Social Capital: A Tool for Thai Entrepreneurs to Start Business Venture in Sweden

- A qualitative study of how Thai entrepreneurs utilize social capital in their business venture creation process in Sweden

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ABSTRACT

Entrepreneurship is an important part of every country’s economy. With the recent flow of migration to many countries, immigrant entrepreneurs have received interest from both societal and economical scholars to measure the effect they create on the home country economically or demographically. In Sweden as well as in other European countries, the rate of migration increases significantly. Upon migrating to Sweden, immigrants enters the labor market but difficulties in integrating into the labor market drive immigrants toward self-employment and thus becoming immigrant entrepreneurs.

A nationality which has a long history of migration to Sweden and account for a considerable proportion of immigrants coming to Sweden every year are the Thai, but there is little research on this group of immigrants. The purpose of the study is to find out how Thai entrepreneurs use social capital in starting their business venture in Sweden. In the theoretical chapter, entrepreneurship and immigrant entrepreneurs are first defined, then the relationship between networking and entrepreneurship is discussed, followed by a section on social capital and its relationship with immigrant entrepreneurs. The literature suggests that entrepreneurs usually go through 3 stages of venture creation: idea generation, resource acquisition and market organization. With the help of social capital through their social network, entrepreneurs retrieve benefit from their network members in several aspects throughout these stages.

We conducted a qualitative study using semi-structured interviews with seven Thai entrepreneurs in Sweden who work in food, health-care, retail and lodging businesses. Both the business network and the ethnic network, in this case Thai network, have important roles when Thai entrepreneurs develop new business ventures. Social capital assists the entrepreneurs in solving the difficulties faced during establishment process, such as labor, taxation and legitimacy. In addition, social capital enables the entrepreneurs in information and resource acquisition, word of mouth advertisement and business registration. Further, family members and spouses are found to be significantly important for Thai entrepreneurs in Sweden as a source of labor, capital and business partners.

Keywords: Immigrant Entrepreneurs, Thai Entrepreneurs, Ethnic Entrepreneurs, Social Capital, Social Network, Business Venture Creation
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1. INTRODUCTION

This chapter presents to the reader an overview into the topic of study. The problem background focusing on entrepreneurship, social capital and immigrant entrepreneurs provides a base for our research question. Finally, the purpose of this study is discussed.

1.1 Problem-Background

A business idea usually comes up when a people consider starting his/her own business venture or likewise. They would normally then draw up a plan for their business and attempt to get under way. However, the registration procedure and requirement normally are the first difficulty the entrepreneurs face in order to run and operate their business legally. The level of entrance barriers may differ between countries and even locations within a country because of differences in the business environment. For instance, complicated processes in order to register a new business might be the reason for new entrepreneurs to establish their business without proper registration (Kloosterman & Rath, 2004, p.4). Moreover, lack of credibility with customers and investors, inadequate funding, tax law changes, lack of focus, understanding time to market, lack of exit route and the ability to create a new market are examples of problems faced by entrepreneurs during the start-up process (Shah, Wilkinson & Yallup, 2008, p. 212-214). Therefore, social or business network is one important tool for every entrepreneur to manage smoothly their business.

Earlier entrepreneurship research has shown that social capital is important when discovering and exploiting business opportunities (Davidsson & Honig, 2003, p. 309; Casson & Giusta, 2007, p. 230). Social capital means “features of social organization, such as networks, norms, and trust, which facilitate coordination and cooperation for mutual benefit” (Putnam, 1993, p. 36). The entrepreneurial decision making and entry choice as well as the viewpoint toward entrepreneurship are influenced by surrounding people, informal network, especially family, which is considered one type of the social capital. Therefore, social capital is a meaningful tool since drawing entrepreneurs’ viewpoints to the selection process for starting the business venture and along the business development. Moreover, the entrepreneurs benefit from the knowledge exchange and business resources gained from social capital, for example exclusive access to resources or distribution channel in a large retailer which provides customer purchasing convenience and valuable information (Anderson & Jack, 2002, p.195). In addition, social capital can be used as an important tool for new entrepreneurs to quickly access the market and reduce the risk of new entrants (Sarasvathy, 2001). Hence social capital essentially supports the entrepreneurs in their early stage when they have limited beginning resources. Then, the entrepreneur can gain competitive advantage from social capital which can be seen as high contribution to the business strength (Deakins et al, 2007, p.312).

New entrepreneurs can benefit from social capital when creating the business, and thus an entrepreneur needs to consider networking, one feature of social capital, as a tool for business development (Anderson & Jack, 2002, p.195-202). With reference to effectuation theory, entrepreneurs, as creative actors, would develop market and opportunity from the existing resources on hand, with the major concern on “who they are”, “what they know” and “whom they know” (Sarasvathy, 2001, p. 250). “Whom they know” refers to the entrepreneurs‘ social network, which is a significant factor for new entrepreneurs to concentrate on, as to manage their business partners which
includes suppliers and strategic alliances or even potential customers. Social capital can be a success factor to develop cooperation within the network for mutual benefit, which includes both social and business network. The network involves the commitments from partners to reduce uncertainties. Further, social capital, also enables the flow of information and could create opportunities for personal and societal wealth (Deakins et al. 2007, pp. 312-313).

**Thai Entrepreneurs in Sweden**

The strong relationships the entrepreneurs have with their ethnic community, especially in the country apart from their home country, facilitate them when seeking business advice (Kalnins & Chung, 2006). Immigrant entrepreneur would benefit from social capital as a tool to find business opportunities. Establishing the new business venture in another country, which a new entrepreneur is not familiar with in any aspects, is more difficult than starting their business venture in home country, and in several cases this is due to the lack of social capital (Peter De Vries, 2007).

In Sweden, as well as in other European countries, the rate of migration continuously increases. In 2008, Thai nationals were among the top of Asian immigrants to Sweden, with the record of 3,000 immigrants that year (Focus-immigration, 2009) and it was estimated that 30,000 Thais were born in Sweden during the last two decades (Lintner, 2009). This is likely to be a factor of an increase in business creation of Thai entrepreneurs in Sweden. In addition, there are a great number of Thai entrepreneurs who establish their business venture in Sweden, mostly in food industry (Lintner, 2009).

The significant aspects for establishing a new business venture in Sweden from the perspective of foreign entrepreneurs ranges from the spoken and written language, the legitimacy procedure in setting up business, taxation and employment procedure. Moreover, those unwritten rule the local people practice must be comprehended (Porter, 2006). Some of the above concerns can be offset by the existence of social capital.

Despite above complexity, many government agencies are assisting new entrepreneurs during start-up process, for example Skatteverket (Tax Agency) or Invest in Sweden Agency (ISA). In addition, Sweden is ranked 18th from 183 countries in Ease of Doing Business from World Bank Group’s Doing Business 2010 Report, with trading across border as the most supportive factor and employing workers as the least favorable one (The World Bank Group, 2010). Therefore, Sweden is attractive for business creation as the entrepreneurs have some public assistances and business advantages to start up their venture in Sweden, offsetting mentioned barriers.

The increasing number of Thai entrepreneurs in Sweden led the authors into query how the entrepreneurs develop their business outside their home country, especially with the help of social capital. To date, there is a limited number of previous studies on immigrant entrepreneurs relating to the use of social capital. Most of the studies either cover the factors of becoming immigrant entrepreneurs (Renou, Rehn & Xu, 2007; Hedberg, 2009), features of different ethnic entrepreneurs (Dalhammar, 2004; Peter De Vries, 2007) or industry-specific entrepreneurs (Kalnins & Chung, 2006). Thus, the authors concerned with how Thai entrepreneurs in Sweden, no matter the industry they are in, benefit from social capital in each process of business venture creation and use them in solving the difficulties arose during the process.
1.2 Research Question

Our research question is: How do Thai entrepreneurs use social capital when they establish their business venture in Sweden?

1.3 Purpose

The overall aim of this study is to describe how Thai entrepreneurs in Sweden use social capital for business creation, and in doing so develop the understanding of the relationship between social capital and immigrant entrepreneur. The sub-purposes of this study are to

- Explore the business venture creation process and the difficulties Thai entrepreneurs come across
- Develop the knowledge about the types of social capital used by Thai entrepreneurs when they are processing the business venture creation in Sweden
- Describe the entrepreneurs’ views toward the importance of social capital in starting their business.

After reviewing through the previous studies (Kalnins & Chung, 2006; Renou, Rehn & Xu, 2007; Hedberg, 2009), the authors believe that our thesis will develop the understanding of social capital, immigrant entrepreneur as well as the relationship between them. While there is much research on social capital and immigrant entrepreneurs respectively, the use of social capital for Thai entrepreneur in Sweden has not been studied before. In addition, due to the fact that there are not too many studies regarding the relationship between social capital and immigrant entrepreneurship, we will expand the knowledge in this field for further study of these two phenomena. Overall, then, the study also develops the understanding of the significance of human relations and social networks to new business creation process for immigrant entrepreneurs.
2. METHODOLOGICAL ASSUMPTIONS

This chapter firstly explains fundamental methodological considerations, such as the ontological and epistemological positions, which affects the research design and use of research strategy. Then, the choice of research strategy, the literature search and selection of respondents are presented and followed by a discussion on the data collection method, ethical considerations, and preconceptions.

2.1 Research Philosophy

To select the best research design, our ontological and epistemological considerations are reviewed in order to find the suitable design for the research question. Ontological assumptions concern the nature of the world and human being in social contexts, which comprise of objectivism and constructionism (Bryman & Bell, 2007, p. 22-23). Furthermore, Porta & Keating (2008, p. 23) has defined 2 key questions in determining the ontological view: “Does social reality exist?” And “Is reality knowable?” Objectivism assumes the independence of social actor in relation to social phenomena and meanings, while constructionism assumes that social actors through recurring interaction produce phenomena and meanings. Epistemology refers to what is deemed acceptable as knowledge and how to acquire it (Porta & Keating, 2008, p. 23). Epistemology can for example be divided into the camps of positivism and interpretivism. Porta & Keating (2008, p. 23) then uses 2 issues to distinguish the researchers’ viewpoint: the relationship between the objects and the researcher and form of knowledge. Positivism takes the natural science view as knowledge exists objectively as natural law, whereas interpretivism takes the social science view that knowledge has to be interpreted and center on the meaning of social action, that is contextual knowledge (Bryman & Bell, 2007, p.16-17).

Considering business establishment process which entrepreneurs’ view and action is focused on, constructionism position is consistent with our view. Entrepreneurs interact with people in the society and continually come into contact with others to develop the business. Being a social actor, entrepreneurs exercise their capability and social association when encountering or exploiting the business opportunity. They continuously carry on social phenomena and their meaning and gain vague knowledge from their activities, where deep study is required to understand their unique characteristics (Bryman & Bell, 2007, p. 23). Moreover, human beings are a social animal and interacts with one another in one way or another so social capital would definitely be exercised in entrepreneurial process as interaction is the component of the social world (Bryman & Bell, 2007, p. 24). The social interaction, which is a part of social capital, implemented by Thai entrepreneurs is considered to be a significant factor in comprehending whether they are manipulated by the social capital in the business creation process and how they use social capital through this interaction. As earlier view, the reality from our view is somewhat knowable but not as separate from the human subjectivity so it is consistent with the constructionist view (Porta & Keating, 2008, p.23).

Different from other living things, human beings mostly behave in unpredictable manner and occasionally deviates from the proven theories, thus interpretivist position is then suitable to understand the reason behind those actions (Bryman & Bell, 2007, p. 17). In line with certain streams of entrepreneurship research, social capital research
also as well focuses on the subjective interpretations and implications of social action. The meaning and exercise of social capital are distinct among entrepreneurs and need further investigation on the underlying consequences. Moreover, the use of social capital in new venture creation is not visibly observed comparing to the entrepreneurs’ drive or business creation process. Thus, we choose to apply an interpretivist perspective to study this aspect of entrepreneurship and how different kinds of social capital are utilized. In addition, the values, norms and knowledge practices by the entrepreneurs are taken as the important element of the study to discover below the surface of the conversation, which complies with interpretivism (Porta and Keating, 2008, p.23).

2.2 Research Strategy

Qualitative research mainly uses for contextual understanding of social behavior, while quantitative research for confirming hypothesis (Bryman & Bell, 2007, p.418; Mack, Wood, Macqueen, Guest & Namey, 2005, p.3). Qualitative researchers have significant differences in the objectives, types of question, data collection instruments and flexibility of study design (Mack et al., 2005, p.2).

The qualitative strategy is applied to our research because it is more in line with the socially constructionist view than the reality view of quantitative method and the feature of social science practice is correlated with qualitative method with the searching of the meaning in interpretivism (Bryman & Bell, 2007, p. 17). Furthermore, a qualitative strategy offers an understanding of the context of the cases (in our case respondents) which is deemed more critical than quantitative strategy’s main attribute of generalization. Further, our study on Thai Entrepreneurs in Sweden aims to focus on immigrant entrepreneurship in a specific business environment and social community. As a result, qualitative research is appropriate with our study focusing on the entrepreneurs’ perspectives as it is consistent with constructionism and interpretivism view.

A deductive research approach was selected as it facilitates the clarification of the connection between social capital and venture creation process for Thai entrepreneurs in Sweden, while developing further existing theories for immigrant entrepreneurs. Our deductive approach involved the specification of key variables and specific statement of research hypotheses, based on explicit theoretical framework (Patton, 2002, p. 56). From the literature on social capital, within which social capital’s influence on entrepreneurship has been thoroughly explored, together with literature on business venture creation, the research framework is developed to explore the immigrant entrepreneurs’ usage of social capital in their business venture creation process.

2.3 Literature Search

Two main areas of knowledge were identified: the literatures on social capital and immigrant entrepreneurs. The majority of the literature has been derived from scientific articles with some e-books, dissertations and theses. The databases provided by Umeå University library such as Album, Emerald and Business Source Premier, are the main resources for the literature. Keywords used for searching the databases were social capital, new business creation, networking, immigrant entrepreneurs and the combination of them. However, a great amount of articles were found, hence the articles’ title and publishing date were used for screening. When only a few studies on
immigrant entrepreneurs were identified, Google Scholar and Diva portal were used to widen the relevant literature.

The uses of these secondary sources were critically examined to achieve trustworthiness which refers to the internal and external validity, reliability, objectivity and authenticity of the information that fairly represents both researchers’ and the others’ perspectives (Patton, 2002, p. 546). Scientific articles are published and warranted by scholarly organization so the trustworthiness is reached. Moreover, they are frequently issued than books so they provide more current development of the certain field. The result of the literature search was very vast, so to choose relevant literature, the relationship and significance of the title to the research questions were emphasized in the screening, and then publications made in the last 10 year period were targeted to ensure that current research results were included.

2.4 Respondent Selection

As our purpose is to study how Thai entrepreneurs in Sweden use social capital for business creation, our target are definitely Thai entrepreneurs. We are as well astonished with the great numbers of Thai who lived in Umeå and other parts of Sweden. Moreover, the communication medium and cooperation would be less problematic. Thai entrepreneurs usually understand Swedish but the authors do not possess the appropriate level to fluently communicate so Thai language is used for avoiding any misinterpretation.

Our target respondents are Thai entrepreneurs engaged in business venture creation in Sweden. The sampling method used is purposeful sampling, which “selects information rich cases for in-depth study” (Fridah, 2002). More specifically, we use snowball sampling and criterion-based sampling. The authors located the first respondent and then applied snowball sampling method; where the first respondent helps identify and recommend other Thai entrepreneurs for interviews. This resulted in a potential list of respondents, and we then applied an additional selection criteria; the respondent should be a Thai national who develop their business venture in Sweden. The first respondent was a Thai grocery shop owner, who also was a great source for the information of Thai community and represented a good opportunity that the researchers could not miss. In addition, Thai senior students were asked to name potential respondents as they have good relationship within the local Thai community. It was however difficult to find respondents; but some names and contact information were obtained, which enabled the authors to make introductory communication with the respondents. Unfortunately, it was impossible to find an official list of Thai entrepreneurs on the Internet, for example via Swedish Thai Chamber of Commerce and Statistics Sweden. Though contacting these organizations, they have not returned any relevant information.

Getting the list of probable respondents, a phone call was made to verify their qualification based on our criterion, to inform about the purpose of the study and briefly present the topic. If the respondent fulfilled the criterion and agreed to an interview, we then set up an appointment. 8 potential respondents were contacted, 6 live nearby Umeå and 2 live in the central Sweden and finally 7 respondents were interviewed. This was due to the limited resources of the researchers and accessibility to Thai community in the other part of Sweden. The time and location of the appointment were selected by the respondents which mostly were their workplaces or residences.
2.5 Data Collection Method – Semi-structured Interview

A cross-sectional research design was implemented to investigate the practice of social capital during venture creation process by several entrepreneurs. The aim is to uncover the type of social capital and how it is exercised by Thai Entrepreneurs during their business development in Sweden. This research design would fit this study as the secondary data about Thai entrepreneurs in Sweden are somewhat limited, which as well suggest that there are limited possibilities of longitudinal studies using archive data.

Frequently, using a deductive approach is taken to equal the production of research hypotheses in the form of relationships between key concepts (Patton, 2002, p. 56). However, in this study, we instead opted for a semi-structure interview as to both allow entrepreneurs to describe freely in a designated boundary with the aim to have the entrepreneurs illustrate their business development process in detail as well as to ask relevant questions based on the theory. (See the interview guide in appendix 1). The gathering information from interview would become solid ground in the finding and analysis of the study. The reveal of development process would be intensively referred and some general practice which entrepreneurs may not consider social capital component would be presented without any prejudice (Bryman & Bell, 2007, p. 479). In addition, other reasons behind semi-structure type are the strength of entrepreneur’s point of view, the thorough development process regarding social capital and benefit to intervene the interviewees if attractive issue arises.

Interview guide governing questions on social capital and business creation process is prepared. Thus, the first requirement for conducting the interview would be to briefly communicate to the respondents the research title and objectives of the interview, then warrant them to disclose their personal and business information without restraint. The interview would be conducted in Thai, recorded and transcribed directly afterwards.

During interview, the introduction and rapport were first created. The respondents were asked to introduce themselves and their business idea, then topic according to the interview guide was raised. The main difficulties found during the interview were unwillingness to share the secret of their business success, misunderstanding of those social capital questions and unrelated answers to the interview questions. Therefore, the authors handled the secrecy issues by assuring the respondents of anonymous respondents’ detail and limit any specific information which could be traced back or harmful to the respondents. In addition, the transcription would be sent for their verification. Using the interview, the probing assistance was available and used to clarify the misunderstanding questions or further explain to the respondents. In the extreme cases, re-phrasing or related questions were applied in order to achieve the answer. Unrelated answers problem was found in few respondents, thus the interviewers tried to end the conversation and started asking new question concerning to the interview guide. Handling these unexpected difficulties, all the interview was managed to finish within approximately an hour.

Apart from quantitative researches which usually are striking in numerical form and thereby processing for statistical analysis, the qualitative data analyses are steeped in decisions and choices (Padgett, 2008, p.131). The pre-existing concepts and theories will be used for analyzing in case the empirical findings are fitted. Due to the design of this thesis, the authors have chosen to analyze the empirical finding with the pre-
existing concepts and theories. All the data will be analyzed using the same pattern with the empirical finding which start with the idea generation, personal background, start up process and the use of network and social capital. The analysis across theories will be used to enlarge the knowledge of the relationship between social capital and immigrant entrepreneurs which has not been studied before.

2.6 Ethical Considerations

With interview method used, together with our concerned topic, ethical issue is quite vulnerable as we do not cause any direct effect to respondents and information can be wholly presented to them. Thus, the study may face some following ethical issues: informed consent, reciprocity and trust, invasion of privacy and harm to participants.

The first risk the respondents may face is the lack of informed consent as they may not be fully informed about the research process. This happens because in some cases, information might persuade the respondent’s answer. However, we provide all the relevant information to the respondent and assure the willingness of the respondents who could terminate their participation anytime, which is a part of informed consent (Kreuger & Neuman, 2006, p. 105). Thus, other types of research incurred more risk with this ethical issue, for example covert observation where respondents do not know that they are being studied. This inequality of information between the researchers and the respondents influences the implication of mutual trust, thus create the problem of reciprocity and trust. It seems the benefit of the study lies more with the researcher than the respondents. While respondents provide the valuable information for the study, their tangible benefits are not obvious. In this study, the respondents gain in analyzing and recalling their business creation process and business success story, and finding out the social capital’s significance during their venture creation process from validation of the interview transcription.

In the study, private details of respondents may be disclosed, then invasion of privacy problem occur. Personal information, background or behavior may be revealed in the study. For example, participants are asked the question regarding beliefs or behavior in personal level (Kreuger & Neuman, 2006, p. 106). In addition, this issue relates to the anonymity and confidentiality which in some case relate to the next issues, harm to participants. This refers not only to physical harm but characteristic and psychological harm as well (Bryman & Bell, 2007, p. 133). Studying both business and social network of the entrepreneurs, the network members are exposed and possibly damage the identity of both the respondents, which are direct participants and the network members, which are indirect participants. Furthermore, comparison of different entrepreneurs’ networks may weaken the images of the network, network members and individual entrepreneur. We deal with this potential problem by treating all mentioned persons as anonymous and restrict the personal information published in the study.

Handling with these ethical considerations, we approach the gathering of information as a valuable but also high-privacy process. Information will be treated with care and prevented from any possibility to trace back to the respondents.

2.7 Preconceptions

As both authors are Thai and have similar educational background in Business Administration program, our view of social network may be limited to our prior
knowledge. Moreover, authors’ family backgrounds are similar as they strongly engaged in entrepreneurship. Thus, we take for granted that every entrepreneur have used social capital in their business creation process which is the result of human nature of interaction with others. The content of the business development process are focused as to understand how the entrepreneurs complete their first stage of the venture creation and find the success factors behind them regarding social capital. Thus, there may have been others influential factors during business establishment that have been excluded. Furthermore, the culture and values of Thai people may influence the informality of the environment and context in conducting of the interview. To restrict the effect of above preconceptions, we use formal language in order to create proper communication atmosphere. In addition, the concepts are broken down into many interview questions as to sincerely reflect the respondents’ standpoint, therefore limit our viewpoint in finding part which may be interfered by our prejudices.
3. THEORETICAL FRAMEWORK

This chapter examines the previous studies significant to the research question. Entrepreneurship and immigrant entrepreneurs are firstly reviewed. Then the relationship between entrepreneurship and networking through the business creation process follows, and it concludes by a discussion of the social capital concept and its connection with immigrant entrepreneurs.

3.1 Entrepreneurship

An entrepreneur is someone who shows initiative and creative thinking, is able to arrange social and economic means to transform resources and situations to practical account, and endure risk and failure (Mueller & Thomas 2001, p.55). An entrepreneur starts, organizes, manages, responds for a business and deals with a personal challenge which many individuals prefer to become a self-employed (Segal, Borgia & Schoenfeld, 2005, p.42). Entrepreneurship is the creation of organization (Gartner, 1989, p.1). Hereby, the authors view an entrepreneur as someone who manages the social and economic condition with limited constraint to fulfill their creativity and establish a business venture.

Developing business opportunity that others overlook or are unwilling to take risk, entrepreneur is seen as associated with high risk taker (Casson & Giusta, 2007, p.223). Moreover, the entrepreneurs normally use the innovation to create a change and opportunity to make a profit. They shift economic resources from an area of lower productivity into an area of higher productivity and greater yield, accepting a high degree of risk and uncertainty in doing so (Burns, 2005, p.9).

A personal or individual usually create new ventures for many different reasons. According to Bessant & Tidd, (2009, p.256), there are 3 different motives types and mechanisms of entrepreneurship as follow:

- **Lifestyle entrepreneurs** refer to those who are looking for independence and hope to gain a living based around their individual environment and values. This type of entrepreneurs is the most common types of new venture and is an important source of self-employment in almost all economies.

- **Growth entrepreneurs** refer to those who intend to become wealthy and powerful through both creation and business growth. They measure their success in term of wealth, influence and reputation of the new ventures. Achieve growth entrepreneurs tend to originate a huge corporations through acquisitions which can make the founders to become very wealthy and influential.

- **Innovative entrepreneurs** refer to those who are driven by the aspiration to create or would like to change something in any sectors include the private, public or even third sectors. They do not focus on independence, reputation and wealthy like growth entrepreneurs, although they are often succeed anyway. Innovative entrepreneurs include social entrepreneurs and technological entrepreneurs but these ventures are infrequently based on creativity, new scientific progress.

Immigrant entrepreneurs are rarely innovation entrepreneurs as they are pushed to entrepreneurship (Kloosterman & Rath, 2004, p.12). However, lifestyle and growth entrepreneurs are the usual type of entrepreneur who would like to set up their business
creation abroad. The differences type of entrepreneur can use the social capital in different way because they have various inspiration and reason to become a new entrepreneur.

The scope to which a personal is inspired to undertake the business creation depends upon three related factors which are antecedent influences, the incubator organization and environment factors (Bessant & Tidd, 2009, p. 269).

- **Antecedent influences** or characteristics of entrepreneur. This includes genetic factors, educational choices, family influences and previous career experiences, all of which contribute to the entrepreneur’s decision to start a venture.

- **Individual incubator experiences.** This includes the type of skills and knowledge acquired, the nature of the physical location, contact with possible fellow founders, and the type of new venture or small business experience gained.

- **Environment factors.** This includes entrepreneurial role models, economic conditions, availability of venture capital, and availability of support services.

In all three influences, the strong connection of entrepreneurship factors with social capital is clearly visible, for example family intervention, co-founders and the tools to reach primary and secondary resources. They are mostly derived from the surrounding people around the entrepreneurs either direct or indirect contact.

### 3.2 Immigrant Entrepreneurs

Dalhammar (2004, p. 8) defines immigrant entrepreneurs, from the immigrant and ethnic’s entrepreneurship literature, as a person who establish a business and has one or both parents born in a foreign country. Thus, the author views the immigrant entrepreneurs as one who migrate from their home country to other country and run their own business venture abroad. Entrepreneurship activities are in a high level among immigrants than the native people, regardless of the host country and it is viewed as a way for labor market inclusion for the immigrants (Hedberg, 2009, p. 4).

Most of the countries, for example United States, Canada, Australia even South Africa, have an increasing number of immigrants who would like to move their residence to live abroad, especially immigrants from Asia, Central Africa and Latin America (Kloosterman & Rath, 2004, p.10). Thus, an increasing number of immigrant entrepreneurship results from the intersection of post-industrial transition in advanced economies. The post-industrial transition infers a growth in small business as a result of the shift to bend specialization modes of production in manufacturing and vary forms of outsourcing and subcontracting in manufacturing and services (Kloosterman & Rath, 2004, p. 7). The business opportunity above are seized by both native and immigrant entrepreneurs. Thus, with those countries with developed welfare state, immigrant are actively taken part in entrepreneurship as profitability of low-value services is challenging to immigrants, while native people are satisfied with high minimum wages (Kloosterman & Rath, 2004, p. 8).

The difference of immigrant entrepreneurs to the non-immigrant, apart from employment discrimination and different possibility to access the social network or required resource, is the involvement in different industries which non-immigrant
entrepreneurs are not willing to work with (Renou et al., p.20). Hedberg (2009, p. 9) finds that immigrant entrepreneurs in Sweden who come from Eastern Europe and Asia usually engage more in restaurant or low-education service sector such as elderly care and public transportation than native people. In addition, they relied heavily in trade, mainly the grocery store and knowledge-intensive service such as interpreters, administrative or technical consultants and social services sector.

The involvement in different industries may result from special knowledge or resources which become competitive advantage of providing some specific product over the native entrepreneurs. Immigrant entrepreneurs may have expertise knowledgeable of demand and supply which is relating to new market (Kloosterman & Rath, 2004, p. 2). The expertise knowledgeable of the entrepreneurs would be very difficult to imitate from its competitors. In some industries, the specific skills and knowledge of immigrant entrepreneurs would create their comparative advantage to their business (Waldinger, 2001, cited in Kloosterman & Rath, 2004, p. 3). For example, in food industry, an entrepreneur who knows how to cook traditional menu from their home country would be able to use their own expertise for their restaurant. It can be created through transitional networks which merge the country of origin and sometimes ample of a particular group of immigrants. The social capital can be contributed by immigrant entrepreneurs rather than the immigrant workers in the immigrant communities. Since the immigrant entrepreneurs can make bridges to other networks such as a link to suppliers and their customer, they can improve their chances of upward mobility. In addition, immigrant entrepreneurs usually become self-appointed leaders of the immigrant communities (Kloosterman & Rath, 2004, p. 2).

Immigrant entrepreneurs usually start their business venture in their countries of origin and become ‘self-employed’, then turn to be ‘immigrant entrepreneurs’. Although the number of immigrant entrepreneurs from developed countries who establish their new business venture abroad is growing from year to year, it does not mean that all immigrant entrepreneurs are success. They also have a difficulty in starting their business venture in the new business environment such as the different customer preferences, the process of setting up the new company and the barrier of language (Kloosterman & Rath, 2004, p. 2).

Becoming self-employed does not mean that immigrants face fewer obstacles to participate in the labor market. For example, immigrant entrepreneurs may be discriminated by banks when they want to have a bank loans for establishing their own business venture. However, an immigrant entrepreneur is less vulnerable than immigrant worker. According to Kloosterman & Rath (2004, p.7), the opportunities for small business also expanded as a result of the increase in subcontracting by firm and private households and hierarchies were replaced by networks of small firms. The opportunities for small firm and potential entrepreneurs are infrequently straightforward.

By creating business venture abroad, immigrant entrepreneurs would create their own jobs. They have to prevent themselves from the barriers which they may face in searching for a job in those host countries. Immigrants from developed countries are specifically come up against the barriers which may cause from less education qualifications, unwillingness to approach with appropriate social capital for conveying the information on vacancies, or local employers may merely distinguish against them (Kloosterman & Rath, 2004, p.1).
Both the migration and entrepreneurship factor influence the choice of immigrant entrepreneurs choosing Sweden as host country, however the study of Renou et al. (2007, p. 42) finds that the migration seemed more importance. Immigrants incur both economic and demographic affect to the country.

Immigrant entrepreneurship is a fast track towards integration in civil society and helps correct the failure of labor market integration of immigrants (Hjerm, 2004, p. 741). Moreover it shows that the income of the immigrant entrepreneurs are lower than employed immigrants so we could deduct that most immigrant entrepreneurs operate small sized of business venture. In small firms, the social network is more important as they possess limited resources, while large firms have more power and gain advantage from the economies of scale and scope in new business unit. The difference in size of firms can affect an individual entrepreneur in different ways. The relationship between the size of the firm and the degree of creativity has different benefits and drawbacks (Bessant & Tidd, 2009, p. 265). Large firms usually suffer from the high levels of bureaucracy and may ignore lower potential opportunities or even higher risk. In contrast, small firms are devoid of internal resources and have to rely on external sources of partnerships to improve and exploit their opportunity while they can take benefit from less bureaucratic and focus on niches market which large firms usually neglect that opportunities. These two sizes of firms tend to demonstrate the different patterns of new business creation due to the different relative advantage from each type of firm (Bessant & Tidd, 2009, p. 265). Furthermore, an entrepreneur who operates a small firm usually relies on external sources such as partnership in order to improve their business venture. Therefore social capital would be a great business source for every small firm to start their new business creation and would help an immigrant entrepreneur to develop and exploit their new business creation process.

Apart from contributing to the host country’s economy, immigrant entrepreneurs bring novel ideas and culture to the host country, New Zealand, resulting in positive impact on country’s way of life especially regarding food and hospitality industry (Peter de Vries, 2007, p.16). Element of culture, consisting of language, institutions, productions, symbolic and sacred elements can be transmitted through the immigration (Usunier, 1993, p.42-43). Institutions element is the link between the individual and a group, such as family and social organization, with the relationship bonded from blood or marriage, common territory, shared physiology in a community or temporary groups sharing the same goal. Productions element covers both tangible and intangible product, from tools, books, instruments, food clothing, intellect, artistry, knowledge and skills. Lastly, symbolic and sacred elements, which explain the connection between physical and metaphysical world, present in customs or ritual ceremony.

### 3.3 Networking and Entrepreneurship

Social networks could be the input for an entrepreneur to start their business ventures either creativity or innovativeness, for example when they process information from their social network and get inspiration for their business opportunity. Moreover, social networks can be a helpful tool for an entrepreneur during the early stage of business creation.
3.3.1 Opportunity Seeking

In the first stage, opportunity of business or business idea is found, mostly through gathering of information. Entrepreneurs usually retrieve the information from the normal conversation or observation in others’ daily practice, especially in the social events. Entrepreneurs are found to lead the discussion into their desired area with the information providers who own the knowledge in that area. Knowledge, which is of entrepreneurs’ interest, is rarely restricted or secret and is those that the providers can rarely take advantage of it. To acquire the appropriate information within wide boundary, diversity of the members in the network must be achieved so entrepreneurs can gather different kinds and aspects of the information. Likewise, developing social capital is an important process in entrepreneurial activity as it is used to generating information source and acquiring business potential. Social networks are not only beneficial for information exchange, they are also used to discover about others’ personality and background (Anderson & Jack, 2002, p.202). By gathering the information from the network, opportunity arises for the entrepreneurs. Moreover, information gathering in the social events then is without a doubt true fact.

3.3.2 Resource Acquisition

After the business idea is committed, resource aggregation stage follows. Normal resources requirement are capital, material and personnel to start the operation. A social network is primarily used to contact a reliable person and verify if the person can be relied upon not to imitate the core business idea. In addition, it can be used in employment decision as personal attitude and trait can be studied, especially in the unofficial environment (Casson & Giusta, 2007, p.231). In locating the resources from the business partner, the network can help obtain the potential partner’s credibility from those network members who have prior contact with the selected partners. To have the effective uses of this benefit, the diversification of the group members who have formal connection with each other is then needed (Casson & Giusta, 2007, p.231). Moreover, social capital can be helpful in acquiring knowledge and resources to defeat some problems during development process. With information or resource network, explicit and implicit knowledge and experiences sharing can help overcoming difficulties of acquiring compulsory resources, for example granting the privileged access or reveal enhanced alternatives for scarce resource and ineffective process (Anderson & Jack, 2002, p.195).

In order to establish this type of network for this process, trust is an important issue. Social institution or spiritual association can be a valuable source for referencing the members’ personality and commitment from personal attitude to business practice. (Casson & Giusta, 2007, p.232). Moreover, entrepreneurs have a possibility to know potential business partners and use this network to verify them.

3.3.3 Market Organization

New product or services need to develop the organization to sell product, build customer base and win customer support (Casson & Giusta, 2007, p.232). This is particularly true for radical product, as well as the general product, as the entrepreneurs need to inform and make available their product to the market. Networks can help transmit the information needed, create product recognition or knowledge and become advertisement channel. Building a customer club through the social network would
further boost their business performance and brand value, for example celebrity brand ambassador would help create market organization as his/her admirers will join the customer club accordingly. Distribution channel and formal communication channel to the customer have been selected in order to provide knowledge and create awareness of the product or services. Through networks, marketing strategies such as public relations, advertising, events or organizational activities can be used to communicate between the organization and its target customer.

3.4 Social Capital

Social capital is generally defined as an asset that is a part of social relations and networks (Leana & Van Buren, 1999, p. 538). Coleman (1988, p. 98) views it as a fruitful asset, producing the result which may not feasible in its absence. Anderson & Jack (2002, p.193) refer to social capital as a relational artifact which is important in facilitating interactions. Moreover, it is described as being the glue that connects and creates a network and the lubricant that fastens and boosts the interaction within the network as well.

Social capital receives significant interest overtime, particularly with the study of entrepreneurship. Strong connection with entrepreneurship, social capital includes many aspects: social interaction, social ties and trust. Social action then is intensively studied in conjunction with the significance of these relationships (Nahapiet & Ghoshal, 1998, p. 242). Social capital is the cause and representation of the success of network interaction (Cooke & Wills, 1999, p.224). Benefits of social capital can be seen in helping the entrepreneurs in gathering the resources in new venture creation process, influencing the social embeddedness and presenting new opportunity, such as new knowledge or access to limited resources.

In social capital, network is in parallel analyzed. Network is a form of relationship an individual has with their other members in a network with governed by social structure, with their interaction expressed as social processes (Hansen, 1995, p. 7). Then, the social network term is used to elaborate the network involving in a business or providing important resources to the entrepreneurs (Hansen, 1995, pp. 9). Many kinds of networks are studied: business network, social networks or physical networks. The description of each network is followed according to Casson & Giusta (2007, p. 224). Business networks are those members who provide economic exchange in a regular period and especially in a certain locality with low level of intimacy and knowledge of each person’s personality. A social network mostly consists of the surrounding people who have close intimacy, like families or friends, with high interaction and personal relationship involved. Physical networks then associate with natural feature, those transportation or communication structure that network members share and enable them to communicate with one another. As physical networks consists of physical capital, that is the infrastructure, social networks involved social capital, though invisible but important for information and knowledge flow.

Through networking, entrepreneurs could enter the global market, which is in the current environment the survival factor of many organizations. Information, particularly technology and competition issues, could be transmitted without delay and allow the organization to best compete within the local and global market. Apart from the knowledge gain from the global network, entrepreneurs can seek for low-price resources or scarce resources which are not available in their home country. Maintaining satisfied
customers and creating good business relationship benefits the entrepreneurs through repeated transactions and reduced new customers attraction cost (Casson & Giusta, 2007, p.224).

**Dimension and categories of social capital**

Social capital consists of 3 dimensions: structural, relational and cognitive. The structural dimension refers to social interaction and the pattern of network structure which sum up the relationship within the structure (Tsai & Ghoshal, 1998, p. 465; De Carolis & Saparito, 2006, p.44). It involves an occurrence of the contact in the network. This dimension assists the entrepreneurs in resources acquisition, such as entering information channel, locating the source of resources. Entrepreneurs receive benefit in community support, business information and advice when they are closely engaged in structural social capital (Johannisson, Ramirez-Pasillas & Karlsson, 2002, p. 300).

The relational dimension refers to personal relationship developed to certain individual (De Carolis & Saparito, 2006, p.44), with trust and trustworthiness as basis of these relationships (Tsai & Ghoshal, 1998, p.465). It involves relational trust to engage in this relational social capital (De Carolis & Saparito, 2006, p.44), as it would benefit entrepreneurs when making economics exchange from the social ties (Dahkli & De Clercq, 2004, p. 113). For example, having the frequent informal communication with the financial investors, strong and trustworthy affiliation arises and improves the chance for knowledge exchange and financial support for an entrepreneur (Maula, Autio & Murray, 2003, p. 118).

The cognitive dimension then refers to shared values and system for meaning interpretation (Nahapiet & Ghoshal, 1997, p. 36), which enable the individual to make sense of the information and facilitate universal understanding within the network members and as well come up with the new knowledge (De Carolis & Saparito, 2006, p.45). Sharing the same system of thinking, the communication between network members has parallel characteristics.

Bridge and bonding form of social capital are widely discussed. Bridging view, focus on the external tie, considers social capital as a resource of social networks tying members of the network together. Individual and groups derive private benefits from their connections with others and utilize them for their achievement (De Carolis & Saparito, 2006, p.43). Bonding view focuses on internal tie and concentrates “on collective actors’ internal characteristics” (Adler & Kwon, 2002, p. 19). This refers to the resources presenting in the network, such as trust or obligation which relate to the formation of the network (Anderson & Jack, 2002, p. 198). Within entrepreneurship study, bridging social capital has 2 main benefits: information and influence. It allows the information to be accessed with designated quality and timely manner (De Carolis & Saparito, 2006, p.43-44), and can be used as the pressure to force others during the interaction for those accumulated higher obligation within the network.

De Carolis & Saparito (2006, p.41) stated that “entrepreneurial behavior is a result of the interplay of environments (i.e. social networks) and certain cognitive bias in entrepreneurs”. As mentioned earlier, social capital exists in the social network, while cognitive biases refers to the process of cognition and decision making which guide entrepreneurs’ perception (De Carolis & Saparito, 2006, p.45). The social capital truly connects to new venture creation, and indirectly helps through the entrepreneurs’
cognitive bias: illusion of control and risk propensity. Illusion of control refers to the false estimation of a situation and ability to manage the particular situation. As the entrepreneurs focus on the positive information, not the whole picture of the events, the process of problem recognition and business feasibility analysis is intervened. Risk propensity is the degree to which individual tends to accept or escape from risk, which is influenced by the uncertainty during decision making. Entrepreneurs are associated with high risk propensity (De Carolis, Litzky & Eddleston, 2009, p.531) as they see less risk from creating new venture, comparing to others. Social networks and relational capital provide new venture creation with the support and knowledge retrieved from the network and those networks with higher accumulated resources and support are in good situation in the business development process. Moreover, the illusion of control and risk propensity also affects the business start-up decision of the entrepreneurs. (De Carolis et al., 2009, p.532).

3.5 Social Capital and Immigrant Entrepreneurs

Several studies have verified the relationship between social capital and entrepreneurship. Immigrant entrepreneurship seemed to be more essential in the close relationship in the ethnic group which facilitated the exchange of the resources among the members. Most of the study concentrates on ethnic entrepreneurs, a scope of immigrant entrepreneurs which studied certain ethnic group in either by race or nationality. For example, Kalnins & Chung (2006) who study the Gujaraj entrepreneurs or Peter de Vries (2007) who categories immigrants by their ethnicity and conducted a study within a certain country. Some studies then aim to explore the drive of becoming immigrant entrepreneurs (Renou et al. 2007; Peter de Vries, 2007) or the similarity, relationship establishment and benefit provided by the ethnic group (Kalnins & Chung, 2006; Dalhammar, 2004) or the differences between the indigenous and immigrant entrepreneurship on certain topics (Heilbrunn & Kushnirovich, 2007).

Kalnins & Chung (2006, p. 233) study the Gujaraj immigrant entrepreneurs in US lodging industry and find that they depend on social capital of their group to develop and sustain their business. Entrepreneurs with more resources help those with fewer resources without any reciprocal return. Moreover, these immigrant entrepreneurs own family and friends network which work in the same industry both within the same or different geographical area, result in closer relationship (Kalnins & Chung, 2006, p. 245). The outcome of social capital utilized by the members is the survival benefit. Thus, fewer resources firm contribute to other firms in the group less than those higher resources firm, result from their abilities and opportunities despite their willingness. The high resources entrepreneurs are pleased to help the others mostly as they are viewed as having the shared values and destiny. In conclusion, social capital, which is mainly resulted from their heterogeneous network position and family and friend network in the industry, facilitates high level of social exchange and increases the likelihood of business survival, comparing to the non-member entrepreneurs.

According to Peter de Vries (2007, p. 195), family member is clearly prominent part of immigrant entrepreneurship but diversifies importantly amongst the ethnic groups. Ethnic community usually involves in the immigrant entrepreneur business and provided the entrepreneurs the access to the market or labor as well as belonging feeling. Paid and unpaid family labor especially spouse, which is the part of family member, is considerably foremost workforce by the immigrant entrepreneurs. Those immigrant entrepreneurs, who remain in long established enclaves land or ethnic
minorities which have long history in the host country, would have better ethnic social capital than those with fewer migration years. The ethnic social capital can be seen as one part of component to distinguish the entrepreneurial tendency. However, the extent to which ethnic social capital contributed to business competitive advantage is not constant with the entire immigrant entrepreneurship as some ethnic immigrant entrepreneurs surpass the other races without close relation within the group.

Dalhammar (2004, p. 1) study the importance of ethnic background on the ethnic firms situated in Kista, Sweden with regard to their resource acquisition process. The ethnic background include ethnic resources, identity as immigrants and influences on the firm, while the resources considered are human capital, social capital, physical capital, organizational capital, financial capital, cultural capital and ethnic capital. He uses networking and business support to identify social capital employed by immigrant entrepreneurs and they result in significant impact on the progress and development of the firms, especially the external support (Dalhammar, 2004, p.92). Incubator support and public support from the initial project are crucial for the start-up and development process. Thus, some find difficulties in gaining adequate support in their interactions with the surroundings, for example advisory from people who has different experience or business connection.

Different immigrant entrepreneurs use different level of social capital. Entrepreneurs who possess more resources would help those with lower resources, especially in the group with same ethnic and industry. The ethnic entrepreneurship depends on their community and family members, most importantly their spouse in order to develop business and become the main source of workforce. Even though ethnic social capital is viewed as important support for immigrant entrepreneurship, this does not mean that social capital would be the main competitive advantage for them. Networking and business support from the incubator or public are significant for new immigrant entrepreneur who want to develop business as it leads to resource acquisition process.

### 3.6 Conceptual Framework

Networks and social relations are found to be great value in the entrepreneurial process, specifically in the business venture creation (Casson & Giusta, 2007, p.230). In the conceptual framework model (Figure 1), adapted from Blad’s conceptual framework model (2008, p.73), who studied the influence of social competence to social capital, entrepreneur background together with a social network, a source of social capital, are influential for immigrant entrepreneurs in business venture creation process. Business start-up process consists of 3 processes: idea generation, resource acquisition and
market organization. In every process, the social networks, which entrepreneurs are part of, can be a source of social capital that facilitates and affects how entrepreneurs handle each process to establish the business venture successfully.

From the literature review, immigrant entrepreneurs use social capital in gathering business opportunities, acquiring resources, sustaining their business and being a critical source of labor for the business venture. Furthermore, their background and motivation which drive entrepreneurial spirit should be verified whether they are significantly influential to immigrant entrepreneurs as well as the indigenous entrepreneurs, apart from their migration reason to Sweden. From this theoretical framework, the types and dimensions of social capital would be emphasized, as well as the business creation steps and difficulties involving the uses of social capital. Lastly, the social networks which Thai Entrepreneurs shared are studied. The main discussion of networks is classifying into business network, which has a close contact with the entrepreneurs, then ethnic Thai network as it has been found vital for immigrant entrepreneurs for uphold the business venture, and the support to their businesses from the social network as a whole.
4. FINDINGS

This chapter presents the finding from our primary resources of seven interviews with Thai Entrepreneurs who operated their business in Sweden. It covers business idea, personal background, business creation process and social capital involving in business development process.

The finding is presented according to the interview topic and discussed one entrepreneur at a time in the following sequences. First is to discuss the background, the reason for migration and being an entrepreneur and their nature of business venture. Then, personal background, consisting of their family members, career background and entrepreneurial experience is summarized. Later, the 3 stages of business creation and any difficulties faced by the entrepreneurs are disclosed. Last but not least, the network which mainly defines as business network and ethnic Thai network is illustrated with the concluding of the social network’s significance. The comparative table is presented to summarize the key findings of each entrepreneur at the end of the chapter.

4.1 Entrepreneur A

4.1.1 Background

Entrepreneur A is in a restaurant business and has been in Sweden for 20 years. She had first moved to Sweden due to her career advancement. She was a part time nurse in a governmental agency where she met a Swedish patient who asked her to work as his personal nurse in Sweden. After a few years, her patient passed away and inherited her some assets in Sweden. She wanted to move back but she needed to be presented for the legal arrangement and in time she became Swedish citizen. After she started studying Swedish and worked in the hospital, she then had started her own business relating to the food industry and finally opened this current restaurant. Her main reason to stay here was the Swedish economic and career condition which was better than in Thailand, while her basic living cost here was low.

After becoming Swedish citizen and temporary worked in a hospital, she could not acquire the full time job and wanted to cook Thai food. Her main reasons to start the business were her inspiration for cooking, the support from the intimate local people and opportunity rendered by them. Her first restaurant was in a small county-center town, where the hotel owner offered her the facilities and equipments to start Thai restaurant. Thus it was not profitable due to less population in town. Later, she found a food truck, selling Thai food in Lapland’s summer market which received high interest from Swedish people and media. As it required high labor for handling the food truck, she then applied for a chef in a restaurant in the current city. Working for few years, the restaurant had closed down. She then wanted to have her own restaurant and as she had good relationship with the owner, he had sold her the existing furniture and equipment and provided her business advices.

She owns a 50-seat restaurant, selling Thai food, located in Västerbotten County. The restaurant opens daily except Monday, offering lunch buffet and full course during dinner. Catering and take away service are supplementary to the main service. The operation cycle starts as the entrepreneur prepares the menu and ingredients for the lunch buffet in the evening, and then she cooks 4 lunch dishes in the next morning. 2-hour break after lunch is used for clearing the lunch menu and preparing ingredients for
the dinner where the restaurant is busy offering both full course menu and take away menu. For the raw material and ingredients used, they are ordered in a weekly or fortnightly basic according to the material from the suppliers in Stockholm.

4.1.2 Personal Background

Entrepreneur A graduated and worked as a nurse for 13 years. Then she had opened a private clinical centre with her friend and worked as a part time nurse. After moving to Sweden to become a private nurse, she had worked in a hospital as a chef and worked with elderly care. Later she established the restaurant and ran a food truck. Moving to another city, she worked as a chef in a restaurant again and then found the current restaurant.

She had 3 children living in Thailand. The elder child was a monk, the later one was the entrepreneur and the last one was the company employee. The second child ran a business regarding the product booth arrangement in marketing event and had a small retailing business.

When she worked in a government agency, she had opened a restaurant for 4 years as a sideline occupation in Thailand. However, the restaurant had closed down due to load of work and establishment of new business for private clinical center. In Sweden, she had once owned a Thai restaurant and food truck in a small county-center town for 6 years.

4.1.3 Venture Creation Process

Entrepreneur A loves cooking and turns this interest to the business idea. She had accumulated experiences in restaurant business and received the opportunity when her former restaurant employer sold to her a low-priced resource as the business was closed down. Moreover, she saw the market opportunity for Thai food which was already known to Swedish people and the greater number of population in big city than those of her former restaurant. Her idea was to establish small-size restaurant with a few staffs and herself as the main operational staff. This was due to the economic condition as the high cost associated with living condition, tax system and labor cost. She had as well consulted her former employer for the operation and services offering to customers.

The restaurant location, restaurant decoration and labor were needed to set up the business. The location had been searched through the internet. For restaurant decoration, combining with those equipments she bought from the former employer, she had bought new equipment both from Thailand and Sweden. Moreover, she performed the decoration by herself. She used her own saving as the capital for this business.

Her restaurant was registered as a partnership company (Handelsbolag). The restaurant aimed to serve traditional Thai food for Swedish people with no specific group. However, the usual customers were the middle age working people. Entrepreneur A advertised in the newspaper, local magazine and internet. The menu was presented in the website to allow the customers to view the food and the dish number when calling for take away or deliver order. For service distribution, apart from sit-down customers, she offered delivery service when orders were more than 10 dishes or buffet order for more than 10 persons. The other services such as occasional catering and Thai traditional dancing were served through customers’ requests.
The main difficulties Entrepreneur A faced in setting up the business were labor, taxation and legitimacy that food-related industry needed to strictly follow. The labor cost and employment tax restricted the number of employees she could afford to hire. As a result, the employees and the entrepreneur needed to work hard to fulfill the daily requirement. Moreover, the strictness of the law and robust disciplinary action required high involvement, responsibility and supervision.

4.1.4 Network

For the supplier side, Entrepreneur A has 3 main suppliers located in Stockholm area: Thai supplier, Chinese supplier and Vietnamese supplier. She searched for the suppliers from the internet targeting those who originated in Sweden. Then, she made a trial order comparing goods from several suppliers in term of quality, freshness and prices. In a final stage, she made a visit to these suppliers for personal recognition and product verification. The benefits supplied by these partners are price reduction, seeking out for the required product and advising for new product. Apart from general customers, there are as well few key customers, mostly the schools or companies who ordered foods for their staffs.

She knew about 500 Thai people as she had lived in Sweden for a long period. She was also the early entrepreneur who opened Thai-related business in the north of Sweden so newly arrived Thai people visited her business and usually asked a help from her. The communication mostly took place in social gathering events. However, she occasionally contacts Thai people as her time is taken by her business. Within the Thai community, they have mainly helped when she arranged some events and carried word-of-mouth advertisement.

Social capital have helped her in a significant level, especially in the early stage of business creation, for example the document for business registration, taxation registration and recruitment process. This was quite crucial issue for her as she was not fluent in Swedish language. Apart from that, the advice and support from the former employer and her associates both Thai and Swedish people helped stabilized her business. She rated the importance of social capital as 7out of 10 point.

4.2 Entrepreneur B

4.2.1 Background

Entrepreneur B is an owner of Thai grocery shop and migrated to Sweden as her aunt invited her to work as a teacher. She was unemployed at that time. Teaching Thai language to Swedish people, she also picked blueberry as her part time job. Later on, she had married to Swedish man and decided to move and live in Sweden since 2001.

She had worked in the hotel in the cleaning service sector since she firstly moved to Sweden. However, she later had a severe problem with her shoulder that she could not continue her work so she was thinking about establishing her own business venture. She started running her small grocery shop and moved to bigger place later on. The reason why she would like to move and expanded her business capacity was not only the size of the shop but also the privacy of her life. The current shop provided a bigger space to sell varieties of product with no disturbance after her working hour.
Her Thai grocery shop was located in the northern part of Sweden. The shop opened from Tuesday to Friday between 11 a.m. to 6 p.m. and Saturday from 11 a.m. to 3 p.m., selling fresh product which mostly came from Thailand. A daily operation cycle started from displaying the product to the shelves and putting frozen food in freezer. All fresh products from Thailand would be delivered to her shop every Tuesday evening. Dried food and frozen food were ordered from different suppliers with 1-2 weeks lead time and would deliver to her shop every Wednesday and Friday. She ordered fresh vegetables by weekly basis while dried food and frozen food less often, in a fortnight and a monthly basis respectively, from different supplier both in Sweden and abroad.

4.2.2 Personal Background

Entrepreneurs B had a Higher Vocational Certificated in accountancy. She continued her undergraduate study in Accountancy. Unfortunately, she had a severe accident causing her to suspend her studying for 2 years. After recovering, she resumed studying but could not finish her study and then decided to move to Sweden and worked as a Thai language teacher. She also used to work part time job as an accountant for a small company nearby her house while she was studying. She also worked as a cloth retailer, before she had a severe accident. After being a teacher in Sweden, working for a cleaning service sector, she became Thai entrepreneur in Sweden. She had no entrepreneurial experience before she operated this current business.

She had only 1 brother. Her father was a school head master and already retied. He currently runs his own business about taxi service, operated across city. Her mother is a housewife and her brother started working as a veterinarian for Thai company which was one of Asia’s leading conglomerates, operating within the agribusiness, retail and telecommunications markets. After that, he decided to operate his own business about karaoke (entertainment industry). He is currently working full time job as a sales executive for German-owned Company together with his own business which was mainly taken care by his wife.

4.2.3 Venture Creation Process

Entrepreneur B had a health problem which would be a main obstacle to apply for any job in Sweden. Since she liked to travel, she once went to Göteborg and had an idea to open Thai grocery in the north of Sweden as there was no Thai grocery in the northern part of Sweden. She did not like European food and preferred to have only Thai food for every meal so she had a difficulty to buy materials for Thai food. Therefore, she wanted to open Thai grocery which mostly provided product of Thailand for Thai people in the north of Sweden. Since she had a health problem, her business idea was to start a small Thai grocery at her place. If the business went well, she planned to relocate to bigger shop afterward. Her husband was an advisory for her business idea and supported her to establish the Thai grocery shop.

A capital investment is the most important factor to establishing the business for Entrepreneur B. High capital investment was not needed at first because she planned to open a small grocery at her home so a rental fee was not necessary. However, she would like to expand her shop due to the space limitation in her house and the privacy issue. The new location had been searching through the internet and by her husband. A bank loan was needed in order to relocate and invest for her new shop. Around 5% of total investment was borrowed from a bank, the rest was her and her husband’s saving. Then
decoration activities and equipment such as refrigerators, freezer and shelves were also necessary.

She registered Thai grocery with her husband as a partnership company (Handelsbolag). Her original target customer was Thai people, thus Europeans were as well interested in Thai products. At first, she only stuffed Thai foods, but other international foods were offered later as there was an increasing demand from her foreign customers, especially those from other Asian countries. She had advertised her shop in the food magazine and was a sponsor for the Ice Hockey arena for 1 year. Moreover, the website was used to inform new immigrants who tried to find Thai grocery store. A sticker posted on her husband’s car was a strategic advertising media channel when transporting around city. She did not continue to advertise her shop due to the advertisement cost; however, if she moved to the other place, she would invest on the advertisement again. For the delivery service, there were some customers who asked her to delivery via post. Receiving the money, she then delivered the product, with minimum value of 500 SEK per shipment.

The difficulties related to establishing a company was for her the documentation required to set up the business and the communication of her business idea to target customers. As she did not speak Swedish very clearly, she really needed to get help from her husband about registering her business idea as a legal company. Moreover, the technology created difficulties for her since she did not know how to use it. Thus, her husband had to solve this problem for her. The problem with her neighbor was a serious concern as well; as when she operated a shop at home, it was dangerous for neighboring children playing on the street when many of her customers visited the shop by cars. She also faced some obstacle with her suppliers who sometime delivered wrong product or waste product. The refund could not be done but product return would be possible. Then she decided to sell them since shipment cost were high. In addition, the legitimacy regarding to food-related product were strictly concerned, for example the expired date and food cleanliness. These factors would lead her to become rigid and follow the rules strictly.

4.2.4 Network

Entrepreneur B has a business network both in Sweden and abroad. She found them while travelling and from the internet. She currently has 5 main suppliers: 4 suppliers in Sweden and 1 supplier in Netherlands. These suppliers are large organization and offer wholesale price to her. They have own warehouses as well as own shops to display the product. By doing business with these suppliers, they always suggest the new product, offered discount rate and also recommend her about others supplier within their business network. She has 2 main customers, a Thai restaurant and a European restaurant. Apart from these 2 customers, there are general customers who walk in and purchases product from her shop. Most customers usually carry a word of mouth advertisement to the people they knew. This would consider as a valuable advertisement without any expenses.

She has approximately 100 Thai customers with about 10 Thai customers who are her close friends since Thai people are the main target customer regarding her business. In the early stage or current stage, Thai network have highly involved in business development or introduced some new business partner. They sometimes provide business advice to do promotion. She developed the marketing strategy and ordered more products such as Thai dessert from their suggestions. She also gained a business
idea about take away and coffee corner from her Thai customers and she was in a process of expanding her business capacity at the moment.

She rated 8 points for the importance of social capital She considered her social network to be one part of her business. Since she had to interact with Thai people every day, they were significantly important in order to develop and expand business potential. Moreover, she also got the advantages from the business network which provided her the discount rate as well as provided variety of products according to her customers’ demand.

4.3 Entrepreneur C

4.3.1 Background

Entrepreneur C ran a Thai restaurant after she had moved to Sweden. Since her father passed away, her mother had re-married and moved to live in Sweden. She did not want to stay away from her mother so she decided to move here. She started to study Swedish and looked for a permanent job. She later married her Swedish husband and moved to the north of Sweden.

She started her career being a housekeeper as a part time job and studied Swedish language in the same time. During that time, she was interested to be a chef and spent all her vacation to take culinary courses. She did not like housekeeping as it is a routine job and it did not provide any career path. After studying a 2-year program of culinary courses, she was also bored with her cleaning job. Thus, she decided to become an entrepreneur. She started her new career to buy a food truck and sold both Swedish and Thai food in a small district. Then, she realized that the food truck business could not afford her family’s living expenses so she came up with the idea to expand her business.

She owned a 100-seat restaurant, located in Västerbotten County. The restaurant opened from Monday to Friday between 10.30 a.m. to 8 p.m. and Saturday from 2 p.m. to 9 p.m., selling Swedish food, Thai food and Fika. Swedish food was available during lunch together with Thai food as buffet and only Thai food full course was served in the evening. In addition, she offered Thai massage where customers had to make a reservation in advance. The normal operation cycle for her restaurant would early start from preparing salad buffet for lunch. She cooked Swedish food and her colleagues would cook Thai food. The buffet time started from 10.30 a.m. to 2 p.m. in weekday. After 2 p.m., only full course menu would be served. All ingredients and raw materials used would be ordered 3 times a week. Thai material would be ordered from a Thai wholesaler in Sundsvall and all fresh material would be ordered from Swedish suppliers.

4.3.2 Personal Background

Entrepreneur C had a M.3 certificate (Grade 9) and continued her adult education before moving to Sweden. She started working since she turned 15 years. She gained experience from several kinds of job while she was studying. However, most of the jobs were in service sector or part time jobs with no expertise skill needed. She did not work for a long time in each specific place because she wanted to have some new experiences. Then, she moved to live in Sweden with her mother since she was 20 year old.
At the time of her migration, she had 1 elder sister who owned a shop selling construction product in Thailand and 1 younger sister who was a pharmacist in Stockholm. Her mother had already retired from work and lived with her Swedish husband. Before her father passed away, he had a family business within the construction industry. Her mother was a teacher for primary school. She then resigned to take care of her children and being a housewife. However, she wanted to find a job after her husband passed away. Thus, she moved to Sweden to work and met her current husband.

When Entrepreneur C was finishing her cooking studies, she found a food truck which became her first own business and the only prior entrepreneurial experience she has. After being successful, she sold her food truck. She then decided to expand her business capacity from a food truck to a Thai restaurant, which is her current business venture, because a food truck was not sufficient to provide her with good living conditions and ability to take care of her family.

### 4.3.3 Venture Creation Process

Entrepreneur C firstly thought about having her own business when she was studying and was getting bored with her routine job. The Thai restaurant business idea came along when she already started her food truck business. Although there was low capital investments involved in a food truck business, she wanted to have her own restaurant, which required a high amount of investment. In addition, the number of customers in the small community where her food truck was located was very low. Therefore, she decided to relocate her business to bigger city where there was a higher number of potential customers. She sometimes asked for the suggestion regarding registration and documentation from her stepfather and mother who supported her to start a business venture and helped her with the first amount of investment.

A high amount of capital investment was the most important resource needed to start the business. Half of all capital investment was borrowed from a bank while another half was borrowed from her stepfather. A new location instead of food truck was needed to run restaurant business. She found a good place from the advertisement. Fortunately, a place she found was an old canteen which was not necessary to do much decoration. However, more kitchenware and food related equipment had to be bought for example a fan hood. A chef assistant and waitresses needed to be hired.

Her restaurant was registered as a sole trader (Enskild Frima) which means there was only 1 owner. The Swedish working people were a main target customer during lunch time because the restaurant was located among many offices and car park area. The vegetarian was also the target customer. She used a local newspaper to advertise her restaurant and also promoted to the office building nearby restaurant. Since the cost of advertising was quite high, she sometimes advertised her restaurant via the university newspaper. Moreover the webpage was also available where customer could make use for pre-order meal. The special banquet such as wedding party was provided according to customers’ requests.

The main difficulties in the early stage were capital investment and her high responsibility of every task. The labor cost and the employment tax imposed were high, and therefore she could not hire a high number of employees due to the limited capital investment. As a result, she would have to handle everything herself and got very
exhausted to work. Thus, the appropriate number of employees and their daily tasks are sufficiently divided at the moment.

4.3.4 Network

Entrepreneur C has 2 Swedish suppliers and 1 main Thai supplier in Sundsvall as a business partner. She knew these 3 suppliers since she was working a part time job in the restaurant. They offer credit term and discount rate if she orders high volumes. The Thai supplier provides raw material and Thai ingredients while others two Swedish suppliers provide all fresh product and some Thai pimento and spice. Apart from general customer, there are seasonal customers; in groups of twenty to thirty people that always visit to her restaurant to have banquet dinner in specific of event such as Christmas parties and summer break parties. Most of customer is a loyal customer who could be seen as a good tool of advertising without any expenses through a word of mouth.

She knows about 50 to 60 Thai people in Sweden. She usually knows them from social gatherings and religious events at Thai temple. She actually did not want to ‘pester’ Thai people in Sweden so she normally asked for help from her mother. She did however receive some help from the Thai community. On the one hand, one of her Thai friend who she met while she was studying helped her to run a business in the beginning stage as a chef. On the other hand, other Thai people she knew could help her to advertise this restaurant by a word of mouth. In addition, the Thai network sometimes could be a potential recruiter when she wanted to hire employees who were able to do Thai massage.

She views social capital as relatively important to do business. She had her own inspiration to establish Thai restaurant so she put hard effort to do everything herself. However, social networks, both Thai and other networks help her in somehow such advertising and finding new employee. Therefore, she rated the importance of social capital as 6 out of 10.

4.4 Entrepreneur D

4.4.1 Background

Entrepreneur D worked full-time as a practical nurse after migrating to Sweden in 1999 as she was asked to visit her friend who became her husband in a later time. She met her husband in the southern part of Thailand while she was traveling. Her husband asked her to escort him in Thailand as his tour guide. He kept contact with her and helped process the Swedish citizen for her later on. The main reason she moved to Sweden, apart from her personal reason, was the country’s excellent social welfare system, low population and high living standard.

As the business of her husband had been set up, she saw that it would be more efficient to expand them for their additional financial source. They owned surplus assets, such as land and equipment, as well as the notified market and brand. The requirement was the labor as her husband did everything by himself since construction of the bees’ house and preparing the equipment. She saw that as she took part in the business, the labor problem would be eliminated and they could earn more than their former achievement,
using their existing capacity. In addition, they both had the remaining time from their full time work and wanted to utilize these time efficiently with their business.

She managed her spouse’s business of honey bees raising as a sideline occupation during summer vacation. She then started expanding the production capacity, practicing sales promotion and searching for new markets. The main activities were taking care of bees, processing and packaging the honey and distributing to customers. The operation was based on a yearly cycle as the bees produced honey during spring and summer, and then they stayed in their hives during the winter. The equipment such as beeswaxes and bee hives were ordered and prepared once every 2 or 3-year period, while the packaging materials were ordered every year. The products were sold in the summer market during August and September. In other time, products were available in local supermarkets, supermarkets in Västerbotten County and retail selling. There were 2 flavors of products: original and lemon, and it carried the local county brand, which represented the communal reputation.

4.4.2 Personal Background

Entrepreneur D received Higher Vocational Certificate in Business Administration. She then stayed with her aunt in Bangkok to study in the university. During her study in Political Science, she worked as a cashier for 4 years. After that, she met her husband during traveling and migrated to Sweden. She first studied the Swedish language and helped raising honey bees. She had worked in a restaurant for 9 months, but later had received physical problems so she turned to studying Practical Nursing program. Finishing the program, she worked as an intern for a month and was hired as a full-time employee.

Her family consists of 10 members, her father who owned a construction company with the help of her mother and her father’s second wife, 6 sisters and 2 brothers. She was the eldest child. Her sisters got married, moved to different cities and had different occupations. Her brothers helped her father with his business in their home town, both a construction company and their agriculture land which they grew products themselves and rent some parts to other farmers. Her aunt, who she once lived with in Bangkok, opened a construction company and her uncle was the soldier and ran a grocery store. Apart from helping her family business, she had done some retailing activities: juice stall, clothes selling, food selling. Moreover, during some festivals, she helped her father running the temporary food stall.

4.4.3 Venture Creation Process

The idea for business development started from the capacity expansion, a new market finding and in the last stage offering another flavor of the product. All of the ideas belong to Entrepreneur D, where the new flavor came from her recognition that many Thai products combined lemon with honey flavor. Moreover, this would differentiate her product from others as there were another 2 producers using the same brand. She wanted to create new products together with having adequate production output and return suitable with her contribution. During the idea development, she consulted her husband, who developed this business and her Swedish supervisor.

When she expanded the capacity, most of the materials needed were available on hand. The existing rented land was abundant. The equipment was found in the storage as they
prepared them in advance. The main resource missing was the labor for the operation; they did not hire any worker due to the high labor wages and employment tax. The business was mainly operated by the entrepreneur and her husband, with the help from their family members during summer market period. For new product development, she purchased concentrated lemon as main ingredient and she used trial and error experiment to invent the formula.

Her business was registered as a sole trader (Enskild Frima) by her husband since 1982. Her husband used his leisure time to run the business and start selling to the nearby supermarket. The target customer was the elder people as honey was safe for diabetic patients. Moreover, the product was popular for teenagers and normal people who replaced sugar with the product for tea and coffee. There was no use of advertisement; instead she used sales promotion as providing free sample to the customers in the summer market. Moreover, public relations through the media helped inform the customers about her product. As her product carries the county name, it is used as a souvenir and gift. Apart from the summer market product placement, the products are delivered to supermarket in the city and nearby places. Retail customers can collect the products from her place or have them mail to their houses.

The main difficulty faced by the entrepreneur in the early stage was damage of the bees’ hives. It could not be determined whether it happened by accident or someone’s intention. Other challenge, after successful introduction of a new flavor, the formula was requested from her husband’s friends who produced the same product, creating competition. However, their competitors finally dropped the new product. A final challenge was her experience of fluctuation of the output, resulting from the unstable weather conditions in Sweden.

4.4.4 Network

Entrepreneur D has 4 main suppliers for the equipment, ingredient, packaging and labeling. All of them are Swedish companies and have long business relationships since the start up. They provide normal business offers such as credit term and also the introduction of her product to others. She has 1 major customer who needed product delivery every month and around 20 retail customers, such as supermarkets.

She knows approximately 100 Thai people in Sweden, whom she mostly meets in social gatherings and religious events. For the close-relation group, it consists of 5 persons whom she contacts once a week. They have helped in word-of-mouth product advertisement and product distribution to their informal connection.

She considers social networks to have had little impact when she expanded her business. However in the close-loop network, they were helpful in product advertisement. She rated 6 out of 10 points for the importance of social networks in business development as she felt that the people in the society practiced independent living and had low contact with others.
4.5 Entrepreneur E

4.5.1 Background

Entrepreneur E works as an interpreter and owns a restaurant business in the city near Stockholm. With his disappointment to enroll in police academy and his friends’ persuasion, he moved to Sweden. His first aim was to get a higher education degree and come back to Thailand. Working along his study, he turned to work as a full time employee with the airlines company. Visiting his sister in Australia, he then wanted to settle down so he traveled back to Sweden and lived here permanently as he found the Swedish living condition and social security system better than those of Thailand.

Both he and his spouse had a long desire to establish their restaurant so after working for many years and after having saved enough, they opened a restaurant. Moreover, they thought that having their own business would bring more money apart from their full time job and helped secure their financial condition. In addition, Thai food was not recognized by Swedish people and there were few Thai restaurants in town. With his social network, he had ran market test to sell Thai food at his friend’s restaurant, which he received positive feedback. Knowing that Thai food had high potential in Swedish market, they opened their restaurant in 2000.

He opened a 40-seat restaurant, located in the city closed to Stockholm, which operates from Monday to Thursday between 11 a.m. to 7 p.m. and Friday till 8 p.m., and from 1 p.m. to 8 p.m. on Saturday, with the aim to sell Thai food especially for Swedish people. 5 menus are served during lunch buffet and full courses are served during dinner with take away service available. The operation cycle starts in the morning where 3 members of staff including his spouse prepare for the lunch menu, while they prepare the material for dinner during the afternoon. The materials are mainly purchased 2 to 3 times per week from the wholesaler, with some materials sometimes purchased from supermarkets regarding their promotional campaign.

4.5.2 Personal Background

Receiving a high school certificate, Entrepreneur E worked as a company employee and he was conscripted to the military service. Completing the service, he worked as a police officer. During working, he also studied law in his part time. Thus, he failed 5 consecutive years to apply for the Royal Cadet Police Academy, therefore he resigned from the police career. He then moved to Sweden in 1977 because of his schoolmates’ encouragement and began to study in a university, first with Swedish language. Apart from studying, he had worked in an airlines company. Due to high concentration required, he stopped studying Swedish language after 3 semesters. After a full year working, he then resigned and visited his sister in Australia. He had a desire to settle down and open a small restaurant in Sweden. As his friend opened the pizza restaurant in Uppsala, he worked with his friend to cook and sell Thai food in order to run a market test, as Thai food was not known in Swedish market at that time. Fortunately there were Thai engineers making their business visits in the town so Thai food was sold out. After that he returned to Stockholm and worked as a practical nurse and male nurse for 10 years. In 2000, he established his own Thai restaurant with his spouse as a sideline career. He was currently working as a Thai-Swedish translator for 2 companies and also worked part time as a private nurse.
Both his parents had passed away in Australia. His father had worked as a lawyer and retired while working for a government agency. His mother was a food retailer and had 5 children. His eldest brother, living in Thailand, worked for a government agency and now retired. His elder sister married with an Australian man and moved to live there. First she worked as an accountant, then after her marriage, she opened a company in Thailand with her husband. His youngest sister worked as an accountant, while his younger brother was a monk. Both of them lived in Australia.

He had some entrepreneurial experiences as he had joined his sister’s business, a company providing cleaning service in Thailand, which had closed down as his sister and brother-in-law moved to Australia. Moreover, during his work in a hospital, he had as well arranged the Thai food stall during the events in the nearby cities.

4.5.3 Venture Creation Process

Entrepreneur E was influenced by his mother who was the food retailer, making him fond of good taste, so he preferred self-cook food and had others tasting his food. In addition, his spouse also worked as a chef and loved cooking. He saw a good market opportunity as there were few Thai restaurants in town and a good market response from their trail run at his friend’s restaurant. During that time, they owned adequate amount of saving and found a good place for their restaurant so they decided to start their business.

They used their saving for business establishment and aimed for small sized restaurant in the beginning stage, so additional bank loan was not necessary. The location of the restaurant was targeted and booked prior to the start of the business. There was minor decoration needed as the place was a former restaurant so the decoration time was used for advertising their restaurant as well. Most of the additional equipment was purchased in Sweden on the suggestion of his friend who owned a restaurant. As they intended to operate a small sized restaurant as family business, their relatives were hired as workers.

He registered his restaurant as a partnership company (Handelsbolag) with his spouse. The targeted customers were European people, especially Swedes. He used local newspaper advertisement to communicate with the customers. Moreover, the restaurant received the Four Golden Horses Award from the local newspaper, which guaranteed his high standard. Receiving this award, a type of public relation for his restaurant, produced a word-of-mouth advertisement to a big network in a society. Furthermore, they also gained the customer from the former Indian restaurant which they acquired.

He faced some obstacles mainly from the registration, legitimate procedure and taxation both employment and corporate tax. He found the difficulties with the registration so the restaurant’s grand opening was delayed. The hygiene requirement needed to be strictly followed as there would be a random community inspection. To meet these requirements, he used an agent control system to achieve those requirements. They also needed to redecorate some areas to comply with Swedish law. In addition, as the number of employees relating to the amount of employment, they used their relatives to reduce the cost of operation instead of hiring others labor. Lastly, he faced price competition from substituting service providers in the market who had more resources.
4.5.4 Network

Entrepreneur E has 2 main suppliers: a Chinese wholesale in Stockholm who provides mostly those Thai ingredients and Swedish company provides fresh material. He meets these suppliers since the earlier stage as the suppliers have contacted him from the telephone directory list. They offered various varieties of product and supplied free delivery of the product when ordering determined level. Furthermore, they provided trade discount and credit term which helped to reduce the operating expenses.

As Entrepreneur E worked as a translator, dealing mainly with Thai people, he knew a great number of Thai people. He as well was a vice president for Thai Temple Association in Stockholm so he usually attended religious events and other social gatherings. In addition, his restaurant was treated as a meeting point for Thai community and becoming the center where Thai people contacted each others.

Entrepreneur E found that social networks were important in the early stage of business creation when he ran the market test or was finding equipment. Furthermore, word-of-mouth from customers and public relation helped to create awareness of Thai food and restaurant to the greater number of potential customers. As a result, he rated the importance of social networks as a 7 out of 10.

4.6 Entrepreneur F

4.6.1 Background

Entrepreneur F is a massage service provider who had first came to Sweden to visit a friend. When she arrived, her friend found her a job in a restaurant. From then, she prolonged her visit till the visa expired. During her work, she had met a Swedish man, who made a guarantee for her residence permit to Sweden. She then returned to Sweden and continued her work in a restaurant in center of Västerbotten County while she was studying Swedish language. She later moved to the big city and got married to a Swedish man. She continued studying Swedish language and worked as an intern in a restaurant. With the certificate from an internship, she then got a full time job in a hospital’s culinary section.

Her main reason to become an entrepreneur was the need to be independent. She had been working since she was young and she was tired to work under others’ supervision. She also aimed for personal growth as she needed to take care of her family in Thailand. Doing her own business would better earn more income that she could raise her family effectively. With entrepreneurial desire and business opportunity she found in physical therapy treatment, she decided to start Thai massage shop.

Her shop was situated in the center area of a big city in Västerbotten County and opened from Monday to Saturday between 9 a.m. to 6 p.m. She offered traditional Thai massage, relaxation massage, oil massage, facial massage, foot massage and Thai herbal compress. The customers could purchase the discounted package for frequent treatment or purchase the massage oil for home treatment and they were required to make reservation prior to the appointment date. In addition, she provided the service to a company, treating their employees 2 days a month. The equipment were purchased once when open up the business so the main resources needed were those daily supplies of oil and towels, which were normally acquired twice a year from Swedish suppliers.
Moreover, some material, such as muscle-relieve oil or those herbal ingredients, were carried from Thailand once or twice a year, when she traveled back as only small quantity were required.

4.6.2 Personal Background

Finishing secondary school, Entrepreneur F had worked as a baby sitter and a housekeeper, then as dentist assistance. Moving to Sweden, she started working in a restaurant while she was studying Swedish language. She completed the Swedish language course after moving to the city and worked for a hospital in a culinary section. She had as well worked as an assistance chef and a bartender. Apart from that, she had done some retail selling, such as ornament and flowers during her leisure time.

She had 12 family members: her parents and 9 siblings. Her parents were farmers, working in their owned property. Most of her siblings got married and moved out, now there were 3 siblings and their children who lived with her parents. Her siblings mostly worked in a rice field in a rainy season and harvest period, and worked as a freelance worker during other period. One of her sister would visit her in Sweden for picking berries with her husband during July of every year and earning a significant amount of money to raise their family, together with her contribution. Her husband worked as a restaurant manager.

She had no direct prior entrepreneurial experiences, but she worked with many entrepreneurs in Thailand and in Sweden, ranging from the dental clinic, restaurant and retailing. Moreover, when she studied a therapy course in Stockholm, the institution had taught her about the business creation process, apart from the therapy technique.

4.6.3 Venture Creation Process

As Entrepreneur F’s great ambition is to be independent, she tried to figure out the business which would require less labor and able to survive in a long period. She then had noticed that many of her friends complained about their physical pain and aches, so she turned to Thai massage, which was popular in Thailand for dealing with these problems. The business could be started with only one operator. Consulting with her husband who fully supported her idea, she quitted her job and studied the course in Stockholm for a massage therapist diploma.

She had borrowed a loan for a tuition fee to study the therapist course. As she studied the course in Swedish, she had to practice hardly her Swedish language. During the course, she was trained not only the massage study but business creation knowledge as well. At the end of the course, she received the list of suppliers for her business contact. After graduation, she processed her business plan for company registration. The registration agency had advised her suitable location in the city center, where many health-care service providers located. Then, she purchased equipment and other materials from the suppliers in a list provided by the institution, using her own saving for all the required resources.

After she got the license from the registration as a sole trader (Enskild Frima), she started her business operation, targeting every ages of people who had physical disorder or relaxation needed. She first communicated to customer via newspaper advertisement, distributing the brochure and publishing on the web, for educating about Thai massage
and promoting her business. Then, two reporters had interviewed and published her business, considered as a public relation. Moreover, the customers also help promote her business with their word-of-mouth and could be seen as the references for new customers.

She found small difficulties in setting up her business. The registration document in Swedish language was helped dealing by her husband. The resources and capital needed were within her reach. Thus, it took almost one year after graduation to start her business, dealing with the business proposal, registration and shop decoration. She needed to study bookkeeping for recording her business transaction and submitting for taxation.

4.6.4 Network

Entrepreneur F has 2 main suppliers, one for the oil massage and another for the towel. Both are Swedish suppliers from the institution’s suppliers list, cross checking with internet search and references from her friends. The delivery is done through the post and as the quantity is not huge, they do not provide any special offer to the business. The other supplies are purchased in a local store. Thus, the relationship with customer provides more benefit especially when they become loyal customers, purchasing frequent discounted package and visiting her shop more often. Moreover, these customers become her service’s references and involve in word-of-mouth advertisement to their social network.

She knows 40 to 50 Thai people in Sweden whom she mostly met in a language institution or through coincidently encounters when wandering around the town. As part of her close network, she has around 10 close friends whom she meets once or twice a week. They have helped her in advertisement and during the early stage of her business venture. One of her friend wanted to become her business partner but withdrew after analyzing the financial resources needed to expand the business.

She views social networks as important for her business; as from the starting that she had given an assistance and support from the surrounding people to operate her business, especially the institution she studied. Apart from that, the public media support and customers’ word-of-mouth advertisement helped to create an awareness of Thai massage and her shop as well. She then rated 8 out of 10 for the importance of social networks.

4.7 Entrepreneur G

4.7.1 Background

Entrepreneur G works full time in a medicine manufacturing company and owns a cottage and car rental company. She first came to Sweden for travelling with her relatives. Getting back to Thailand, her Swedish friend went to visit her and ask her to escort him to the neighboring countries. He asked her to visit him in Sweden and they got married in a later time. Before she moved to Sweden, she had just received her bachelor degree and looked for a job. Thus, labor market was competitive at that time so she assumed superior career choice and business opportunity in Sweden than in Thailand. In addition, the higher living standard with high wages should enable her to better support her family in Thailand.
She started a business after moving to Sweden for a few years as she would like to find secondary financial resources to support her own family both in Sweden and Thailand. Her business started in Västerbotten County with her husband’s family cottage and one car, no investment required. Moreover, the business did not need close supervision or obstruct her full time work so she continued developed them little by little. She expanded her business until she now owned large premises.

Her business mainly operated during May to October of every year. She could afford 300 guests with 200 cars available for rent. The cleaning and culinary services could be arranged prior to notice. Together with her husband, they managed the administration work in the city, while she had permanent employees at site for cleaning, taking care of the property and customers. There would be yearly maintenance of the cars before the operation period as they were kept unused during winter. There were as well the insurance renewal and the gasoline expenses and the renewal of the supplies such as bed linen or curtain and renovation of the premises was done every two or three years.

4.7.2 Personal Background

Entrepreneur G finished high school in her hometown and moved to Bangkok to continue her study. She had a degree in Physical education. During her study, she had been working as a housekeeper and some part time jobs such as a referee in sport match, food retailer and photographer. When moving to Sweden, her degree could be used to apply for a job as a teacher, but she needed to learn about winter sport. As a result, she studied a course on sports in parallel to a course in Swedish. Finishing the course, she studied new courses to become kindergarten school teacher. She got pregnant during her studies, thus she finished the course only after her delivery. She then worked as an intern in a school nearby. After working as a teacher for 3 years, she resigned and worked for a manufacturing company where she started as a machine operator. She still works there and has now become the supervisor despite the fact that she was an immigrant. Apart from her full time work and the cottage and car company, she operates a Thai food catering and sometimes works as a cooking teacher for some times.

Her family main occupation was farmer, while her mother was a food retailer. She had 3 siblings. Her eldest sister was once a teacher but now resigned and ran her own restaurant. Her younger sister was an agriculturalist and owned a convenient store, while her brother operated a taxi service business. Her family in Sweden consists of 4 members, her husband who worked as company employee, her son and daughter who were now studying in a school.

She had many work experiences and had been working as self-employed for some time, especially when she was in Thailand. Thus she involved much in food retailing as she grew up with her mother selling food and she loved cooking as well. Except this accommodation services in summer time, she offers Thai food catering service for 40 to 50 people. She had as well arranged Thai food stall in Luleå market every year.

4.7.3 Venture Creation Process

Entrepreneur G at first did not aim to establish the formal organization when she started with her own property. She provided her colleagues the place for rent as she saw the opportunity when she lent her cottage to her sister. Then, she consulted with her husband to undergo the registration to operate the business formally. After a few years,
her neighbor had sold to her the adjacent land so she decided to expand the business by building more cottages. In the end, she had renovated the old school building to accommodate big group of customers. Providing that they had large areas connected to the forest, where Swedish likely spend their vacation, their resort appealed to the customers who travel from other parts of the country or from other countries.

As she started her business step by step and mainly used their profit to re-invest, she did not use much of the bank loan. Thus, they used their long-term assets for their yearly mortgage when they needed some big amount of money as for renovation or car maintenance. For their premises, they owned a piece of land, then purchased neighboring land in a later stage. As for the cars they have for rent, they had purchased them mostly through the auction held by agencies in Stockholm or cities nearby their home. The most important resource needed was the knowledge and analysis skill for business creation. As she hoped to have a long lasting and profitable business, she had studied how to get the most benefit from the type of business she registered as well as the taxation system.

She registered the business as a limited liabilities company (Aktie Bolag) with 2 owners: her husband and herself. Most of the paper work and administration was managed by her husband, while she took care of operational activities and resources acquisition. Target customers were both those who looked for the place to spend their holiday and those needed transportation service. Most of the communication with customer was done through their website and the billboard at their premises. Furthermore, the word-of-mouth advertisement from the customers helped promote their business. She did not want to advertise her business through any channel as she was not confident to handle a lot of customers as both she and her husband had a full time work.

She did not find any big difficulties doing her business. In the early stage, the resources were within reach and the responsibility was shared by her and her husband. The registration and knowledge required was managed without any problems. In addition, there was less competition in this industry. However, she realized that her business performance was not good as she continuously made investments in new assets and incurred high expenses. Therefore, she had now frozen any new investment.

4.7.4 Network

Entrepreneur G does not have any main supplier as she does not purchase any resources frequently. Moreover, the agencies for cars auction operated when they were assigned from their customers, which mostly were a governmental agency. For the customer side, she had loyal customers; both individual and organizational customers who purchase her services every year. The organizational customers are the companies who booked her accommodation for the berry-picking workers and mostly cover a 2 month period. These customers normally knew about her business from their informal network or from the former customers’ references.

Entrepreneur G works for social associations which are religious institution and child foundation, so she knows a lot of Thai people. Thus she has around 20 closed friends whom she normally talks or joins the gathering events every week. Thai people have sometimes helped to advertise her business and as well became her customers,
especially for the car rental services. Apart from the help for her main business, Thai people have supported her food stall retailing in Luleå through advertisement as well.

Entrepreneur G acknowledged the importance of social networks in starting up her business mostly in advertisement and new customer introduction. In addition, she became aware of car auction and acquired new premises through social networks. Furthermore, her social network supported her catering and food stall business as her colleagues provided references to her food and finding her the place to operate the food stall. Consequently, she rated the importance of social capital 8 out of 10.

Table 1 and 2 in the following pages summarized the main finding for each entrepreneur respectively to the subject in order to compare and contrast the relevant information for analysis and discussion section that proceeded.
<table>
<thead>
<tr>
<th>Topic</th>
<th>Business Idea</th>
<th>Industry</th>
<th>Operation</th>
<th>Migration reason</th>
<th>Business creation reason</th>
<th>Education</th>
<th>Career Development</th>
<th>Family members</th>
<th>Entrepreneurial Experience</th>
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<tbody>
<tr>
<td>Entrepreneur A</td>
<td>Thai Restaurant</td>
<td>Food</td>
<td>Full time</td>
<td>Career advancement</td>
<td>Cooking inspiration &amp; Unemployment</td>
<td>Nursing Degree</td>
<td>Private Nurse and chef</td>
<td>One child is an entrepreneur.</td>
<td>Owned a restaurant and health center with her friend, Food Truck</td>
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<tr>
<td>Entrepreneur B</td>
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<td>Full time</td>
<td>Career advancement</td>
<td>Health Problem &amp; Career need</td>
<td>Higher Vocational Certificate</td>
<td>Accountant, Retailer and housekeeper</td>
<td>Father provided taxi service and brother opened a restaurant</td>
<td>Clothes retailer</td>
</tr>
<tr>
<td>Entrepreneur C</td>
<td>Thai Restaurant</td>
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<td>Personal Reason</td>
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<td>Secondary School</td>
<td>Part time / service-related work, housekeeper</td>
<td>Father and elder sister had a construction company.</td>
<td>Food Truck</td>
</tr>
<tr>
<td>Entrepreneur D</td>
<td>Beekeepers</td>
<td>Food</td>
<td>Part time/ Seasonal</td>
<td>Personal Reason</td>
<td>Wealth &amp; Time Utilization</td>
<td>Higher Vocational Certificate</td>
<td>Cashier, restaurant staff and now work as practical nurse</td>
<td>Father and aunt had a construction company, food retailer in an event.</td>
<td>Helped her family business and did some food retailer in Thailand</td>
</tr>
<tr>
<td>Entrepreneur E</td>
<td>Thai Restaurant</td>
<td>Food</td>
<td>Full time</td>
<td>Further Education</td>
<td>Cooking inspiration &amp; Wealth</td>
<td>High School</td>
<td>Salesman, company employee, police, practical nurse and male nurse, psychologist, interpreter</td>
<td>Mother was food retailer. His sister once had a cleaning service provider company.</td>
<td>Joined his sister's business and operated food stall</td>
</tr>
<tr>
<td>Entrepreneur F</td>
<td>Thai Massage Shop</td>
<td>Health care</td>
<td>Full time</td>
<td>Career advancement</td>
<td>Independence &amp; Desire to help those suffering people</td>
<td>Secondary School</td>
<td>Baby sitter, dentist assistance, restaurant staff, assistant to chef, bartender, retail salesman</td>
<td>Agriculturalist family</td>
<td>No entrepreneurial experience</td>
</tr>
<tr>
<td>Entrepreneur G</td>
<td>Accommodation &amp; Car Rental</td>
<td>Lodging</td>
<td>Part time/ Seasonal</td>
<td>Personal Reason</td>
<td>Wealth &amp; Family Support</td>
<td>Bachelor in Education</td>
<td>Housekeeper, part time work as food retailer, photographer, teacher, company employee</td>
<td>Mother was food retailer. Her sister owned a convenient store and her brother ran taxi service.</td>
<td>Food retailer and operated food stall</td>
</tr>
<tr>
<td>Topic</td>
<td>Venture Creation Process</td>
<td>Network</td>
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<tr>
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<td>Idea Generation</td>
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<td>Difficulties</td>
<td>Business Network</td>
<td>Thai Network</td>
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</tr>
<tr>
<td><strong>Entrepreneur A</strong></td>
<td>Owned inspiration and opportunity found</td>
<td>Location, decoration, labor and equipment</td>
<td>Partnership company, using advertising, using internet, providing delivery service and on-request service</td>
<td>Labor, taxation and legitimacy</td>
<td>- 3 suppliers provided trade discount and suggestion as well as advertising</td>
<td>Knew 500 Thai from social activity, they helped to advertise the business</td>
<td>Document for business registration, taxation registration and recruitment process</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Entrepreneur B</strong></td>
<td>Health problem, opportunity found and supporting from people surrounding</td>
<td>Location, decoration, funding and equipment</td>
<td>Partnership company, using advertising, using internet, providing delivery service and on-request service</td>
<td>Legitimacy, documentation, communication to target customer, suppliers</td>
<td>- 5 suppliers provided trade discount and suggestion as well as advertising</td>
<td>Knew 100 Thai which were customer who help to introduce her shop and suggest to others Thai people</td>
<td>Social network as one part of her business and trade discount</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Entrepreneur C</strong></td>
<td>Wanted to be self-employ and supporting from people surrounding</td>
<td>Location, labor, funding and equipment</td>
<td>Sole trader, using advertising, internet and on-request service</td>
<td>Labor and investment</td>
<td>- 3 suppliers provided reduction, credit term, advertising</td>
<td>Knew 50-60 Thai from social activity, they helped to advertise and recruit some staff when needed</td>
<td>Advertising tool and recruit staff</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Entrepreneur D</strong></td>
<td>Owned inspiration, opportunity found and supporting from people surrounding</td>
<td>Labor and equipment</td>
<td>Sole trader, using public relation and marketing promotion</td>
<td>Damage product</td>
<td>- 4 suppliers provided credit term and suggestion</td>
<td>Knew 100 Thai from social activity, they helped to advertise and distribute the product</td>
<td>Public relation, word-of-mouth advertisement</td>
<td></td>
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<tr>
<td><strong>Entrepreneur E</strong></td>
<td>Owned inspiration, opportunity found and supporting from people surrounding</td>
<td>Location, decoration and equipment</td>
<td>Partnership company, using advertising and public relation</td>
<td>Labor, taxation, legitimacy</td>
<td>- 2 suppliers provided reduction and credit term and free delivery service</td>
<td>Knew many Thai from religion event, his shop was a centre for Thai people in the city</td>
<td>Market test, suggestion for equipment purchase and word-of-mouth advertisement</td>
<td></td>
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<tr>
<td><strong>Entrepreneur F</strong></td>
<td>Opportunity found, wanted to be self-employ and supporting from people surrounding</td>
<td>Location, funding and equipment</td>
<td>Sole trader, using advertising, public relation and the internet</td>
<td>Taxation and documentation</td>
<td>- 2 suppliers provided good suggestion</td>
<td>Knew 40-50 Thai from school, they helped to advertise</td>
<td>Assistance, support from the surrounding people and advertising</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Entrepreneur G</strong></td>
<td>Supporting from people surrounding</td>
<td>Decoration and equipment</td>
<td>Limited liabilities company with 2 owners, using advertising at own place and the internet</td>
<td>No main difficulties</td>
<td>No supplier, only loyal customer</td>
<td>Knew many Thai from social event, they helped to advertise and being as her customer</td>
<td>Advertisement, new customer introduction and also car auction and the acquisition</td>
<td></td>
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</tr>
</tbody>
</table>
5. ANALYSIS AND DISCUSSION

This chapter discusses the findings from seven entrepreneurs and compares the results with our theoretical review. The analysis takes the following form. The authors present the phenomena of immigrant entrepreneurs and social capital based on the empirical findings and how these reconcile and/or divergence with the literature review. The next step is to discuss the social capital related to immigrant entrepreneur. The reader will obtain an understanding of the type of entrepreneurs and the kind of social networks used by Thai entrepreneurs in business creation process and the used of social capital to develop and acquire business resources. Lastly, the intention is to endeavor the reader understand the important of social capital that Thai entrepreneur used during in the establishing business venture in Sweden.

5.1 Background

5.1.1 Business idea, industry and operation

The businesses that Thai entrepreneurs established were in food industry with 4 entrepreneurs and 1 entrepreneur each in retail, health-care and lodging industry. Most of the business ideas were connected to Thai identity as from our findings, 5 out of 7 entrepreneurs were involved in selling Thai products, foods and offering Thai massage service. The production element of Thai culture was presented to Swedish community and it was coherent with Peter de Vries’s (2007, p.16) study that food and hospitality industry had been major contribution to the host country regarding culture. The other businesses were about accommodation provider and beekeepers which our entrepreneurs developed the business from their spouses’ existing resources. Interestingly, these 2 entrepreneurs had similar working pattern as they had their full time work and operate the business in their leisure time, especially during summer vacation. Apart from that, their businesses were co-managed with their spouses. The other entrepreneurs worked full time for their businesses, either with the involvement from their spouses, relatives or in case of Entrepreneur F who operated the business herself. This was consistent with Peter de Vries’ finding (2007, p.195) that family members were highly involved in immigrant entrepreneur business as the main labor.

Focusing on the industry in which the entrepreneurs operated, it was consistent with the study of Hedberg (2009, p. 9) which found that immigrant entrepreneurs from East Europe and Asia in Sweden were highly engaged in restaurant and grocery store as 4 of our entrepreneurs participated within these industries. Furthermore, most of our entrepreneurs’ business involved special knowledge which represented their competitive advantage as Thai food and Thai massage serviced by Thai entrepreneurs could guarantee the traditional operations and taste that customers would experience (Waldinger, 2001, cited in Kloosterman & Rath, 2004, p. 3). However, the customer preference in Sweden was different compared to Thailand. Entrepreneurs who operated a business related to the food industry might have to adapt and supply product and services regarding to the target customer preferences. In addition, it was obvious that the size of the business our entrepreneurs engaged in was quite small, comprising less than 10 employees and the main labor were the entrepreneurs themselves, their spouses or close relatives. We discovered that in concordance with Peter de Vries’ (2007, p. 195) studies, family members were clearly the main source of social capital between all immigrants. This social capital helped Thai entrepreneurs to start their small size business venture abroad.
5.1.2 Reason for migration to Sweden

Both professional and personal influences significantly affected the decision to immigrate to Sweden: 3 entrepreneurs moved here for career purpose, 3 for family reason and 1 for further education. Moreover, they mostly had relatives or colleagues who already lived in Sweden and invited them to visit or travel to Sweden: 4 entrepreneurs had a Thai associates living in Sweden, while the others were asked to come here by the locals, with 1 entrepreneur visited her relatives in Sweden before her migration. For career-migration reason, 2 out of 3 entrepreneurs who were offered a job here had not planned for long stay, while another entrepreneur was impressed by the high remuneration as she worked during her traveling. For family-migration reason, 2 out of 3 entrepreneurs migrated here as they got married to a Swedish man, and another entrepreneur followed her family here. Only one entrepreneur, who came here for further education with his friends’ influence, had gradually changed his mind to set up his life in Sweden at a later time as he found a good career and national condition attractive. This could be concluded that the influences of the Thai associated living in Sweden to the immigration of our entrepreneurs were quite high, in total 5 out of 7 entrepreneurs.

Despite the primary reason above, the entrepreneurs were encouraged to migrate to Sweden from the high living standard, economical and demographical condition and social welfare system. For example, after Entrepreneur A got a Swedish citizenship, she decided to live here and work until her retirement as to fulfill the pension requirement. This was as well constant with the study of Renou et al. (2007, p. 42) which found that living standard and social welfare system were the determinants for migration to Sweden. In addition, the entrepreneurs who migrated to Sweden more than 20 years mentioned the simplified immigration method, causing no or less difficulty for migration and the great support both from governmental agency and individual person were encouraging for migration. This result showed consistence with Tsai & Ghoshal’s (1998) suggestion that structural dimension assisted entrepreneurs in approaching desired information, resources and social support.

5.1.3 Reason for starting up business in Sweden

The entrepreneurs’ reasons to operate the business in Sweden were diverse. The 3 main motivations were unemployment, wealth and independence. Difficulty in getting a satisfactory job and physical problems shed the light to entrepreneurship for Entrepreneur A and B. For Entrepreneur C and F, they had many experiences from different job and had strongly desired to be independent. As a result, they figured out that being an entrepreneur would satisfy their needs to be one owns’ boss and relief the boredom of routine work. While Entrepreneur D, E and G who had robust full-time work engaged in entrepreneurship as they aspired for wealth in order to raise their families and utilized their time and existing resources. Moreover, 2 out of 3 wealth-driven entrepreneurs managed their businesses on a part time basis and built their business using their spouse’s existing resources. Interestingly, the entrepreneurs who owned a restaurant were inspired by their love for cooking and had long experiences in restaurant industry before establishing their businesses.

We discovered another important point as there was no innovative entrepreneurs according to Bessant & Tidd (2009, p.256). Drive for independence was common for lifestyle entrepreneurs as well as the drive for wealthy aiming for better living
condition. These 2 main motives were found in 5 entrepreneurs, while the others 2 entrepreneurs were more concerned with their employment condition, where one due to employer’s close down and another due to her physical condition. The physical condition could be counted as immigrant’s employment discrimination.

5.2 Personal Background

5.2.1 Education and Work Experience

Entrepreneurs possessed various educational backgrounds from the ground level of secondary school to bachelor degree. Although 2 entrepreneurs had technical studies and had studied in a distant-learning university, they did not complete their degrees. Thus, there were 3 entrepreneurs going to the same university which was known for its first distance-learning university in Thailand. 2 entrepreneurs acquired nursing and teaching degree. When the entrepreneurs migrated to Sweden, they first studied Swedish as they did not process any knowledge about the language. Thus, those who understood English and had often practiced the language were fast paced learners. Furthermore, 2 entrepreneurs studied and worked in health-care sector, while 2 entrepreneurs were able to use their degree for their primary work. Only one entrepreneurs owning Thai restaurant had gone through a culinary school, while the others two had direct experience and inspiration for cooking. Apart from language studies, the others entrepreneurs were distract to a job during their languages course so they chose to work after that.

When the entrepreneurs lived in Thailand, 3 entrepreneurs worked in a professional job, 1 entrepreneur had just graduated, while the others engaged in a part time work or amateur job. Most of the entrepreneurs had experienced in retail business, being salesman, cashier or food retailer, and an entrepreneur who developed a business in Thailand. In Sweden, 4 entrepreneurs worked in a restaurant or other food-related service, while one worked in a cleaning service in the early stage of migration. This was consistent with Hedberg (2009, p.9) that immigrants were more involved in low-education service sector. Proceeding restaurant industry, 3 entrepreneurs engaging in health-care sector with 2 entrepreneurs who had studied and worked as practical nurse and another one who was a nurse graduated worked in elderly care in her early years. The other entrepreneurs were doing a work as a company employee and a teacher respectively.

5.2.2 Family members

With the exception of an entrepreneur whose family occupation was agriculturist, most of the entrepreneurs had at least one family members who operated their own businesses and 2 businesses were their family business passing from their parents to their siblings. The businesses they mainly engaged in were food retailing, construction and taxi service providers, where we found two families working on each of these. The parents of 5 entrepreneurs had entrepreneurial experiences and 2 entrepreneurs took part in their parents’ business. Moreover, an entrepreneur was involved in his sibling’ business. Thus, there was no strong relation between the entrepreneurs’ business idea and those of the family members as it was just one entrepreneur who was in the same industry his/her family. However, family entrepreneurial background could still be considered as one antecedent influences factor that inspired Thai entrepreneur to start business venture (Bessant & Tidd, 2009, p. 269).
5.2.3 Entrepreneurial experiences

Before starting their own business, entrepreneurs experienced some entrepreneurship either directly or indirectly. There were 5 entrepreneurs who ran a retail business, 4 in the food industry and only one in clothing. Food truck and food stall in an event were operated by 4 entrepreneurs while living in Sweden. Apart from the retail business, one entrepreneur had operated the restaurant in Thailand, while another had run a cleaning-service provider company. In addition, even an entrepreneur, who had not been self-employed, worked closely with his/her entrepreneurial employers. Thus, only one entrepreneur became an immigrant entrepreneur after being an entrepreneur in the home country. The experiences of being entrepreneur had not correlated with the entrepreneurs’ decision to become business owner, thus it provided mental support suggesting that they could handle larger operations.

Personal background provided the support to determine the inspiration of being an entrepreneur. Economical and financial drive, which was environmental influences, as well as the individual passion, growth seeking and entrepreneurs’ personal characteristic were significant drives toward entrepreneurship. Education, working experiences and family impact toward the entrepreneurship could be explained, as it was summoned as antecedence influences by Bessant & Tidd (2009, p. 269). Thus, educational level was not found to be linked with the possibility to be an entrepreneur, except Swedish language studies, while working experiences and family member’s entrepreneurial activities seemed to be obviously corresponded to the entrepreneurship. Entrepreneurial experiences of the entrepreneurs mostly in small scale business were found prior to current business, together with considerable numbers of family member engaged in entrepreneurship.

Furthermore, the individual incubator experiences seemed to partly reveal in this study as it provided great support for two entrepreneurs. As solid evidence, Entrepreneur A incurred less investment from her former employers’ assistance with the equipment and furniture, while Entrepreneur F received significant information and training for business creation from her institution, decreasing her time to locate the suppliers and enable the right message for communication to customers. The usage of social capital could be noticed here as the entrepreneurs gained the required resources from their network and these helped encourage the entrepreneurial decision.

The interview results show that a personal inspiration to undertake the business which can be sorted into 3 factors according to Bessant & Tidd (2009, p. 269). Antecedent influences contribute to the entrepreneur’s decision to start a venture. In the beginning stage of migration, most entrepreneurs had worked in low-education service section such as restaurant, elderly care or cleaning because of educational choices, family influences and previous career experiences. Type of skills and knowledge acquired or individual incubator experiences was a personal inspired by Entrepreneur B, E and G since they gained a small business experience before and interested to undertake a new business venture. Finally, environmental factors which included economic conditions, availability of venture capital, and availability of support services were another personal inspired reason. The differences in wages between Thailand and Sweden and opportunity for unfavorable industries to indigenous entrepreneurs influenced Thai entrepreneur to operate their own business and be self-employ.
5.3 Venture Creation Process

5.3.1 Idea generation

The idea of Thai entrepreneurs to start the business venture in Sweden came from different reasons. The inspiration, interests, health problem, opportunity, people surrounding and desire to be self-employed were the reason why they generated the idea to start business venture. Casson & Giusta (2004, p.230) argued that in the first stage, opportunity of business or business idea was found mostly through gathering of information which was usually retrieved from the interaction with the network members. The result showed correspondent relationship with this argument. All entrepreneurs gained idea generation in the social gathering, where entrepreneurs were found to lead the discussion into their interests, for example food related business, from their own interest together with the support from surrounding people. 3 entrepreneurs found their own interests to establish the business in Sweden from their preferences and experiences which would consider as competitive advantage for their business. Conformity between the finding and the study of Kloosterman & Rath (2004, p. 2) was found that immigrant entrepreneurs may have expertise knowledgeable of demand and supply which was relating to new market in Sweden. Entrepreneur A loved to cook Thai food as well as Entrepreneur E while Entrepreneur D used her own experiences in adapting the new flavor of honey to the market potential in Sweden. The surrounding people were the main factor which almost all Thai entrepreneurs obtained the business idea from. Apart from Entrepreneur A, people surrounding the entrepreneurs had influenced them to start business creation. Entrepreneur B, D, F and G got fully support from her Swedish husband as well as Entrepreneur C who got supporting from her stepfather and her mother. Moreover, Entrepreneur E was influenced by his mother who was the food retailer to establish his own restaurant. This result showed consistency with Peter de Vries’ (2007, p. 195) that the ethnic entrepreneurship depended on their community and family members, most importantly their spouses in order to develop business and become the main source of workforce.

Apart from the ethnic entrepreneurship, 2 entrepreneurs searched out the business idea when they were bored with their full time job and wanted to be self-employed. Entrepreneur C was studying and found herself tired of her routine job before setting her own business. Entrepreneur F had a great ambition to be independence and tried to figure which business would be profitable. Thus, she decided to study in order to acquire a diploma for her business. Health problem was the reason for Entrepreneur B to create her business venture. Once she could not work and found the difficulty to apply for a job because of physical problem, she tried to find another job which she was able to do. Like the other entrepreneurs, she foresaw the market potential of Thai supermarket in northern Sweden which could not be found at that time. Entrepreneur A and E also found the opportunity in the Swedish market since Thai food was recognized by Swedish and there was a few number of Thai restaurant which could potentially be a good market in Sweden. Furthermore, the health problem faced by community members was also a market potential for Entrepreneur F to start Thai massage business. After Entrepreneur F found this opportunity, she went to study and established her own business as she was bored with her job and would like to be self-employed at the time. Thai entrepreneurs viewed the importance of social network not only for producing particular benefit but as a mutual process to learn about the other, find out the background, experience, characteristic and viewpoint (Anderson & Jack, 2002, p.202). We could disclose that Thai entrepreneurs viewed social capital as a tool to gathering
information from the target market and acquiring business regarding to the market potential found.

5.3.2 Resource acquisition

The resource acquisition from different kind of business was similar for Thai Entrepreneur in Sweden. There were 5 main resources acquisition needed by Thai entrepreneur to start their business venture: location, decoration, labor, funding and equipment to operate their business.

The location was the first resource needed by 5 Thai entrepreneurs especially for the entrepreneurs who started their business related to the food industry. Entrepreneur A, C and E used the location where it was the restaurant before. The product price was an important factor for them in order to operate the business profitably. Entrepreneur B found the location not far away from their home which was big enough to expand her business capacity, while Entrepreneur F got the suggestion from the registration agency to operate her business nearby the place where many health-care service providers were located. We discovered that social capital helped the entrepreneurs in contacting reliable person which here meant through the registration agency, entrepreneurs could discover the business contacts who were reliable not to imitate the business idea as according to Casson & Giusta (2004, p.231) studied.

The decoration was needed after the entrepreneurs had found the location to run their business. Entrepreneur A and E who ran business about the restaurant had performed minor decoration since it was the restaurant before. Thus, Thai style was associated with the shop atmosphere. Entrepreneur B and E found the necessity to decorate their places too. The shelves were installed in Entrepreneur B’s supermarket but she had not done main decoration. A location where Entrepreneur E found was the school before which she had to decorate and changed that school to be a summer house for her business.

Moreover, the appropriate number of employee was the important issue for Thai entrepreneurs to run their business profitably. Due to the fact that the taxation system in Sweden was different from Thailand, most of the Thai entrepreneurs found the difficulty to hire adequate number of labor. The employment rate of taxation was high therefore most of Thai entrepreneur ran business themselves with the minimum number of hiring employees. However, some kind of business for example restaurant was required to hire the employee in order to run the business. Entrepreneur A and C therefore hired 2-3 employees to help them operate the restaurant. By the way, Entrepreneur E who started business about Thai restaurant did not hire many employees since they ran the business as a family business with a help from their relatives. Furthermore, Entrepreneur D also did not hire any worker due to the high labor wages and employment tax. Their relatives then became the key workers for them and enabled them to run their business without hiring additional employees. Consistent with the findings of Peter de Vries (2007, p. 195), family members were clearly the main source of social capital between immigrants. Ethnic community or family component usually involved in the immigrant entrepreneur business. Paid and unpaid family labor especially spouse which were the part of family member was considerably depended upon the immigrant entrepreneurs workforce.

Capital or funding was the important resource for Thai entrepreneurs to establish their business in Sweden. The higher amounts of capital investment were needed since most
of the things in Sweden were more expensive than in Thailand. Some of the Thai entrepreneurs used their own saving money or supporting from their parents to start the business. However, 3 Thai entrepreneurs had borrowed the bank loan to establish their business since they did not have enough saving to start the business. Entrepreneur B borrowed 5% of total investment, while Entrepreneur C used 50% bank loan to start her business. Entrepreneur F also borrowed a bank loan for acquiring her expertise skill regarding to Thai massage business. In addition, all equipments and variable resources for each kind of business were needed. Many suppliers had been searching through the internet and the suggestion of the surrounding people which considered as a social network which was important tool for Thai entrepreneurs to acquire the resources needed. To sum up, the interview result showed positive correlation between social capital and a help to meet potential business partner and resource acquisition from the surrounding people (Casson & Giusta, 2007, p.232).

5.3.3 Market Organization

3 Thai entrepreneurs registered the company as a partnership company (Handelsbolag) while another 3 entrepreneurs registered their company as a sole trader (Enskild Firma). Only 1 entrepreneur registered a business as a limited liabilities company (Aktiebolag) with 2 owners. Entrepreneur G who registered the business as a limited liabilities company had a tax-exempt advantage over the others but committed to higher initial capital. Thus, her business was the largest scale of all.

According to Casson & Giusta (2004, p.232), the entrepreneurs had to specify target customers and determined the distribution channel for their product. The interview showed that Thai entrepreneurs who ran the business in Sweden targeted 2 main markets. Thai people, including students and immigratory people, were targeted for business related to Thai product. For business related to Thai tradition and culture, the target was mainly Swedish people since Thai culture and norm were well known and became famous for Swedish people.

The advertising such as newspaper and local magazine were used by 5 Thai entrepreneurs to communicate with the customers. The result also demonstrated consistently with Casson & Giusta (2004, p.232), who studied that the word of mouth was the important tool for entrepreneurs to advertise their business to the target customers. Through the network, entrepreneurs could convey the information and advantages of their product, enhance brand awareness or even promote it. Moreover, Entrepreneur D, E and F used public relations to communicate their business to the market. The public media for example newspaper interview column and award was considered as public relations to guarantee high standard of their business and to produce a word-of-mouth advertisement to a big network in a society. Through network, marketing strategies such as public relations, advertising, events or organizational activities could be used to communicate between the organization and its target customer (Casson & Giusta, 2007, p.232). Sales promotion was used to attract and develop customer loyalty. Discount trade and free sample were used to advertise Entrepreneur B and D business respectively and to increase the sales volume. Furthermore, the billboard at Entrepreneur F premises was used to promote their business. The limitation of business capacity was the main factor for Entrepreneur F not to advertise on the media channel since they had a full time job and would not be able to handle lots of customer. In addition, the internet was also one marketing channel for 5 Thai entrepreneurs to advertise their business to the target customer. For example, the
customer could look the menu from the Entrepreneur A and C’s website and order for take away via telephone. The customer could also look for a product catalog from the Entrepreneur B’s website. The delivery service was providing for Entrepreneur A and B business. The customer could order and wait for the delivery service under the agreement condition. Besides these services, the other demand was served through customers’ requests such as occasional catering, Thai traditional dancing and Thai food by entrepreneur A, C and B respectively. By doing these, target customer could become loyal customer which was consonant with Casson & Giusta (2004, p.232) who showed that entrepreneur required to convince members of a social network to be in their customer club, which improved both their business and their brands’ value.

5.3.4 Difficulties

The difficulties for the Thai entrepreneurs in running their business were varying. The main obstacles to establish the business in Sweden for Thai entrepreneur were labor, taxation and legitimacy especially food-related industry. Due to the higher rate of taxation in Sweden for Thai entrepreneurs, the appropriate number of employees had been hired by Entrepreneur A, C and E. Especially for Entrepreneur G, she did not hire any additional labor as to reduce the operating expenses. The taxation system in Sweden was the obstacle for Entrepreneur A, E and F since they all did not understand the taxation system and needed help from Swedish people. Most of the Thai entrepreneurs in Swedish asked their spouses to help with this problem. Legitimacy was the biggest difficulties for Entrepreneur A, B and E who started business related to the food industry which had strict procedures. We could concluded that family members especially spouse was highly involved and helped Thai entrepreneur to unravel the difficulty to setting up the business in Sweden similar to the study of Peter de Vries (2007, p. 195).

Another related problem regarding to the Swedish business environment was the Swedish language. Entrepreneur B and F found the difficulty to register the company smoothly since they did not clearly understand Swedish. Thus, help from the social networks was utilized. The suppliers could sometimes be an obstacle for Entrepreneur B to run her business. They occasionally delivered wrong product or waste product where the refund could involve higher expenses than the compensation. Thus, she had tried to sell the products instead of returning them. Moreover, the environment could become the obstacles, such as the damage with the bees’ hives which could not be identified whether it happened by accident or someone’s intention. This uncontrollable condition as well as the weather might sometime become a problem for Entrepreneur D. Furthermore, the capital investment was the important difficulty for Entrepreneur C to start her business venture. Since Entrepreneur C did not have enough funding to establish her own restaurant, she had to borrow a capital investment from her stepfather and also from the bank. The rest of the entrepreneurs who had been married with Swedish people did not have problem with a capital investment since their spouses could support them to run the business. Apart from other Thai Entrepreneurs, Entrepreneur G did not find any difficulty to start and run their business. She was well prepared before starting her own business since the first initial land belongs to her spouse and no capital investment and advertising were needed.

The result are congruent with Kloosterman & Rath (2004, p. 2) who studied that immigrant entrepreneurs had a difficulty to start business venture in the new business environment; the different customer preference, the barrier of language and especially
the process of setting up the new company such the taxation system and legitimacy. Thai entrepreneurs have remarkably been pressured by high taxation both for business and employment, resulting in hiring the limited number of employees or having spouse or relatives working for the business. Furthermore, the barrier of language during business legitimacy is as well a concern, thus their spouse or their social networks are a great help to deal with this problem.

5.4 Network

5.4.1 Business network

Most of the Thai entrepreneurs received advantages of reduction price and suggestion from their suppliers. The number of suppliers differed between 2-5 suppliers except for Entrepreneur G who had no frequent supplier. The price reduction as a wholesaler strategy was provided to Entrepreneur A, B, C and D while Entrepreneur C, D and E got the beneficial credit term of payment. Most of the suppliers were in Sweden and some materials were imported from Thailand. All entrepreneurs except Entrepreneur C got the suggestion from the suppliers or business partner about where to buy the raw material and which supplier could provide other varieties of product. Entrepreneur E also got a free delivery service whenever they ordered in the high value of product. Regarding customers, Thai entrepreneurs got the advantage from the word of mouth advertising the most. They found that the word of mouth from their network was an important tool to communicate with their customer. In some case, those customers would become the loyal customer in the future.

Through the business network, Thai entrepreneurs gained the access to the resources and received many benefits, for example trade discount or word-of-mouth advertisement, from their network to develop and sustain their business both upward and downward the supply chain. Supplier network significantly benefited entrepreneurs in acquiring cheaper resources and transaction cost reduction, while customer network provided to the business the references point and advertisement at no cost and customer loyalty from good relationship with customers (Casson & Giusta, 2007, p.224). The structural dimension of social capital was tied with this network, providing the entrepreneurs resources’ access and business advice (Anderson and Jack, 2002; Johannisson et al., 2002), and occurred from the relationship within a social structure (Tsai & Ghoshal, 1998). In addition, bridging view of social capital could be interpreted from this network as information exchanged and influences over the others within the network connected the members of the network together. Moreover, individual entrepreneurs derived unique benefits from the network and practiced them for their business establishment (De Carolis & Saparito, 2006, p.43).

5.4.2 Thai network

All of Thai entrepreneurs knew more than 40 Thai people in Sweden. They usually knew each other in the social activity or religious event for example at Thai temple in Fredika. This showed the high religious admiration for Thai people so Thai people often associated and bonded with one another through the religious gathering. This was consistent with Casson & Giusta (2004, p.232) who found that non-profit or religious group could become the source of social capital. The Thai network was not involved in concrete business development or in introducing new business partner for most of Thai entrepreneurs, except Entrepreneur B since they mainly targeted Swedish customers. In
contrast, Entrepreneur B started the business related and targeted to Thai people so Thai network would be important to her. Without Thai people, Entrepreneur B would not started their business venture in Sweden. Thai network played an important role as one of the advertising channel. The word of mouth would be worth for every Thai entrepreneurs since Thai network could help them to introduce the business to the people they knew. Moreover, Thai network could be used as a recruiter centre for Entrepreneur C especially when she wanted to hire more employees for her own restaurant. Thai restaurant sometimes could be a centre of Thai people to have a meeting and gathering for Thai people in the community. Furthermore, Thai people often suggested Thai entrepreneurs in what they had experienced, for example they introduced new suppliers they had found when they were traveling. Thus, Thai restaurant owners or Thai supermarkets could have a new supplier which might provide a variety of product with competitive price.

Within the Thai network, relational dimension of social capital was presented as relational trust helped converting social ties to economic ties (Dahkli & De Clercq, 2004, p. 113). Involving members of the social network in the economic entity, entrepreneurs received word-of-mouth advertisement and new business advice and suggestion through the network. According to De Carolis et al. (2009, p.532), social networks and relational capital provided new venture creation a support and knowledge gaining from the network, which was consistent to the activities performed by the Thai network’s member. Within the community, business transaction entrepreneurs had with the members of Thai network were infrequent so social trust or economic trust evidence was not visible. Thus, the bonding view of social capital was consistence with this network as internal tie and collective actors were focused (Adler & Kwon, 2002, p. 19). Within the close-loop Thai network, entrepreneurs showed evidence that they were economically helped by other members without reciprocal benefit needed and they showed trust and commitment to be shared with others members as well.

5.4.3 Social networks

Business network, Thai network and family member involvement were found during business venture creation process as well as in current operation. These social networks represent social capital which was an ‘Invisible infrastructure’ with high-trust relations between members (Casson & Giusta, 2007, p. 224). Thai entrepreneurs used both the bridging and bonding of social capital in their social network to create economic exchange with surrounding people and gain from the relationship. On the supplier side, the value of the entrepreneurs’ account affected the level of contribution from the suppliers. Thus, it showed no difference on the customer side as similar relationship was found between the entrepreneurs and customers despite the size of the business. The structural and relational dimensions of social capital were undoubtedly utilized, while the cognitive dimension could be inferred when structural and relational social capital took place as it referred to the communication between people with similar characteristics (Nahapiet & Ghoshal, 1997, p.36).

All Thai entrepreneurs rated the importance of social networks higher than 5 points, with 8 points from 3 entrepreneurs. As a result, social networks had positive relationship with business venture creation process. They saw the social networks as a tool that helped them both in the early stage of establishing the company and to run a business venture. In the venture creation stage, the social networks helped entrepreneur A to acquire low-cost equipment, handled with all documents needed for business
registration, taxation registration and recruitment process. Then, during current operation, the business partner, providing the discount rate and credit term, is beneficial for Entrepreneur B in order to operate the business profitably. In addition, the suggestion, assistance and advertising were seen as the advantages of this social network for the Thai entrepreneurs. Therefore, the social network was the important factor for them to establish business venture in Sweden easier and help to stabilize their business.

In summary, Thai entrepreneurs used both bridging and bonding social capital in business venture creation process. Bridging social capital was used with the business network and social network for gathering information and acquiring resources necessary for their business. Bonding social capital, on the other hand, governed the trust and obligation within the family and Thai network, which benefited the entrepreneurs in labor and capital acquisition and word of mouth advertisement. Structural dimension of social capital was utilized mainly through business network, while relational dimension was employed in the family or Thai network. Thus communication within the social network, cognitive dimension was utilized to facilitate the economical exchange.
6. CONCLUSIONS

This chapter concludes this study by providing the reader with the major findings as demonstrated in the elaborated model of the conceptual framework, presenting the relationship between social capital and the business creation start up process of Thai Entrepreneur in Sweden. In addition there is an endeavor to provide an answer to the research question. We furthermore provide concluding remarks about the types of social capital used together with the difficulties found in the early stage for establishing business venture before our suggestions for future research.

6.1 Model of ‘Conceptual Framework’

In line with the purpose of our study, we have found that social capital relationships played an important role in contributing toward the business creation process of Thai entrepreneurs in Sweden. We further describe our initial model by elaborating social capital factors that we study. Thus, we conclude on the various phenomena by using the empirical finding to support the relationship shown in the conceptual framework model in Figure 2.

![Conceptual Framework Diagram](image)

**Figure 2: Conceptual Framework**

In the conceptual framework model, entrepreneurial background together with social network and social capital are influential for immigrant entrepreneurs in business venture creation process. In every process of business start-up, the social networks which entrepreneurs are part of, can be a source of social capital that facilitate and affect how entrepreneur handle each process to establish the business venture successfully. Based on two types of social capital, there is a difference between bridging and bonding social capital used by Thai entrepreneurs. First, bridging social capital is evidently related in first two steps of the start-up process: idea generation and resource acquisition. Then, bonding social capital is associated in the following steps of start-up process, market organization, as well as in resource acquisition process.

In business creation process, entrepreneurs usually start with the business idea which came from many sources, for example inspiration, interests, health problem, opportunity
and surrounding people. After committing with the idea, resource acquisition stage then follows. For Thai entrepreneurs, the main resources needed to start-up the business are: location, decoration, labor, funding and equipment to operate their business. Last, market organization, Thai entrepreneurs mostly register the business in both sole trader and partnership companies. The advertising in a newspaper and local magazine are mainly used to communicate with the customers. Experiencing the product and service supplied by Thai entrepreneurs, the customers were greatly satisfied and which led to repeat transactions which stabilized the Thai entrepreneurs’ business.

However, business creation in a foreign country may be somewhat complex due to the differences in business environment. The difficulties for Thai entrepreneur to run their business are varying. The main obstacles to establish the business in Sweden for Thai entrepreneur are labor, taxation and legitimacy especially food-related industry. Another related problem is the language barrier. Even entrepreneurs studied Swedish language when migrating to the country; they find the difficulty to register the company smoothly since they do not clearly understand Swedish. Moreover, high capital investment business may face additional problem to acquire the capital.

Social capital plays an important role in both business creation process and solution to the difficulties. Both bridging and bonding social capital are used by Thai entrepreneurs to create economic exchange with surrounding people and gain from the relationship. With business network through structural social capital, Thai Entrepreneurs gain the access to resources and business advice. While Thai network and family member involvement show the relational social capital which help entrepreneurs in being advertising channel and source of business labor.

The uses of social capital also solve the problems the entrepreneurs faced. Spouse and family members are used to decrease the number of labor needed to operate the business. Moreover, social network, especially friends or colleagues who work in the same industry greatly help in a taxation and legitimacy clarification. In addition, entrepreneurs’ spouses are highly important in helping entrepreneurs dealing with language barrier in documentation. In capital requirement, most of the entrepreneurs use their own saving but for high investment business, entrepreneurs have acquired capital from bank or their relatives.

Social capital is positively viewed by Thai entrepreneurs as an important instrument in establishing business venture in Sweden. Apart from solving the difficulties presented above, social capital helps entrepreneurs in advertising their business through word-of-mouth, acquiring business partner, resources and reducing transaction cost. Furthermore, entrepreneurs obtain competitive price and secure resource making the business profitable and sustainable.

Prior studied have verified the relationship between social capital and immigrant entrepreneurs, our study further supplement this relationship as we find the importance of social capital for Thai entrepreneurs in Sweden during the early stage of business venture. Our study likely represents the first attempt to examine the relationship between social capital and business creation process of Thai entrepreneurs in Sweden. We have then discovered how the entrepreneurs travel through their venture creation process and the difficulties they face during those processes and presented both migration and business establishment motives behind Thai entrepreneurs. In addition, this study could be used as a guideline for new or nascent entrepreneurs either Thai or
other nationality how they could utilize social capital in their business establishment process in Sweden or elsewhere. Furthermore, our study finds that social capital both bridging and bonding are significant tool for entrepreneurs in acquiring resources for business creation. This study, in addition, reveals the importance of the ethnic community for immigrant entrepreneurs for new venture creation so both the community and governmental agency can either directly or indirectly support the immigrant entrepreneurs through supporting this network.

In sum, the main contributions to research on the issue of immigrant entrepreneurs and social capital are that this study reveals Thai entrepreneurs’ background and their business venture creation process. Furthermore, it provides explanation how Thai entrepreneurs utilize and benefit from social capital which has not been identified in a prior study. Furthermore, the study as well indicates that most of the Thai entrepreneurs in Sweden have used Thai culture, mainly food and knowledge as their unique business offer. Migrating to Sweden, they either have Thai friends or relatives living in Sweden or know the local people before migration. They have somewhat close relation with Thai community in Sweden, and this community has rendered the support to some extent to Thai entrepreneurs, especially through the word-of-mouth advertisement of their products or services.

### 6.2 Further Research

Our study proposed that the important of social capital in other industries, other country and other business process should be studied in more detail. This study did not elaborate on this aspect because it would have been outside the scope of the study. In future research it would be interesting to study how social capital can help entrepreneur to develop their business in different industries. Immigrant entrepreneurs and social capital are concepts that needed further investigation, therefore the following are our suggestions for further research.

- Due to the significant positive result in the importance of social capital in the establishing business creation process, it would be interesting to study further in other business development process. The social capital can be an important instrument in business creation but it may also provide different result in other stage of the business process.

- We believed that our findings can be applicable in different countries. It would therefore, be interesting to see the results firstly in another country in Scandinavian, secondly in different contexts within Europe and lastly outside the European continent.

- Our interviews concentrated on Thai entrepreneur in Sweden, especially in the food and service industry. Comparative studies across industries could be useful.
7. QUALITY CRITERIA

In this chapter, we present the trustworthiness of our study based on its credibility, transferability, dependability and confirmability. It is a possibility that a study conducted will not generate the result it aimed to so there is a need for evaluation using this criteria.

Quality criteria are used to evaluate the quality of research. There are three famous quality criteria to consider in conducting research: reliability, replication and validity (Bryman & Bell, 2007, p. 41). However, there are some arguments toward these measurements that they could not fully evaluate qualitative research, such as predictive validity where the future criterion are asked to evaluate the theory, in this case the entrepreneurs’ prospect uses of social capital in their venture creation could not use to determine the influence of social capital on the entrepreneurs. Therefore, trustworthiness is used to measure our research after handling the analysis and conclusion part.

Trustworthiness, comprising of credibility, transferability, dependability and confirmability, is the criteria for judging the quality of this study (Bryman & Bell, 2007, p. 411). Credibility refers to the good practice used to conduct the research and research finding acceptance by the respondents. Transferability requires the context of the study to be disclosed so further research can be developed on or contrasted, closely matched with external validity. Dependability is compared to reliability, having complete record of the research process that can be verified as using proper procedures. Confirmability is to prove that the researcher’s value or background knowledge does not influence the conduct and finding of the research.

Respondent validation, which is a process whereby a researcher presented the finding and request feedback from the respondent (Bryman & Bell, 2007, p. 411), is applied to prove the credibility of our study. The respondents will recheck whether the transcribed information is correctly presented what they intend. Then, variance or misinterpretation is solved. Some improper words have been changed as per respondents’ comments. For transferability and dependability, the respondent selection process is described in the methodological part, with the preconception that may involve in the research process. In addition, reason for selected research type and epistemology view is described in the methodological part as well. For confirmability, it is our main focus to restrict the impact of personal judgment during the research process, particularly in the process of analysis. The transcription is at least adjusted when presenting the finding as to minimize the authors’ value influences on the information.

In addition, the trustworthiness is warranted by the verification of interview guide during the thesis supervision and the uses of scientific articles as the theoretical framework basic. Both activities are qualified as face validity, approving by experts if the measure reflect the intended concept and construct validity, proving that the chosen measurement is quantified for the chosen concept.
References


Webpages:


Appendixes

Appendix 1: Interview guide in English

Our names are Thanan S. and Siriluck A. We are currently studying at Umeå School of Business at Umeå University. During this semester, we are about to complete our studies by writing the master thesis. Our thesis topic is Social Capital: Tool for Thai Entrepreneurs Business Creation in Sweden. Social capital refers to social interaction which provides benefit in business practices. The purpose of the study is to explore the importance and types of social capital Thai entrepreneurs in Sweden used for the business venture creation process. We would like to ask for permission to interview you as Thai entrepreneurs, for studying and gathering information to support our topic as above. In addition, we would like to thank you for sacrificing your time for the interview.

During the interview we will discuss how and why you choose to start your business and which persons in your surrounding that have been important and have helped you in this process. The interview will also focus on business venture creation process and related social capital. These topics will involve following questions;

1. Background
   a. Current Business idea scope & industry
      i. Could you briefly describe your business idea?
      ii. Describe your normal business operations process.
   b. Reason why they migrate to Sweden
      i. When did you move to Sweden?
      ii. Why you decided to live here?
   c. Reason why they start business in Sweden
      i. When did you start your own business in Sweden?
      ii. Why did you become an entrepreneur abroad?

2. Personal Background
   a. Educational & Career development
      i. Could you please give a brief introduction of yourself?
      ii. What are your education backgrounds?
      iii. Please share your prior working experiences with us.
   b. Family member
      i. What do your family members do?
      ii. Has anyone in your family been an entrepreneur?
      iii. Is anyone in your family currently an entrepreneur?
   c. Entrepreneurial experience
      i. Did you have any entrepreneurial experience before you started your business in Sweden?
      ii. Do you have previous entrepreneurial experience abroad?
3. Venture Creation Process – Describe the entrepreneurial journey

a. Idea generation
   i. How did the business idea emerge?
   ii. Who or what was the influencer to start business creation in Sweden?
   iii. Who helped you to shape this idea?

b. Resource acquisition
   i. What were the resources needed to create your business?
   ii. How could you find these resources?
   iii. How did you find capital investment?

c. Market organization
   i. How did you register your own business in Sweden?
   ii. How did you define your target market?
   iii. How did you communicate with your customer?
   iv. How did you distribute your product/service?

d. Difficulties find in each stage and solution used
   i. What were the difficulties to establish your own business in Sweden?
   ii. How did you solve that kind of problem?
   iii. What did you find the most difficult problem in running business in Sweden?

4. Network

a. Business network
   i. How many business partners do you have at the moment?
   ii. Could you please describe how your business network looks like?
   iii. How do you know them?
   iv. What benefits did you get from this business network?
   v. Did this network help you to start up your business?
   vi. If yes, how did they help you?

b. Thai network
   i. How many Thai people in Sweden do you know?
   ii. How did you get to know them?
   iii. How frequently do you have a connection with them?

c. Thai business network
   i. What did you get from Thai social network during your business venture creation process?
   ii. How did Thai social network help you regarding to your business?
   iii. Have any new business partner been introduced from this social network?

d. Social network
   i. Is social network relevant to your business creation?
   ii. Could you rate the important of social networks according to your business creation process? (10= highly important, 1= no importance at all)
Appendix 2: Interview guide in Thai

สวัสดีค่ะ ผมชื่อ ธนันญ์ สุวรรณาพิสิทธิ์ และ ดิฉัน อริชัย ศิริลักษณ์ อภิรัตน์ภิญโญ พวกเรากำลังศึกษาปริญญาโทอยู่ที่มหาวิทยาลัย Umeå คณะสังคมศาสตร์ ในเทอมนี้พวกเรารับเรื่องจินตนาการในประเทศไทย ซึ่งเป็นส่วนหนึ่งในการศึกษาเรื่องการศึกษาปริญญาโท หัวข้อที่น่าสนใจของพวกเราคือ ทุนทางสังคมในการเริ่มต้นธุรกิจในประเทศสวีเดนของผู้ประกอบการชาวไทย ทั้งนี้ทุนทางสังคมหมายถึงความสัมพันธ์ที่เราสามารถนำมาสร้างผลประโยชน์ทางเศรษฐกิจได้ ปัจจุบันพวกเรารู้สึกว่าเป็นทั้งการศึกษาประเภทและความสำคัญของทุนทางสังคมที่ผู้ประกอบการชาวไทยใช้ในการเริ่มต้นธุรกิจในประเทศสวีเดน พวกเราจะจึงขออนุญาตสัมภาษณ์คุณ ครับ/ค่ะ เพื่อศึกษาข้อมูลในการสนับสนุนหัวข้อที่กล่าวถึง ทั้งนี้พวกเรายังขอขอบคุณคุณ ครับ/ค่ะ ที่มาจากเวลาให้ในกิจกรรมนี้

ระหว่างสัมภาษณ์ พวกเราจะสอบถามเรื่องวิธีการทำธุรกิจในประเทศสวีเดน รวมถึงบุคคลรอบข้างที่มีความสัมพันธ์หรือให้การสนับสนุนในการเริ่มต้นธุรกิจ ซึ่งหมายรวมถึง พวกเราจะมุ่งเน้นไปที่ขั้นตอนในการเริ่มต้นธุรกิจ และทุนทางสังคมที่เกี่ยวข้อง พวกเราจะขอเริ่มต้นโดยการให้คุณ ครับ/ค่ะ แนะนำตัวและ

1) ภูมิหลัง
   a) แผนธุรกิจปัจจุบัน ลักษณะและประเภทธุรกิจ
      i) รายละเอียดแผนธุรกิจอย่างถัดไป
      ii) รายละเอียดธุรกิจสำนักงานธุรกิจในปัจจุบัน
   b) เหตุผลที่เข้ามาอยู่ที่ประเทศสวีเดน
      i) อธิบายเหตุผลที่เข้ามาเป็นที่ตั้งในปัจจุบัน
      ii) ที่มาถึงเป็นที่ตั้ง
   c) เหตุผลที่มาสนับสนุนธุรกิจที่ประเทศสวีเดน
      i) เริ่มต้นธุรกิจที่นั่นตั้งแต่เมื่อใด
      ii) ที่มาถึงเป็นที่ตั้ง
2) ข้อมูลส่วนตัว
   a) การศึกษาและประสบการณ์การทำงาน
      i) รายละเอียดการศึกษาและประสบการณ์การทำงานที่ผ่านมาที่ทำเป็นผู้ประกอบการ
   b) สมาชิกครอบครัว
      i) มีจำนวนสมาชิกในครอบครัวทั้งหมดกี่คน แต่ละคนทำงานอะไรบ้าง
      ii) ถ้ามี เล่าประวัติการศึกษาและประสบการณ์การทำงานที่ผ่านมาที่ทำเป็นผู้ประกอบการ
     แล้วเป็นผู้ประกอบการหรือเป็นผู้ประกอบการในต่างประเทศ นอกเหนือจากสวีเดนหรือไม่
   c) ประสบการณ์ในงานที่เป็นผู้ประกอบการ
      i) เคยเป็นผู้ประกอบการหรือไม่ มีประสบการณ์เกี่ยวกับการเป็นผู้ประกอบการ ที่ทำมาที่ผู้ประกอบการใช้ตามเป็นสุนัขปิ้งจูบัน
     หรือไม่
      ii) เคยมีประสบการณ์การเป็นผู้ประกอบการในต่างประเทศ นอกจากที่สวีเดนหรือไม่

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3) ขั้นตอนการจัดตั้งธุรกิจ

a) Idea generation
   i) ได้มีแนวคิดในการทำธุรกิจมาจากไหน
   ii) อะไรเป็นสาเหตุสำคัญที่ทำให้เริ่มธุรกิจที่สวีเดน
   iii) มีใครเป็นที่ปรึกษาในการพัฒนาแนวคิด หรือแผนธุรกิจหรือเปล่า

b) Resource acquisition
   i) สิ่งจ้าเป็นในการเริ่มต้นธุรกิจมีอะไรบ้าง
   ii) ได้สิ่งเหล่านี้มาจากไหนและอย่างไร
   iii) แหล่งที่มาของเงินทุนที่ใช้ในการทำธุรกิจ

c) Market organization
   i) จดทะเบียนการค้าในสวีเดนในรูปแบบไหน อย่างไร
   ii) มีการกำหนดกลุ่มลูกค้าเป้าหมายอย่างไร
   iii) มีการตัดสินใจสร้างกลับลูกค้าอย่างไร (การโฆษณาหรือบอกกล่าวแก่ลูกค้าอย่างไรในการเริ่มต้นธุรกิจ)
   iv) จัดส่งสินค้าให้ลูกค้าได้อย่างไร อย่างไร

d) ปัญหาและวิธีแก้ไขปัญหาในขั้นตอนต่างๆ
   i) ประสบปัญหาอะไรบ้างในการเริ่มต้นธุรกิจที่สวีเดน
   ii) ใช้วิธีใดในการแก้ไขปัญหานั้นๆ
   iii) อะไรคือปัญหาสำคัญที่สุดในการเริ่มต้นธุรกิจ

4) เครือขาย

a) เครือขายธุรกิจ
   i) ปัจจุบันมีคู่ค้าทางธุรกิจจำนวนเท่าไร เช่นผู้จัดส่งวัตถุดิบ หรือผู้จ้างพนักงาน
   ii) ซื้อขายเครือขายธุรกิจของคุณ
   iii) รู้จักเครือขายธุรกิจต่างกล่าวได้อย่างไร
   iv) ได้รับประโยชน์อะไรบ้างจากเครือขายธุรกิจ
   v) เครือขายธุรกิจมีส่วนช่วยในการเริ่มต้นธุรกิจไหม
   vi) อย่างไร อย่างไร

b) เครือขายคนไทยในสวีเดน
   i) ผู้ประกอบการรู้จักคนไทยในสวีเดนจำนวนเท่านั้น
   ii) ผู้ประกอบการรู้จักคนไทยในสวีเดนจำนวนเท่านั้น
   iii) ผู้ประกอบการมีการติดต่อกลุ่มคนนั้นบ่อยแค่ไหน

c) เครือขายคนไทยในเชิงธุรกิจ
   i) เครือขายคนไทยมีส่วนร่วมในการเริ่มต้นธุรกิจหรือเปล่า
   ii) เครือขายคนไทยมีส่วนร่วมในการดำเนินธุรกิจหรือเปล่า
   iii) เครือขายคนไทยมีส่วนร่วมในการหาเครือขายทางธุรกิจหรือเปล่า

d) เครือขายทางสังคม
   i) เครือขายทางสังคมมีส่วนในการเริ่มต้นธุรกิจมั้ย
ถ้าสมมุติว่ามี 10 คะแนน คุณจะให้คะแนนความสำคัญของเครือข่ายทางสังคมในการเริ่มต้นธุรกิจเท่าไหร่

ถึงตอนนี้พวกเราก็ได้ตกลงเป็นการสัมภาษณ์ตามหัวข้อที่ก่อนหน้านี้ได้ว่าแจ้งพวกเรามีความสนใจในเรื่องนี้ หากพวกเรามักจะมีคำตอบที่น่าพอใจ อาจจะขอให้คุณให้คำแนะนำไปอีกครั้งหนึ่ง ขอบคุณมากครับ/ค่ะ