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Title	CHANGING BUSINESS MODEL OF AN INTERNATIONALISED SOFTWARE FIRM Capabilities required in a successful shift from product to solution business		
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Abstract

For technology-based firms in particular, the customer value has become the strategic focus point in recent years. This signifies that it has become difficult for technology-based companies to differentiate based on technical features and quality alone. Companies have a chance to overcome this by offering total solutions that meet customer needs. Business model of the company is in central role in capturing the customer perceived value and thus become a common tool for describing the company's relation to the value network.

The objective of this study is *to identify the capabilities that the case company possesses in order to successfully shift their business model from providing standardized products to providing total solutions*. In order to find answers to the research objective, three subobjectives were formulated:

- 1. To describe the current status of the case company's value network.*
- 2. To explore what kind of capabilities are required in the shift from product business to providing solutions.*
- 3. To identify the internal capabilities the company possesses related to the change in their business model.*

The study is approached from the perspectives of a single firm and therefore a constructive case-study is conducted using mixed methods. The qualitative part consists of seven executive interviews and the quantitative part consists of an internet-based questionnaire sent to the entire personnel of the company.

The findings of this study reveal seven important capability areas in a successful shift from product to solution business. These are customer orientation, market orientation, teamwork orientation, partnership capabilities, global mindset, creativity potential and technological orientation. In addition, the findings suggest means to manage this kind of shift from the perspectives of value network management. Moreover, the required adjustments in the company business model in the solution business are introduced.

Key words	Value network management, business models, software industry, solution business, capabilities
Further information	