/caregiving/home-care/info-2018/hiring-caregiver.html

Andersen, O., and A. Buvik. "Firms’ Internationalization and Alternative Approaches to the International Customer/market Selection." *International Business Review* 11, no. 3 (2002): 347-63. doi:10.1016/s0969-5931(01)00064-6.

Anderson, **Erin and Hubert Gatignon.** 1987. “Modes of Foreign Entry: A Transaction Cost Analysis and Propositions.” *Journal of International Business Studies,* 17(3): 1-26.

Associação Brasileira de Empresas de Eventos. 2011. “Quais os benefícios de ser associada da ABEOC?”. Accessed December 12. http://www.abeoc.org.br/2011/07/quais-os-beneficios-de-ser-associada-da-abeoc/

Associação Brasileira de Empresas de Eventos. 2016. “Eventos internacionais crescem 400% em 10 anos no País”. Accessed December 12. http://www.abeoc.org.br/2016/09/eventos-internacionais-crescem-400-em-10-anos-no-pais/?s=eventos+corporativos+crescimento

Burgel, **Oliver and Gordon C. Murray.** 2000. “The International Market Entry Choices of Start-Up Companies in High-Technology Industries.” *Journal of International Marketing: Summer 2000,* 8(2): 33-62.

Cavusgil, S. Tamer, Tunga Kiyak, and Sengun Yeniyurt. "Complementary Approaches to Preliminary Foreign Market Opportunity Assessment: Country Clustering and Country Ranking." *Industrial Marketing Management* 33, no. 7 (2004): 607-17. doi:10.1016/j.indmarman.2003.10.005.

Cavusgil, S. Tamer. *"Measuring the Potential of Emerging Markets: An Indexing Approach."* Business Horizons 40, no. 1 (1997): 87-91.

Chevrolet website. 2018. “Serviços Chevrolet”. Accessed December 20. https://www.chevrolet.com.br/servicos

Criado, Miguel. 2017. “ Adeus aos carros em 2050”. Journal of El País. https://brasil.elpais.com/brasil/2017/11/10/actualidad/1510291706_071983.html

Deepask. 2015. “Veja ranking de estados pelo número de empresas atuantes no Brasil”. Accessed December 13. http://www.deepask.org/goes?page=Veja-ranking-de-estados-pelo-numero-de-empresas-atuantes

Dino. 2016. “Eventos corporativos abrem caminho para conquistar novos clientes, afirma especialista”. Journal of Exame https://exame.abril.com.br/negocios/dino/eventos-corporativos-abrem-caminho-para-conquistar-novos-clientes-afirma-especialista-shtml/

Dino. 2018. “Mercado de beleza e estética é um setor promissor no Brasil”. Journal of Exame https://exame.abril.com.br/negocios/dino/mercado-de-beleza-e-estetica-e-um-setor-promissor-no-brasil/

European Parliament. “Sharing economy: Parliament calls for clear EU guidelines”. Accessed December 30. http://www.europarl.europa.eu/news/en/press-room/20170609IPR77014/sharing-economy-parliament-calls-for-clear-eu-guidelines

Global Innovation Index. 2018. Indicator Rankings & Analysis. Accessed 5 December. www.globalinnovationindex.org/analysis-indicator

Górecka, Dorota, and Malgorzata Szalucka. *Multi Criteria Decision Making*. Vol. 8. 2013.

Grant, Robert M. Contemporary Strategy Analysis: Text and Cases. 9th ed. Chichester, West Sussex, United Kingdom: Wiley, 2016.

Grant, Robert M. The Resource-based Theory of Competitive Advantage: Implications for Strategy Formulation. Berkeley, CA: California Management Review, University of California, 1991.

GT Reilly Company. 2018. “Tax Cuts and Jobs Act: Impact on Corporations.” Accessed October 20. https://www.gtreilly.com/newsletters/article/tax-cuts-and-jobs-act-impact-on-corporations

Internet World Stats. 2018. “Internet Usage and Links to North America.” Retrieved from Internet World Stats database https://www.internetworldstats.com/stats15.htm

Jaconi, Mike. "The 'On-Demand Economy' Is Revolutionizing Consumer Behavior - Here's How." Business Insider. July 13, 2014. Accessed November 1. https://www.businessinsider.com/the-on-demand-economy-2014-7.

https://www.ine.es/prensa/eess_2016_d.pdf

Iazzi, Antonio, Oronzo Trio, Andrea Pandurino, and Adriana Caione. "The Evaluation of Market Attractiveness through the Marketing Intelligence Approach: A Tool for the SMEs." *International Journal of Markets and Business Systems* 1, no. 2 (2015): 92. doi:10.1504/ijmabs.2015.072264.

IBISWorld. 2018. IBISWorld Inc. https://www.ibisworld.com/ (accessed December 7).

Instituto Brasileiro de Geografia e Estatística. 2015. “Tecnologia: Acesso á Internet”. In Pesquisa Anual por Domicilios, pag. 81. https://biblioteca.ibge.gov.br/visualizacao/livros/liv98887.pdf

Instituto Brasileiro de Geografia e Estatística. 2016. “Receita Operacional Líquida e Número de empresas”. Retrieved from IBGE database https://sidra.ibge.gov.br/tabela/2577#resultado

Instituto Brasileiro de Geografia e Estatística. 2018. " Por Cidade e Estado". Retrieved from IBGE database https://www.ibge.gov.br/informacoes-por-cidade-e-estado.html?t=destaques&c=12

Instituto Brasileiro de Geografia e Estatistica. 2018. "São Paulo Panorama". Retrieved from IBGE database https://cidades.ibge.gov.br/brasil/sp/sao-paulo/panorama

Instituto Nacional de Estatídistica. 2018. "Estadística Estructural de Empresas: Sector Servicios Estadística de Productos en el Sector Servicios Año 2016. Resultados Definitivos". Retrieved from Instituto Nacional de Estatídistica database

Jacobs, Sarah. 2018. "The average wedding cost in America is over $30,000 — but here's where couples spend way more than that." *Business Insider*, April 2. https://www.businessinsider.com/average-wedding-cost-in-america-most-expensive-2018-3

Jorge, Eurípedes. "Os 5 Melhores Classificados Grátis Do Brasil." Criar Negocios Online. October 23, 2014. Accessed December 13, 2018. http://www.criarnegociosonline.com/os-5-melhores-classificados-gratis-do-brasil/

Lista 10. 2018. "Os 10 melhores sites de classificados grátis da internet." Accessed October 2018. https://lista10.org/tech-web/os-10-melhores-sites-de-classificados-gratis-da-internet/

Ratcliffe, Mitch. "Sizing the Local On-Demand Economy: 2016 – 2017." BIA Advisory Services. February 1, 2017. Accessed November 15. http://blog.biakelsey.com/index.php/2017/02/01/sizing-the-local-on-demand-economy-2016-2017/

Medeiros, Henrique. "Rival Do GetNinjas, IPrestador Tenta Se Diferenciar Com Mais Diversidade De Profissionais." Mobile Time. December 22, 2017. Accessed November 20, 2018. https://www.mobiletime.com.br/noticias/22/12/2017/rival-do-getninjas-iprestador-tenta-se-diferenciar-com-mais-diversidade-de-profissionais/.

Meyer, Amelia. "Brazil Environmental Issues." January 01, 2010. Accessed November 10, 2018. https://www.brazil.org.za/environmental-issues.html.

Ministry of Foreign Affairs Brazil. 2018. "Brazil and the Environment". Accessed November 11. http://www.itamaraty.gov.br/en/politica-externa/desenvolvimento-sustentavel-e-meio-ambiente/6342-brazil-and-the-environment

Mutikani, Lucia. "U.S. Second-quarter GDP Growth Raised to 4.2 Percent." Reuters. August 29, 2018. Accessed November 07. https://www.reuters.com/article/us-usa-economy-gdp/u-s-second-quarter-gdp-growth-revised-up-to-4-2-percent-idUSKCN1LE1GB.

Khali, Gustavo. 2018. "Quanto cada Estado cresceu em 2017? Itaú BBA lança índice inédito". Journal of Money Times. https://moneytimes.com.br/quanto-cada-estado-cresceu-no-4o-trimestre-de-2017-itau-bba-lanca-indice-inedito/

Kovács, Gergő. 2014. "Internationalization strategy of born global firms". Accessed 30 November. https://pt.scribd.com/document/325559323/Master-Thesis-Gergo-Daniel-Kovacs-main-body-pdf

Marchi, Gianluca, Marina Vignola, Gisella Facchinetti, and Giovanni Mastroleo. *"The Decision Process for the International Markets Selection: A Fuzzy Model Application to a Small Firm Case."* December 2009.

Marchi, Gianluca, Marina Vignola, Gisella Facchinetti, and Giovanni Mastroleo. 2014. *"International market selection for small firms: a fuzzy-based decision process."* European Journal of Marketing, Vol. 48 Issue: 11/12, pp.2198-2212.

National Telecommunications and Information Administration. 2018. United States Department of Commerce. https://www.ntia.doc.gov/ (accessed December 8, 2018).

Oficina Online.2017. "Qual será o futuro das oficinas mecânicas?". Accessed December 20. https://suaoficinaonline.com.br/conteudo/qual-sera-o-futuro-das-oficinas-mecanicas/

Okyle, Carly. "It's 2016, But Nearly Half of U.S. Small Businesses Still Don't Have a Website." Entrepreneur. February 19, 2016. Accessed October 16. https://www.entrepreneur.com/article/271068.

Pati, Camila. "Estes São Os Freelancers Mais Procurados Agora No Brasil." Exame. September 13, 2016. Accessed November 1. https://exame.abril.com.br/carreira/estes-sao-os-freelancers-mais-procurados-agora-no-brasil/.

Perez, Sarah. "Walmart to Sell Handy's In-home Installation and Assembly Services in over 2,000 Stores." TechCrunch. March 19, 2018. Accessed November 5. https://techcrunch.com/2018/03/19/walmart-to-sell-handys-in-home-installation-and-assembly-services-in-over-2000-stores/.

Pofeldt, Elaine. "Are We Ready For A Workforce That Is 50% Freelance?" Forbes. October 17, 2017. Accessed October 20. https://www.forbes.com/sites/elainepofeldt/2017/10/17/are-we-ready-for-a-workforce-that-is-50-freelance/#5973363c3f82

Poushter, Jacob, Caldwell Bishop and Hanyu Chwe. "Social Media Use Continues to Rise in Developing Countries." Pew Research Center's Global Attitudes Project. June 19, 2018. Accessed November 5. http://www.pewglobal.org/2018/06/19/social-media-use-continues-to-rise-in-developing-countries-but-plateaus-across-developed-ones/#table

Snagajob. "Snagajob Appoints Former Upwork CEO to Board of Directors." PR Newswire. March 03, 2017. Accessed November 17. https://www.prnewswire.com/news-releases/snagajob-appoints-former-upwork-ceo-to-board-of-directors-300417689.html.

Rogers, Adam. "Struggling With Ikea Furniture? There's an App for That." Wired. September 29, 2017. Accessed December 13. https://www.wired.com/story/struggling-with-ikea-furniture-theres-an-app-for-that/.

Grace, Sudha. "On-Demand Economy Facts & Statistics." Krify. January 8, 2018. Accessed October 25. https://krify.co/tag/on-demand-economy-facts-statistics/.

Startup Lisboa. 2018. “Zaask divulga lista de profissionais de excelência de 2017 e reforça crescimento na Península Ibérica.” Accessed November 06. https://www.startuplisboa.com/new-blog/zaaskprofissionaisexcelencia?fbclid=IwAR3jz8EtF97fa-omxAE5mR5tvRhMg9qd-Ml4-RHDNIjhYzvDu5n04UMp_ms

The Statistics Portal. 2018. “Digital Buyers in Brazil 2022.” Retrieved from Statistics Portal https://www.statista.com/statistics/251659/number-of-digital-buyers-in-brazil

The Statistics Portal. 2018. “Platform-to-Consumer Delivery in Brazil.” Retrieved from Statistics Portal https://fesrvsd.fe.unl.pt:2351/outlook/376/115/platform-to-consumer-delivery/brazil

The Statistics Portal. 2018. “Platform-to-Consumer Delivery in United States.” Retrieved from Statistics Portal https://fesrvsd.fe.unl.pt:2351/outlook/376/109/platform-to-consumer-delivery/united-states

The Statistics Portal. 2018. “Share of population with access to a mobile or internet at home in G20 countries in 2014.” Retrieved from Statistics Portal https://fesrvsd.fe.unl.pt:2351/statistics/723371/g20-internet-access/

The Statistics Portal. 2018. “Number of sharing economy users in the United States from 2016 to 2021 (in millions).” Retrieved from Statistics Portal https://www.statista.com/statistics/289856/number-sharing-economy-users-us/

The Statistics Portal. 2018. “Brazil - Statistics & Facts.” Retrieved from Statistics Portal https://www.statista.com/topics/1537/brazil/

Forte, Jay. "More Than 50 Million Brazilians Living Below Poverty Line." The Rio Times. December 16, 2017. Accessed December 13, 2018. https://riotimesonline.com/brazil-news/rio-politics/more-than-25-million-brazilians-living-below-poverty-line/.

The Statistics Portal. 2018. “Digital buyers worldwide 2021.” Retrieved from Statistics

Portal https://www.statista.com/statistics/251666/number-of-digital-buyers-worldwide/

The World Bank. 2018. "Governance Indicators Worldwide." Retrieved from the World Bank Data Base http://info.worldbank.org/governance/wgi/#reports on November 1, 2018

The World Bank. 2018. "Ease of doing business in Brazil." Retrieved from The World Bank Data Base http://www.doingbusiness.org/en/data/exploreeconomies/brazil

Thumbtack. 2018. Thumbtack – Start a project. Accessed November 01. https://www.thumbtack.com/

Timokhina, Valeriia. "Global Software Development Prices Overview." Eastern Peak. October 04, 2017. Accessed November 13. https://easternpeak.com/blog/global-software-development-prices-overview/.

Upwork. 2018. "Upwork, the world's largest online workplace." Accessed October 29. https://www.upwork.com/

Werle, Frank. "7 Legal Issues to Consider in the Sharing Economy." Docurex. April 24, 2018. Accessed October 25. https://www.docurex.com/en/7-legal-issues-to-consider-in-the-sharing-economy.

Portal de Telecomunicações, Internet e TIC´s: Redação. 2016. "ICMS no e-commerce: Veja quais estados mais comprar e os que brigam por R$ 11 Bi em arrecadação até 2019". Accessed December 12. http://www.telesintese.com.br/icms-e-commerce-veja-quais-estados-mais-compram-e-os-que-brigam-por-r-11-bi-em-arrecadacao-ate-2019/

Porter, M. 1985. "Generic Competitive Strategies". In Competitive Advantage, Creating and Sustaining Superior Performance, 11-18 (chapter 1).

Rodgers, Kate. 2018. "As the US population ages, the need for home health-care workers skyrockets." *CNBC,* June 8. https://www.cnbc.com/2018/05/31/as-the-us-population-ages-the-need-for-home-health-care-workers-skyrockets.html

Kim Dung Le and Franz Rothlauf. 2008. “Foreign market entry of e-business companies and implications for theories of internationalization” *Research Gate*, 13-14.

Santos, Sofia. "Emigração. Portugueses São Precários No Estrangeiro." Jornal I Online. Accessed December 28. https://ionline.sapo.pt/497871.

SEBRAE & ABEOC Brasil. 2013. “II Dimensionamento Econômico da Indústria de Eventos no Brasil”. Accessed December 12. http://www.abeoc.org.br/wp-content/uploads/2014/10/II-dimensionamento-setor-eventos-abeoc-sebrae-171014.pdf

SEBRAE. 2014. “O mercado da reparação”. In Reparação de veículos, pag. 13. http://www.bibliotecas.sebrae.com.br/chronus/ARQUIVOS_CHRONUS/bds/bds.nsf/02cabb3aef390a5b40c4cb4a42709734/$File/5688.pdf

Smiley, Lauren. "How Thumbtack Creates Work By Giving The Yellow Pages An AI Twist." Fast Company. February 28, 2018. Accessed November 15. https://www.fastcompany.com/40525504/thumbtack-for-giving-the-yellow-pages-an-ai-twist.

Crunch Base. 2018. “Thumbtack”. Retrieved from Crunch Base database https://www.crunchbase.com/organization/thumbtack#section-overview

Crunch Base. 2018. “GetNinjas”. Retrieved from Crunch Base database https://www.crunchbase.com/organization/getninjas#section-overview

Crunch Base. 2018. “Thumbtack”. Retrieved from Crunch Base database https://www.crunchbase.com/organization/thumbtack#section-overview

The Global Economy. 2018. “Brazil: Political stability”. Retrieved from The Global Economy database https://www.theglobaleconomy.com/Brazil/wb_political_stability/

Taber, Jennifer M et al. 2014. “Why do people avoid medical care? A qualitative study using national data.” *Journal of general internal medicine*, 30(3): 290-297.

The Global Economy. 2018. " USA Political stability". Retrieved from The Global Economy database https://www.theglobaleconomy.com/USA/wb_political_stability/

The Global Economy. 2018. "Brazil: Political rights." Retrieved from the global economy database https://www.theglobaleconomy.com/Brazil/political_rights/

Silveira, Daniel. "Pequenos Negócios Já Empregam Mais Da Metade Dos Trabalhadores No País, Diz IBGE." Globo. October 17, 2017. Accessed November 14. https://g1.globo.com/economia/noticia/pequenos-negocios-ja-empregam-mais-da-metade-dos-trabalhadores-no-pais-diz-ibge.ghtml

Internet World Stats. 2018. "South America Statistics." Retrieved from Internet World Stats database https://www.internetworldstats.com/south.htm#br

SBA Office of Advocacy. 2018. "2018 Small Business Profile" Accessed November 07. https://www.sba.gov/sites/default/files/advocacy/2018-Small-Business-Profiles-US.pdf

Alexander, Marcus and Harry Korine. 2008. "When You Shouldn't Go Global." Harvard Business Review. August 01, 2014. Accessed November 10, 2018. https://hbr.org/2008/12/when-you-shouldnt-go-global.

Gov UK. 2018. "Overseas Business Risk – Brazil." Accessed October 28. https://www.gov.uk/government/publications/overseas-business-risk-brazil/overseas-business-risk-brazil

The Statistics Portal. 2012. "Revenue of event catering (SIC 56.21) in Brazil from 2008 to 2018 (in million U.S. dollars)". Retrieved from Statistics Portal https://www.statista.com/forecasts/335823/brazil-event-catering-revenue-forecast-sic-5621

The Statistics Portal. 2018. "Average cost-per-click in Google AdWords in selected industries in the United States between August 2017 and January 2018 (in U.S. dollars)". Retrieved from Statistics Portal https://www.statista.com/statistics/263800/cost-per-click-per-

segment-in-us-search-engine-marketing/?fbclid=IwAR0pS0sDDhEJZfN8aSxfYKZltfCtPUT3p2T8FbsX6b4VqtPAcpV1r5PRQ-k

The Statistics Portal. 2018. "Household Cleaners - Brazil | Statista Market Forecast". Retrieved from Statistics Portal https://www.statista.com/outlook/60020000/115/household-cleaners/brazil

The Statistics Portal. 2018. "Online Food Delivery". Retrieved from Statistics Portal https://www.statista.com/outlook/374/115/online-food-delivery/brazil

The Statistics Portal. 2018. Digital buyer penetration in Australia. Retrieved from Statistics Portal https://www.The Statistics Portal.com/statistics/261653/digital-buyer-penetration-in-australia/

The Statistics Portal. 2018. Digital buyer penetration in France. Retrieved from Statistics Portal https://www.The Statistics Portal.com/statistics/261613/france-projected-digital-buyer-penetration/

The Statistics Portal. 2018. Digital buyer penetration in Italy. Retrieved from Statistics Portal https://www.The Statistics Portal.com/statistics/261615/digital-buyer-penetration-in-italy/

The Statistics Portal. 2018. Number of digital buyers in Mexico. Retrieved from Statistics Portal https://fesrvsd.fe.unl.pt:2351/statistics/251662/number-of-digital-buyers-in-mexico

The Statistics Portal. 2018. Number of internet users in France. Retrieved from Statistics Portal https://www.The Statistics Portal.com/statistics/460686/number-of-internet-users-in-france/

The Statistics Portal. 2018. Number of internet users in Italy. Retrieved from Statistics Portal https://www.The Statistics Portal.com/statistics/262223/number-of-internet-users-in-italy/

The Statistics Portal. 2018. Number of online shoppers in Germany. Retrieved from https://fesrvsd.fe.unl.pt:2351/statistics/454292/number-of-online-shoppers-germany/

The Statistics Portal. 2018. Platform-to-Consumer Delivery – Digital Market outlook. Retrieved from Statistics Portal https://www.The Statistics Portal.com/outlook/376/100/platform-to-consumer-delivery/worldwide

The World Bank. 2018. Doing Business 2018: Comparing Business Regulation for Domestic Firms in 190 Economies. Retrieved from the World Bank data base. http://www.doingbusiness.org/content/dam/doingBusiness/media/Annual-Reports/English/DB2018-Full-Report.pdf

The World Bank. 2018. GDP (current US$). Retrieved from the World Bank data base https://data.worldbank.org/indicator/NY.GDP.MKTP.CD

The World Bank. 2018. GDP per Capita Growth (Annual %). Retrieved from the World Bank data base. https://data.worldbank.org/indicator/NY.GDP.PCAP.KD.ZG

The World Bank. 2018. Urban population (% of total). Retrieved from the World Bank data base. https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS

U.S. Bureau of Economic Analysis. 2018. United States Department of Commerce. https://www.bea.gov/ (accessed December 8, 2018).

Upwork. 2018. "How it works?" Accessed October 29. https://www.upwork.com/i/how-it-works/client/

Handy. 2018. "Services- All categories." Accessed October 29. https://www.handy.com/services

Similar Web. 2018. "Getninjas.com.br Traffic Statistics. (n.d.). " Retrieved from Similar

Web database https://www.similarweb.com/website/getninjas.com.br

Rockbridge. 2018. “The On-Demand Economy Continues to Grow”. Accessed November 14. https://rockresearch.com/on-demand-economy-continues-to-grow-2/

The Statistics Portal. 2018. “Food delivery industry in the U.S. - Statistics & Facts”. Retrieved from Statistics Portal https://www.statista.com/topics/1986/food-delivery-industry-in-the-us/

Irvine, Mark. "Average Cost per Click by Country: Where in the World Are the Highest CPCs?" World Stream. November 08, 2018. Accessed November 15. https://www.wordstream.com/blog/ws/2015/07/06/average-cost-per-click.

US Census Bureau. 2018. United States Census Bureau. https://www.census.gov/ (accessed December 8, 2018).

van den Heuvel, Roger et al. 2018. “Medical devices 2030”. *KPMG International*. January. https://assets.kpmg.com/content/dam/kpmg/xx/pdf/2017/12/medical-devices-2030.pdf (accessed December 15).

Ver Portugal. 2017. “Zaask usa a tecnologia para revolucionar o mercado dos serviços locais” Accessed November 2. https://www.verportugal.net/vp/pt/082017/Empreendedorismo/8858/Zaask-usa-a-tecnologia-para-revolucionar-o-mercado-dos-servi%C3%A7os-locais.htm

Forbes. 2018. “As A Rare Profitable Unicorn, Airbnb Appears To Be Worth At Least $38 Billion.” Accessed November 1. https://www.forbes.com/sites/greatspeculations/2018/05/11/as-a-rare-profitable-unicorn-airbnb-appears-to-be-worth-at-least-38-billion/#a1807e32741e

International Monetary Fund. 2018. “Report for Selected Countries and Subjects” Retrieved from International Monetary Fund database

https://www.imf.org/external/pubs/ft/weo/2018/02/weodata/weorept.aspx?sy=2010&ey=2023&scsm=1&ssd=1&sort=country&ds=.&br=1&pr1.x=77&pr1.y=18&c=223&s=NGDP_RPCH%2CNGDPD%2CPPPGDP%2CNGDPDPC%2CPPPPC%2CPCPI%2CPCPIPCH%2CPCPIE%2CPCPIEPCH&grp=0&a=

Amazon Home Services. 2018. “Frequently Asked Questions.” Accessed October 29. https://www.amazon.com/Home-Services-FAQs/b?ie=UTF8&node=13409637011

Época Negócios. 2018. “GetNinjas planeja expansão internacional”. Accessed November 10. https://epocanegocios.globo.com/Empresa/noticia/2018/06/getninjas-planeja-expansao-internacional.html

Website Builder Expert. 2018. The World’s Biggest Online Spenders Revealed. Accessed 1 December. https://www.websitebuilderexpert.com/blog/worlds-biggest-online-spenders/

Workana Website. 2018. “Encuentra freelancers y trabajo freelance en Latinoamérica - Workana.” Accessed at October 22. https://www.workana.com/

World Bank. 2018. “Time required to start a business (days)”. Retrieved from The World Bank database https://data.worldbank.org/indicator/ic.reg.durs

Barbosa, Mariana. "Zaask Fatura Meio Milhão Em 2015 E Quer Crescer Em Espanha." Dinheiro Vivo. March 01, 2016. Accessed November 10. https://www.dinheirovivo.pt/fazedores/zaask-fatura-meio-milhao-em-2015-e-quer-crescer-em-espanha/.

Sabi. 2018. “YoungStories, S.A – Relatório Padrão”. Retrieved from Sabi Data Base https://fesrvsd.fe.unl.pt:2147/version-2018102/Report.serv?_CID=44&context=3TWB9YID9W91P7G

Transparency International. 2018. “Brazil”. Retrieved from https://www.transparency.org/country/BRA

The Statistics Portal. 2018. “The 30 largest countries in the world by total area (in square

kilometers)". Retrieved from The Statistics Portal https://www.statista.com/statistics/262955/largest-countries-in-the-world/

Bajpai, Prableen. "The World's Top 20 Economies." Investopedia. August 27, 2018. Accessed November 7. https://www.investopedia.com/insights/worlds-top-economies/.

The World Bank. 2018. "GDP Growth (Annual %)" Retrieved from The World Bank Data Base https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?locations=BR

The World Bank. 2018. "Unemployment, total (% of total labor force) (modeled ILO estimate)." Retrieved from The World Bank database https://data.worldbank.org/indicator/SL.UEM.TOTL.ZS

The World Bank. 2018. "GDP per capita (current US$)." Retrieved from The World Bank database https://data.worldbank.org/indicator/NY.GDP.PCAP.CD

ATKearney. 2018. "The 2018 A.T. Kearney Foreign Direct Investment Confidence Index". Accessed October 15. https://www.atkearney.com/foreign-direct-investment-confidence-index

The World Bank. 2018. "Population in Brazil" Retrieved from The World Bank database https://data.worldbank.org/indicator/SP.POP.TOTL?locations=BR

The World Bank. 2018. "Urban population (% of total)." Retrieved from The World Bank database https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS

Institute for Economics and Peace. 2018." Global Peace Index." Accessed October 5. http://visionofhumanity.org/indexes/global-peace-index/

International Transparency. 2018. "Corruption Perception Index 2017". Accessed October 18. https://www.transparency.org/news/feature/corruption_perceptions_index_2017

The World Bank. 2018. "GDP per capita, PPP (current international $)." Retrieved from The World Bank database https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD

The World Bank. 2018. "Cost to start a business (% of income per capita)." Retrieved from

The World Bank database https://tcdata360.worldbank.org/indicators/cost.start.biz?country=BRA&indicator=460&viz=line_chart&years=2003,2017#table-link

Kakar, Kartik. "On-Demand Economy: What's Making It a Billion Dollar Opportunity?" Daffodil. April 18, 2018. Accessed October 29. https://insights.daffodilsw.com/blog/on-demand-economy-whats-making-it-a-billion-dollar-opportunity.

Taylor, Harriet. "Thumbtack CEO: Machines May Replace Uber Drivers, but Not Your Plumber or Wedding Planner." CNBC. January 19, 2017. Accessed November 10. https://www.cnbc.com/2017/01/18/thumbtack-ceo-uber-drivers-will-be-replaced-by-robots-plumbers-wont.html.

World Economic Forum. 2017. "Collaboration in Cities: From Sharing to 'Sharing Economy'". Accessed November 8. http://www3.weforum.org/docs/White_Paper_Collaboration_in_Cities_report_2017.pdf

World Stream. 2018. Average Cost per Click by Country: Where in the World Are the Highest CPCs? Accessed 5 December. https://www.wordstream.com/blog/ws/2015/07/06/average-cost-per-click

Worldometeres. 2018. "U.S. Population (LIVE)." Retrieved from Worldmeteres database www.worldometers.info/world-population/us-population/

Focus Economics. 2018. "United States Economy - GDP, Inflation, CPI and Interest Rate." Accessed November 1. www.focus-economics.com/countries/united-states

AllPago. 2018. "Brazilian payment process." Accessed November 07. https://www.allpago.com/our-services/brazilian-payment-processing/

Alves, Maria Teixeira. "Zaask inicia 2018 Com Investimento De Meio Milhão De Euros." O Jornal Económico. January 10, 2018. Accessed November 07. https://jornaleconomico.sapo.pt/noticias/zaask-inicia-2018-com-investimento-de-meio-

milhao-de-euros-253594.

Ballotpedia. 2018. “This Interactive Chart Explains World’s Top 10 Emitters, and How They’ve Changed”. Accessed November 10. https://ballotpedia.org/Environmental_policy_in_the_United_States

Barboza, Gabi. "Workana é Bom? Conheça Tudo Sobre Esse Site De Freelancers." ViaCarreira. January 11, 2017. Accessed November 09. https://viacarreira.com/workana-tudo-sobre-esse-site-de-freelancers-121556/

Be Brasil. 2018. “Brazil Leads Latin America's Sharing Economy.” Accessed November 11. www.bebrasil.com.br/en/news/brazil-leads-latin-americas-sharing-economy

Colby, Charles and Kelly Bell. "The On-Demand Economy Is Growing, and Not Just for the Young and Wealthy." Harvard Business Review. October 05, 2017. Accessed November 12. https://hbr.org/2016/04/the-on-demand-economy-is-growing-and-not-just-for-the-young-and-wealthy.

Bergen, Molly. "3 Ways Brazil's Environmental Decisions Affect the World." Human Nature – Conservation International Blog. August 04, 2016. Accessed November 11, 2018. https://blog.conservation.org/2015/08/3-ways-brazils-environmental-decisions-impact-the-world/.

PWC Tax Summaries. 2018. “Brazil - Taxes on corporate income.” Accessed October 01. http://taxsummaries.pwc.com/ID/Brazil-Corporate-Taxes-on-corporate-income

CMS E-guides. “CMS Brazil Market Entry Guide.” Accessed October 15. https://eguides.cmslegal.com/brazilmarketentry

Crunch Base. 2018. “Overview: Zaask.” Retrieved from Crunch Base database https://www.crunchbase.com/organization/zaask#section-overview

Darlington, Shasta. "A Year of Violence Sees Brazil's Murder Rate Hit Record High." The New York Times. August 10, 2018. Accessed October 15.

https://www.nytimes.com/2018/08/10/world/americas/brazil-murder-rate-record.html.

Friedrich, Johannes, Mengpin Ge and Johannes Friedrich. "This Interactive Chart Explains World's Top 10 Emitters, and How They've Changed". World Resources Institute. April 11, 2017. Accessed November 10. https://www.wri.org/blog/2017/04/interactive-chart-explains-worlds-top-10-emitters-and-how-theyve-changed.

Getninjas. 2018. "Orçamento de Profissionais Confiáveis no GetNinjas.com.br" Accessed October 15. https://www.getninjas.com.br/

Global Innovation Index. 2018. "Economy reports from the GII 2018". Accessed November 10. ttps://www.globalinnovationindex.org/analysis-economy

Gomes, Helton. "Smartphone Passa PC E Vira Aparelho Nº 1 Para Acessar Internet No Brasil." Globo. April 06, 2016. Accessed November 07. http://g1.globo.com/tecnologia/noticia/2016/04/smartphone-passa-pc-e-vira-aparelho-n-1-para-acessar-internet-no-brasil.html.