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Title	Host country determinants and investment motives of Finnish FDI in the publishing sectors of Bulgaria and Romania Case: Sanoma Magazines International		
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Abstract

The purpose of this study was to investigate the investment motives and location related determinants of FDI from the investing company's perspective. These factors were studied by means of a single case study of Sanoma Magazines International's operations in the publishing sectors of Bulgaria and Romania. The research questions used in the analysis are the following:

What are the motives and location specific determinants of Finnish foreign direct investment decisions in the publishing sectors of Bulgaria and Romania?

What are the motives for choosing these countries as targets for FDI?

What are the host country specific advantages and disadvantages related to the investment motives?

What are the most important similarities and differences of the publishing markets in Bulgaria and Romania?

What is the potential of the publishing sectors of Bulgaria and Romania?

The location factors and investment motives affecting the choice of the host countries for FDI were investigated by means of three theories forming the theoretical framework of the study. Dunning's eclectic paradigm formed the first aspect of the theoretical framework. Host country determinants affecting the investment decisions were investigated by using the theoretical framework of the doctoral thesis of Kent Wilska. The host country determinants were supplemented by the foreign production motives of Dunning, which was chosen as the third part of the theoretical framework.

The empirical part consisted of the experiences and investment motives of the case company. Primary data was collected by means of interviews with key respondents from the company. Secondary data was derived from statistical sources, company documents and an expert interview. Analysis was carried out by thematically categorising the data. The starting point of the analysis was formed by the themes of arising from the theoretical framework. The analysis illuminated the field of the research problems and helped to create new information about the specific factors related to the investment decisions in this context.

The most important motive of the case company's operations in Bulgaria and Romania was market-seeking and the most important host country determinants were the size and potential of the markets and the competitive situation in the countries. Distribution created problems in both countries. The most important differences of the publishing sectors are the larger market size and more difficult competitive situation in Romania. The publishing markets of Bulgaria and Romania are still developing fast and providing opportunities for FDI in the future.

Key words	Foreign direct investment, investment motives, host country determinants, publishing sector, Bulgaria, Romania
Further information	Case: Sanoma Magazines International

