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MASTER'S IN INTERNATIONAL MARKETS

MASTER'S THESIS

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Tarragona  
2025



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MARKET ENTRY AND FINANCIAL BARRIERS FOR CORPORATE TRAINING

PROVIDERS IN EUROPE: ANALYZING FINANCING MODELS

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## Abstract

For small and medium-sized businesses (SMEs) in the corporate training industry, international expansion offers significant potential to reach new markets and clients. The success of these businesses may be constrained by the various obstacles that come with internationalisation, especially those related to money and market access. The purpose of this study is to examine the financing strategies employed by SMEs in the corporate training industry, as well as the financial and market entry obstacles that arise during the course of European expansion. In order to comprehend the real strategies and lessons discovered in various market situations, the study also contains a thorough analysis of Axioma Solutions' expansion in Bulgaria and the UK.

The main objectives of the research are:

- Identifying and evaluating the financing models used by corporate training companies in their international expansion.
- Analyzing the main financial and market entry barriers faced by these companies.
- Conducting a case study on Axioma Solutions, a company that has developed operations in Bulgaria and the United Kingdom.
- Formulating practical recommendations for other SMEs in the field, as well as for decision-makers in the public and private sectors.

The paper is structured into five main chapters: Chapter 1 provides an introduction to the problem, Chapter 2 presents the theoretical framework for the internationalization of SMEs and sources of financing, Chapter 3 presents the analysis of quantitative data obtained through the survey, Chapter 4 focuses on the qualitative analysis of the Axioma Solutions case study, and Chapter 5 summarizes the conclusions, discusses the implications, and formulates recommendations.

**Keywords:** internationalization, SMEs, corporate training, financial barriers, financing models, expansion in Europe, case study, Axioma Solutions

**JEL Classification:**

M13 – Entrepreneurship

F23 – Multinational Enterprises; International Business

G32 – Firm Finance

# Chapter 1. Introduction

## 1.1. Background

According to Flanagan (2017), the earliest known form of training dates back to prehistoric times and was a type of "on-the-job training," where children were taught adult skills, such as hunting and fishing, to prepare them for adulthood. That is, the 'novice' was taught by the 'master', who imparted wisdom.

Workplace learning, often known as corporate training, is a series of educational programs offered to staff members, usually at no cost. From soft skills to role-specific competencies, it can address a variety of subjects and areas for development. Businesses and employees both benefit from corporate training, as it enhances intellectual capital and enables the retraining or upskilling of workers. Enhancing employees' professional and personal development is the aim of a corporate training program. It is frequently guided by an experienced instructor and can occur in a group or one-on-one environment (Wooll, 2023).

For organisations and enterprises, company training is essential because it helps them acquire or keep a competitive edge, enhance employee retention, and build staff skills. Corporate training has become an internal tool for organisations. With it, they can help their staff, address issues with internal talent, and develop appropriately (Gryshuk, 2025).

According to a Whatfix article from 2021, employee training conducted on the job allows workers to get the skills necessary to carry out their duties and support the organization's efforts. These training programs are intended to assist staff members in acquiring various skill sets that will enable them to carry out their daily responsibilities efficiently, enhance their general performance, increase productivity, and stay out of trouble with the law. Trainings fall into the following categories:

- Product training: To help staff members better grasp the product, the company provides a course. This entails teaching them about the product's features, solutions, applications, and ways that customers can profit from it. (Continu, 2022).
- Leadership training is designed to assist people in enhancing and developing their leadership abilities. These programs may cover subjects including communication, decision-making, personal growth, strategic planning, team management, and

problem-solving, and they typically combine theoretical and practical components (IMD, 2023).

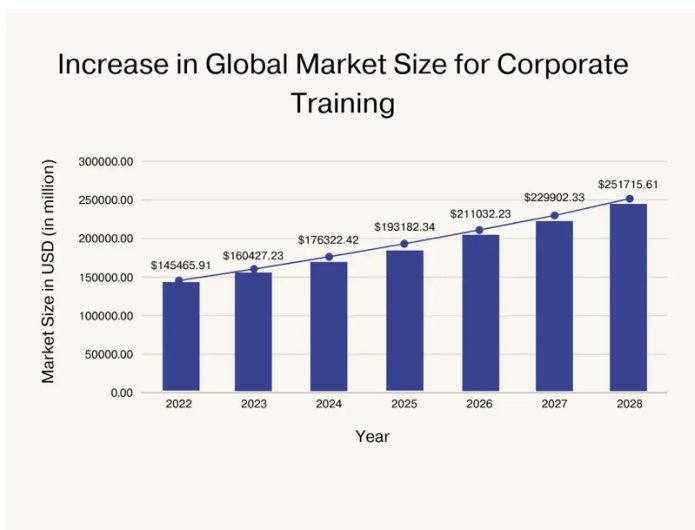
- Technical training provides the skills required to design, develop, implement, deploy, maintain, or support a related technology or application (Training Industry, 2023).
- Quality Assurance Training - A course that covers procedures that guarantee the end product or service meets established quality standards. Examples of such activities include defining processes, conducting a quality audit, developing instruments, establishing process standards, and creating lists of verifications (Beekeeper, 2022).
- Sales Training - A procedure for teaching salespeople the abilities required to be successful in their position. It covers everything from how to use modern CRM software to how to overcome buyer objections (Predictable Revenue, 2022).
- Soft Skills training - Its goal is to assist staff members in developing their interpersonal abilities. Among other things, it might emphasise written communication, active listening, dispute resolution, and productive communication (Investopedia, 2023).
- Team training - It guarantees that each team member has equal access to professional growth opportunities and promotes positive team chemistry. As a result, the group is able to develop and contribute significantly to the business (Indeed, 2022).

The events industry was required to rethink its business model in 2020, according to Solent University (2020). Professional success has been largely attributed to networking at conventional in-person events, which can be difficult in a virtual setting. Organisers have been forced to shift traditional in-person events online in order to maintain the events industry's attractiveness. Because of this, businesses have been pushed to either be creative or risk a drop in attendance and, consequently, revenue.

Minchin (2022) asserts that learners have a wide range of opportunities. Due to travel and lodging expenses, some people will be able to take classes that they otherwise would not have been able to. The selection of online learning techniques, such as group discussions, reading alone, viewing videos, and figuring out the best times for individual study sessions, is also noteworthy. We must acknowledge that, albeit with slightly different tools, a large portion of what was accomplished in the classroom can be accomplished online.

The global corporate training market is projected to develop at a compound annual growth rate (CAGR) of 7% from 2024 to 2035, from a 2023 valuation of \$361.5 billion to \$805.6 billion, according to a report by Allied Market Research. Rapid technological improvements are the primary driver of the market's growth, underscoring the increasing demand for reskilling and upskilling. This growth is also influenced by elements like the move towards remote work, regulatory compliance, and talent development programs. The need for specialised corporate training solutions is further fuelled by the growing emphasis on diversity initiatives and soft skills training, which is creating a dynamic and changing market environment (Ford, 2025).

Figure 1 - Increase in Global Market Size for Corporate Training



Source – Ford, 2025

Entering new markets allows training companies to access a wealth of unrealised potential. By expanding beyond their present clientele, they can reach a larger group of possible clients, diversifying their sources of income and reducing the dangers of becoming overly dependent on one market. By diversifying their company geographically, they can protect it against regional industry swings or economic downturns (Torjoman, 2024).

As Hujaiifa (2025) states, by investing in cutting-edge technologies, expanding their clientele, and simplifying their operations, training businesses can attain economies of scale as they expand. Increased profitability and more competitive pricing are made possible by this scalability.

## 1.2. Problem statement

The training sector has seen numerous changes over the years, from the rise (and fall?) of online learning to the development of AI for training organisations and shifting economic habits. While this presents training providers with chances for development, it also presents new problems for which they must be ready (Accessplanit, 2024).

Many providers are looking for ways to grow abroad as the need for corporate training services rises throughout Europe due to factors like worker upskilling, digital transformation, and changing learning needs. The training industry is dominated by small and medium-sized businesses (SMEs), therefore, internationalisation poses a complicated set of issues (Ruzzier, Hisrich, & Antoncic, 2006). These difficulties are particularly noticeable when it comes to funding and market entry tactics.

One of the greatest obstacles to expanding is still obtaining enough funding. Significant investments in marketing, localisation, technology, regulatory compliance, and relationship building are frequently necessary for cross-border expansion. However, because of intangible assets, uncertain revenue patterns, and perceived risk, smaller service-based businesses sometimes have less access to traditional sources of funding like loans or equity investment (Beck, Demircuc-Kunt, & Maksimovic, 2005). The administrative difficulties of obtaining support programs and unfamiliarity with foreign funding environments exacerbate the finance gap (Manolova, Brush, Edelman, & Shaver, 2002).

Companies must simultaneously overcome obstacles to market access, such as disparities in educational levels, regulatory fragmentation, and cultural differences. According to Johanson and Vahlne (2009), these problems add to the "liability of foreignness," which makes it challenging for businesses to enter new markets. Many training companies find it difficult to overcome these structural limitations in the absence of financial readiness and strategic planning (Cavusgil, Knight, & Riesenberger, 2021).

Understanding how training providers overcome these obstacles and which financing schemes or market entry tactics work best in the European setting is, therefore, urgently needed. By examining financial barriers and success variables using both empirical data and case study investigation, this thesis seeks to close that gap.

### 1.3. Research objectives and questions

This study's main goal is to investigate how corporate training firms fund and oversee their global entry into European markets. The purpose of the study is to determine the funding strategies they employ, the financial obstacles they face, and the tactical methods they employ to overcome obstacles to entry.

The following two research questions serve as the foundation for this study:

1. What financing models are used by corporate training providers, and what financial barriers do they face when expanding into the European market?

*Objective:* to explore the various forms of funding (e.g., grants, debt, equity, and partnerships) and determine the most prevalent financial limitations mentioned by training companies venturing into European markets.

2. How have corporate training providers navigated financial and market entry barriers in their attempts to expand into European countries such as the UK and Bulgaria?

*Objective:* To examine the expansion experiences of a Romanian SME training provider (Axioma Solutions) and analyze both effective practices and challenges encountered during its entry into the UK and Bulgarian markets, with the aim of identifying lessons and areas for improvement.

### 1.4. Significance of this study

For a variety of stakeholders engaged in the global expansion of corporate training providers in Europe, this study offers insightful information.

A thorough grasp of the financial obstacles and market entry difficulties faced by small and medium-sized training companies would be advantageous. The results will provide useful advice on strategic approaches and efficient financing solutions, empowering these businesses to make well-informed choices and improve their prospects of prosperous global expansion (OECD, 2022; Manolova, Brush, Edelman, & Shaver, 2002).

The study can be used by investors and financial institutions to more accurately evaluate the prospects and risks of supporting corporate training companies looking to enter new European markets. Investors can customise financial goods and services to match the particular requirements of this industry by knowing which financing models are favoured and successful (Beck, Demirguc-Kunt, & Maksimovic, 2005).

This report will help policymakers and support organisations create focused programs and activities to help SMEs in the training sector. Policymakers can create more accessible funding methods, lessen administrative costs, and promote cross-border cooperation and innovation by recognising shared challenges and effective solutions (Ruzzier, Hisrich, & Antoncic, 2006).

The study's overall goal is to add to the body of knowledge on SME financing and internationalisation while offering practical suggestions that promote the long-term expansion of corporate training providers in Europe.

## Chapter 2. Literature Review

### 2.1. Overview of international expansion

Businesses use international expansion as a strategic approach to broaden their clientele, diversify their risk profiles, and strengthen their competitive edge. International expansion gives businesses access to new markets, resources, and technology in a more globalised economy, which can spur innovation and long-term profitability (Cavusgil, Knight, & Riesenberger, 2021). But for small and medium-sized businesses (SMEs), who often have fewer resources and less market expertise than big multinational corporations, this process is complicated and full of unknowns (Manolova, Brush, Edelman, & Shaver, 2002).

The Uppsala Model of Internationalisation (Johanson & Vahlne, 1977; Johanson & Vahlne, 2009) is a fundamental theoretical framework in international business that suggests businesses join foreign markets gradually. This approach states that businesses start out with low-commitment activities like exporting and then gradually increase their involvement as they gain experience and lower uncertainty. The concept emphasises how decisions about international expansion are guided by "learning by doing" and the steady accumulation of market-specific information. This is especially important for knowledge-intensive fields like corporate training, where success depends on an awareness of local business and cultural standards (Johanson & Vahlne, 2009).

The idea of market entrance modes categorises the several strategic decisions businesses make when expanding overseas, and it complements the Uppsala Model (Root, 1994; Welch & Luostarinen, 1988). Low-risk choices like exporting, licensing, and franchising are among these entry mechanisms; higher-commitment possibilities include joint ventures, strategic partnerships, and completely owned subsidiaries. Trade-offs between control, risk, and resource commitment are presented in each mode. Wholly owned subsidiaries, for instance, offer the greatest degree of control but come with a high cost and a high risk of political and economic unrest.

On the other hand, franchising and licensing provide quicker access to markets at a lesser risk, but they also give you less control over your business and reputation. Joint ventures and partnerships are frequently preferred in the corporate training sector in order to make use of local networks and experience, which are crucial for establishing credibility and adapting training materials to local requirements (Luostarinen & Welch, 1990).

According to the Transaction Cost Theory, businesses select entrance strategies that reduce the expenses associated with contract negotiation, oversight, and enforcement in overseas markets. To determine the most effective structure, businesses compare the expenses of internalising operations vs accessing the market (Williamson, 1981). According to this idea, businesses in service sectors with intangible assets, like corporate training providers, frequently favour entry strategies that preserve their control over their unique knowledge and level of service quality (Williamson, 1981).

The Resource-Based View (RBV), as viewed from a strategic standpoint, highlights that companies expand globally in order to take advantage of their distinct resources and skills in order to obtain a competitive edge (Barney, 1991). Resources that are essential for success in international markets include specialised knowledge, brand reputation, technological know-how, and talented human capital. Since corporate training organisations frequently depend significantly on these intangible assets, the RBV is especially pertinent to comprehending their internationalisation tactics. Businesses that possess substantial resources are better equipped to surmount obstacles to entrance and modify their products to meet the varied needs of the market (Barney, 1991; Collis & Montgomery, 1995).

The management of internationalisation difficulties by SMEs in knowledge-intensive industries, such as corporate training, has been the subject of recent empirical investigations. For example, Coviello (2006) points out that online platforms and digitisation have changed the landscape of international expansion, enabling training companies to reach customers throughout the world with less money up front. Nonetheless, these businesses continue to encounter financial limitations and legal obstacles in several European nations, requiring customised funding options and entry tactics (Etemad & Wright, 2003).

For corporate training providers, market heterogeneity in the European setting offers both opportunities and constraints. Businesses must use adaptable and localised methods due to the diversity of languages, cultures, and regulatory frameworks. In order to successfully join European markets, Jones and Coviello's (2005) research emphasises the value of network linkages and collaborations, which can assist in mitigating the liability of foreignness and lower entry costs.

As a result, a thorough framework for examining global expansion is created by combining resource-based advantages, strategic entry mode selection, incremental learning (Uppsala Model), and transaction cost considerations. These theories emphasise the necessity of striking a balance between risk and control, utilising distinctive assets, and cultivating local connections

in order to successfully negotiate financial and market entry hurdles for corporate training firms hoping to expand in Europe (Cavusgil et al., 2021).

## 2.2. Financial barriers to expansion

Among the biggest obstacles facing corporate training firms looking to enter the European market are financial ones. Training providers frequently have lean organisational structures and rely mostly on human capital and localised service delivery, in contrast to product-based firms. Because of these traits, their global expansion is extremely vulnerable to financial risk, cost, and capital availability.

The hefty initial setup cost is one of the most pressing issues. Investing in localisation is frequently necessary when expanding into a new nation. This includes marketing to unidentified client categories, hiring trainers who speak the language, and modifying training materials to comply with legal and cultural norms. Small and medium-sized training businesses have severe cash flow issues as a result of these fixed expenditures and the sluggish revenue ramp-up in new areas (Cavusgil, Knight, & Riesenberger, 2021).

Costs associated with regulations and compliance are also significant. For example, in order to reach the German or French market, one may need to comply with stringent labour and data privacy rules, certify course offerings through local agencies, or conform to national education standards (Beck, Demirgüç-Kunt, & Maksimovic, 2008). GDPR compliance adds an additional layer of expense for businesses that provide digital or hybrid training, especially if customer data is gathered and kept centrally.

In addition, many training organisations have a lack of funding. They frequently lack tangible assets because they are relatively small service providers, which makes it more challenging for them to obtain bank loans or conventional credit. Many businesses rely on personal funding or small company loans that might not grow with their goals because venture capital or investor interest tends to favour tech-based platforms over service-heavy training models (OECD, 2018).

The application procedures are difficult, extremely competitive, and frequently targeted at research institutions or large consortia, despite the existence of European funding mechanisms such as Erasmus+, Horizon Europe, or regional innovation awards (González-Loureiro, Dabic, & Puig, 2015). Despite the availability of public support, many small

providers face a practical obstacle since they either lack the administrative capacity to apply or do not meet the qualifying criteria.

Cash flow can also be hampered by foreign client payment delays and exchange rate issues. When providing cross-border corporate training to clients in the public sector or multinational corporations with protracted procurement processes, these concerns are especially pertinent. Such volatility can jeopardise operational stability in the absence of effective financial planning.

Last but not least, a lot of businesses lack the internal financial know-how to create long-term growth plans. This disparity frequently leads to underestimating overall expenses, relying too much on temporary revenue, or entering new markets in an unstructured manner, making businesses susceptible to financial losses even in cases where demand is present.

To put it briefly, money access is not the only financial hurdle preventing training companies from growing into Europe. These consist of internal capability limitations, operational risk, finance complexity, and regulatory expenses. In subsequent chapters of this thesis, a focused survey and case studies will be used to further examine these issues.

### 2.3. Financial strategies and models

For training companies looking to expand into international markets, choosing the right financing strategy is essential to support initial investments, adapt to local requirements, and ensure operational sustainability. Among the main financing models used are equity, debt, internal funding, strategic partnerships, and access to European grants.

Attracting investors who purchase stock in the business in return for financial resources is known as equity financing. Although this model is frequently used by businesses looking to grow quickly, it necessitates a cautious approach to ownership control and dilution (Metrick & Yasuda, 2021). Equity is more frequently used in the early stages of training firms, particularly when collaborating with angel or accelerator investors.

Businesses that wish to maintain complete control over their operations are the primary users of bank loans and other types of commercial debt. However, because of varying national regulations and unpredictable revenue streams, debt faces greater risks when expanding internationally (Hill et al., 2021). However, borrowing could be a good choice if the company has a solid financial history and a well-defined expansion plan.

For small and medium-sized businesses (SMEs), including training providers, internal funding is still the best option, particularly when a more gradual expansion is sought. Without depending on outside funding, it entails reinvesting current income in regional development (Berger & Udell, 2006). Complete control is a plus, but the main drawbacks are the risk of illiquidity and the sluggish development rate.

Sharing resources and risks during the expansion process can be accomplished through strategic alliances with domestic or foreign businesses. Training providers can gain access to the infrastructure, clientele, and local expertise of their partners through strategic partnerships. They may provide special techniques or content in exchange, creating a win-win situation (Hitt et al., 2000).

Grants are a significant source of funding for innovation, internationalisation, and digitisation in the European setting. Small and creative businesses, particularly those in the education and training industry, can receive financial support through initiatives like Horizon Europe, Erasmus+, COSME, or the European Innovation Council (European Commission, 2023). Although obtaining this money requires careful planning and adherence to qualifying standards, it can greatly lower financial risk.

#### 2.4. The corporate training industry

It has never been more important to comprehend the corporate training industry as businesses around the world place a higher priority on staff development and adjust to the quick changes in technology. With the help of this research, decision-makers can better connect learning programs with overarching business goals, modernise the learner experience to increase employee engagement with training, and qualify their training investments. Equipped with this knowledge, learning leaders can better guarantee that their companies remain inventive, competitive, and ready for the changing demands of their workforce (Training Industry, 2025).

The Business Research Company (2024) states that it is anticipated that the absence of standardised training programs will limit the future expansion of the corporate training sector. Workers with inadequate training will generate less and lower-quality work. Less training and expertise result in poorer performance, which lowers profit. Employees with inadequate training are likely to feel underappreciated, which will lower engagement, loyalty, and productivity at work. In July 2023, a startling 23% of organisations had no written compliance

training strategy at all, per a survey by Think Learning, a rapidly expanding UK Totara Partner that offers platform and consulting services across a variety of industries. 40% of people, including those who have a strategy, acknowledge that their compliance initiatives are simple, uninspired, and lacking in many ways. According to a study, forty percent of workers who do not obtain the training they need to accomplish their jobs well will quit within the first year. Consequently, the corporate training market's expansion will be constrained by the absence of standardised training programs.

According to MarketResearch.com (2025), among the main players in the corporate industry in Europe we find Adobe Inc., Articulate Global Inc., Blanchard Training and Development Inc., BTS Group AB, Cegos Group, Cisco Systems Inc., City and Guilds Group, Cornerstone OnDemand Inc., D2L Inc., DEMOS, Development Dimensions International Inc., Franklin Covey Co., John Wiley and Sons Inc., Korn Ferry, Learning Technologies Group PLC, Mind Gym PLC, NIIT Ltd., Skillsoft Corp., and Wilson Learning Worldwide Inc..

There are many companies participating in the extremely fragmented global corporate training sector. In 2023, the top ten competitors accounted for 0.71% of the market. With a market share of 0.14%, Skillsoft Corp. was the biggest rival, followed by GP Strategies Corporation (Learning Technologies Group plc) with 0.11%, Cornerstone OnDemand, Inc. with 0.10%, Cisco Systems Inc. with 0.072%, John Wiley & Sons Inc. with 0.065%, Adobe, Inc. with 0.06%, Franklin Covey, Co. with 0.05%, BTS Group AB with 0.043%, D2L Corporation with 0.043%, and Simplilearn Americas LLC with 0.02% (Research and Markets, 2023).

Digitalisation, changing workforce expectations, and an increasing focus on soft skills and ESG (Environmental, Social, and Governance) efforts are all contributing to the significant transformation of the corporate training sector in Europe. According to Research and Markets (2023), the global corporate training market was estimated to be worth \$383.1 billion in 2023 and is projected to rise at a compound annual growth rate (CAGR) of 6.4% to reach \$713.5 billion by 2033. Although North America had the greatest worldwide share in 2023 (38.7%), Europe is still one of the top areas in terms of market size and innovation (Research and Markets, 2023).

The growing dominance of virtual learning platforms, which accounted for 64.5% of the market in 2023, is highlighted by market segmentation. With a projected compound annual growth rate (CAGR) of 6.8% from 2023 to 2028, face-to-face training is anticipated to grow at the fastest rate in the upcoming years (GlobeNewswire, 2024). Technical training held the highest proportion of all training kinds in 2023 (45.4%), but soft skills training is expected to

increase at the fastest rate, with a compound annual growth rate (CAGR) of 9.5% (Research and Markets, 2023). This change reflects a larger movement towards leadership and personal growth in accordance with new company priorities.

Given the large number of companies operating in both national and regional markets, the industry is notably fragmented. International companies like Skillsoft, LinkedIn Learning, and Coursera for Business coexist with local leaders in nations like Germany, France, and the UK in the European setting, creating a fiercely competitive environment (Research and Markets, 2023). The market has grown quickly in Eastern Europe, where nations like Poland and Romania have made significant investments in reskilling and upskilling initiatives, partly financed by EU recovery funds and digital transformation agendas. For example, Poland has put in place national plans for digital training in industries like manufacturing and IT, while Romania has witnessed a rise in the need for project management, leadership, and communication training, particularly among SMEs and outsourcing companies (Eurostat, 2023; PwC Romania, 2022).

Strong interest in hybrid models that integrate online and in-person learning, as well as growing partnerships between private training providers and multinational corporations, are further characteristics of emerging markets in Eastern Europe. These changes are part of a larger attempt to adjust to demographic and economic shifts and to accord with EU workforce modernisation plans.

Furthermore, the increased social and legal pressure on businesses to include sustainability and ethical practices in their business plans is reflected in the growth of ESG-focused training programs. Together, these new developments show that the European corporate training market is not only growing but also changing to reflect more significant social and economic shifts around the world.

Dashe (2021) claims that as COVID-19 has long-term effects on workers, businesses are still adjusting by implementing a number of different tactics and settings. Which of the improvements and modifications made over the past year and a half will truly endure over time is unclear. Since the market is always evolving, some changes, like the move to hybrid working methods and learning in the workflow, will likely continue to be relevant in the future.

Moving to remote working with the help of remote training software guarantees that distributed workforces will continue to receive the resources and training they need to perform to expectations. Additionally, it allows businesses the freedom to design, store, distribute, and oversee employee training materials (Edapp, 2021).

The author identified a number of programs, including Miro, Kalxoon, ClickUp, Mural, and Colltrain, that can be utilised to give training remotely.

Other techniques, including the CARTA Method, have also been created for online training delivery. CARTA is a technique for planning and conducting remote training sessions that optimises participants' active participation. In collaboration with other trainers from different industries who have conducted remote sessions in both domestic and international businesses, previous effective methods have been maintained, improved, and validated (CARTA Method, 2022).

## 2.5 Literature gaps

A significant gap exists in the literature concerning the financial and strategic challenges faced by small and medium-sized enterprises (SMEs) in the corporate training sector, particularly when expanding internationally, despite the fact that the industry has been extensively studied from the perspectives of learning outcomes, digital transformation, and HR development. The majority of existing research frequently ignores the unique requirements and limitations of smaller, independent training providers in favour of concentrating on big, global training businesses or more general market trends (European Commission, 2021; Kauffeld, 2016).

When targeting foreign markets like the European Union, these SMEs frequently lack the internal resources, access to external capital, and specialised internationalisation departments that larger players enjoy. As a result, they find it more challenging to manage intricate financial barriers, regulatory differences, and market entry risks (OECD, 2020; Cedefop, 2022). Despite offering valuable insights into the internationalisation process, theoretical frameworks on internationalization—like those put forth by Jones and Coviello (2005) and Reuber, Dimitratos, and Kuivalainen (2017)—frequently neglect to address real-world financing models that are pertinent to training SMEs, such as blended finance, strategic partnerships, bootstrapping, or EU-specific funding programs.

Additionally, there is a lack of empirical research that particularly examines how financial obstacles and global expansion intersect in the training sector for SMEs. The majority of current research focuses on big businesses or doesn't use survey or case study techniques to thoroughly examine these issues (De Grip & Sauermann, 2013). This disparity is particularly noticeable in developing European countries like Romania and Bulgaria, where there is still a dearth of research on SME internationalisation finance tactics in the corporate training industry.

By integrating survey data with focused case studies, this thesis seeks to fill these gaps by examining how SME training providers handle funding for European expansion and overcome real-world market entry obstacles. The results will provide decision-makers, legislators, and business owners looking to expand the training sector sustainably with useful information.

## Chapter 3. Study on the financial and market access challenges for corporate training providers as they expand in Europe

### 3.1. Developing research methodology

With an emphasis on the European market, a quantitative study was conducted to determine the financial obstacles, financing tactics, and attitudes of businesses involved in corporate training towards international expansion. According to the literature (Cătoiu, coord., 2009), the traditional steps of quantitative methodology such as formulating the decision problem, defining the research purpose, setting the objectives, formulating the hypotheses, selecting the research population, establishing the data collection method, and analysing the information were all followed in the execution of this study.

#### **Decision-making issue**

In the context of rapid internationalization and increased competitiveness on the European market, training companies often face difficulties in identifying suitable sources of funding and overcoming barriers to entry into new markets. The lack of systematized data on the strategies adopted by these companies makes it difficult to formulate best practices in this area.

#### **Aim of the research**

The main aim of the research is to analyze how training companies finance their international expansion and what the main financial and strategic obstacles encountered in the process of penetrating the European market are. The data obtained will contribute to a better understanding of the financing needs and strategic decisions in the industry.

#### **Research objectives**

- O1. Identification of the respondents' profile (function, company size, current international activity)
- O2. Identification of the main financial barriers encountered in the expansion process
- O3. Determining the sources of financing used for expansion into the European market
- O4. Assess the perceived effectiveness of different financing models
- O5. Gathering views on institutional support and sources of public funding

### Definition of the surveyed collectivity

Representatives of corporate training firms that are currently operating in Europe or are considering entering this market were the target audience for the poll. The form was distributed via email, industry associations, and professional networks (LinkedIn) in order to gather responses online. Training businesses or experts who make strategic decisions inside them are the units of observation. The data collected is anonymous and confidential, and the sample is a non-probability snowball (network spread) sample.

### Data collection method

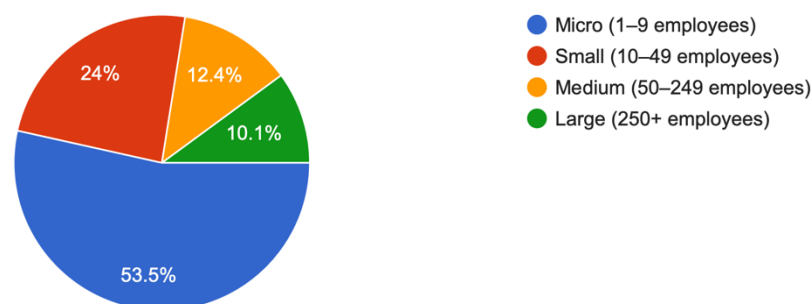
A Google Forms-created form was used to administer the survey online. In order to facilitate additional quantitative analysis using graphs, pivot tables, and descriptive interpretations, the responses were automatically consolidated in Excel format. Appendix 1 describes the questionnaire's format. To make data analysis and visualisation easier, all of the questions are closed-ended.

## 3.2. Research Results

Figure 3-1. Graphical representation of respondents by company size

1. What is the size of your company?

129 responses



The majority of respondents come from micro and small enterprises, which is relevant to the objectives of this research, focused on the financial and strategic challenges faced by micro and small-scale training providers.

The second question was based on the country in which the company's head office is located was an open-ended question to allow respondents to freely indicate the city or country of origin. Responses were then aggregated at the country level to allow a clearer interpretation of the geographical distribution.

The most frequently mentioned countries were:

- Romania - especially Bucharest
- United Kingdom - mainly London
- Poland - with mentions of Warsaw
- Spain and Italy - several cities
- Germany - including Berlin and other large cities
- France - predominantly Paris
- Hungary - mainly Budapest
- Bulgaria - mainly Varna

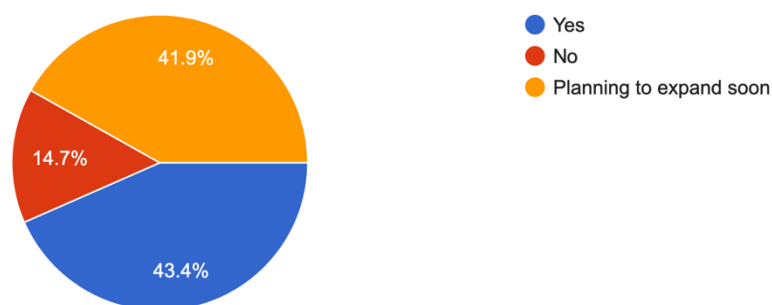
This distribution reflects a concentration of respondents in capitals or major economic centers in Europe, which is in line with the specificity of the corporate training industry, focused on developed urban markets.

Due to the open-ended nature of the responses, no standard graphical representation has been made, but the data has been analyzed and interpreted qualitatively and quantitatively at the country level to ensure a coherent understanding of the geographical context of the study.

Figure 3-2. Distribution of companies that have expanded services in other European countries

3. Have you expanded your services into one or more European countries?

129 responses



This question aimed to identify whether respondent organizations have previous experience of expanding services to other European countries. The results were as follows:

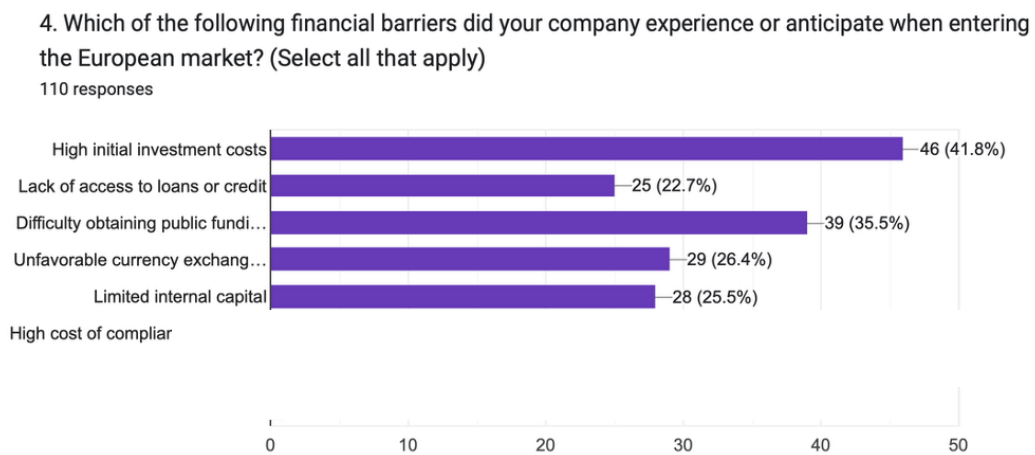
43.4% of the companies stated that they had already expanded into one or more European countries;

14.7% indicated that they had not expanded internationally;

41.9% indicated that they were planning to expand in the near future.

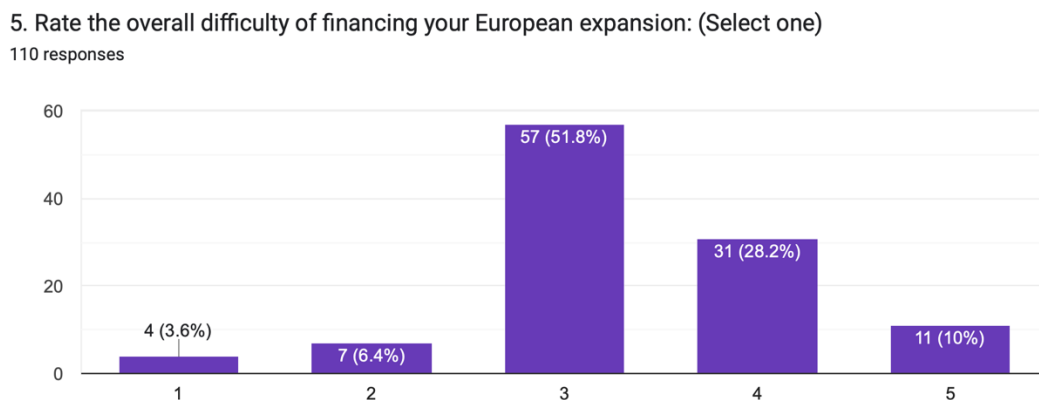
In order to maintain the relevance of further analysis, only those respondents who ticked the 'Yes' option (43.4%) continued to complete the questionnaire. Those who answered "No" or "We are planning enlargement" were redirected to the end of the questionnaire, as the following questions focus exclusively on concrete enlargement experiences and international financing.

Figure 3-3. Financial barriers encountered or anticipated in expanding into the European market



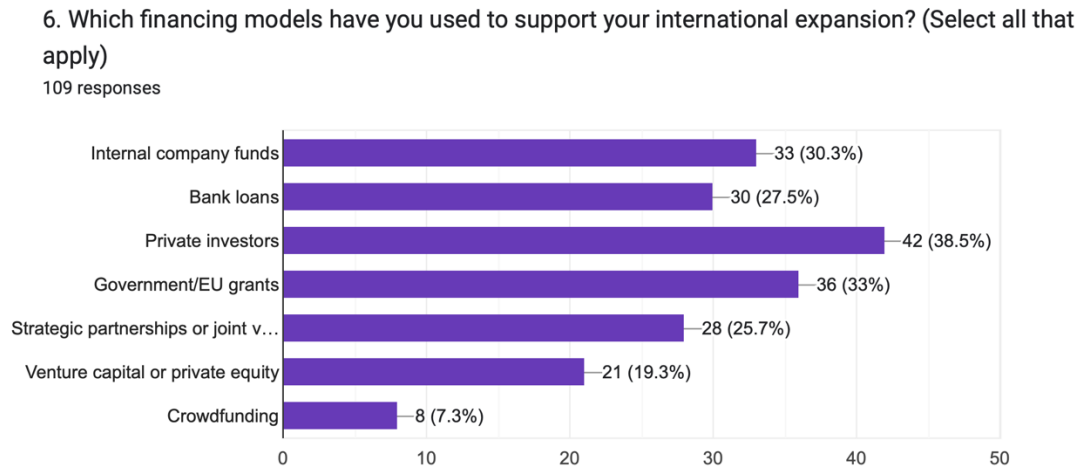
The results highlight that high upfront costs and difficulties in accessing public funding are the main perceived financial barriers for companies expanding to Europe. These challenges are in line with the literature on the internationalization financing of small and medium-sized firms (OECD, 2023).

Figure 3-4. Perceived difficulty in financing expansion into the European market



The majority of respondents (over 60%) consider financing European expansion to be moderately challenging to difficult, highlighting the complexity of accessing the financial resources required for successful internationalization. This is in line with findings in the literature highlighting the significant difficulties in obtaining funding for expansion into foreign markets (Etemad & Wright, 2022).

Figure 3-5. Financing models used to support international expansion



In the survey, respondents indicated a variety of financing models used to expand into the European market. The most commonly used methods were private investors (38.5%) and internal company funds (30.3%), followed by government or European grants (33%) and bank loans (27.5%). Strategic partnerships or joint ventures were also mentioned by about a quarter of respondents (25.7%). Venture capital or private equity financing is used by 19.3%, and crowdfunding is the least used method (7.3%). These data suggest a preference for funding sources that combine flexibility and accessibility, while more innovative or risky forms, such as crowdfunding, remain less exploited.

Figure 3-6. European countries targeted by respondent companies in the enlargement process

7. Which European countries did your company target or expand into? (Select all that apply)

109 responses

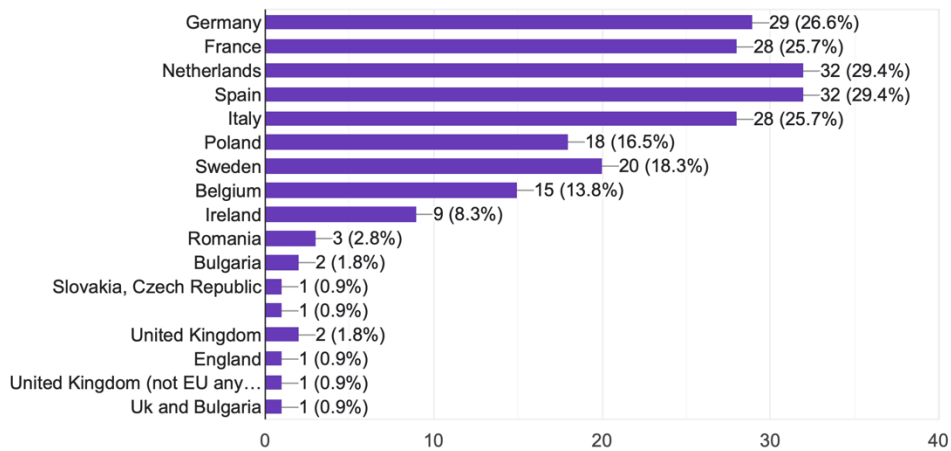
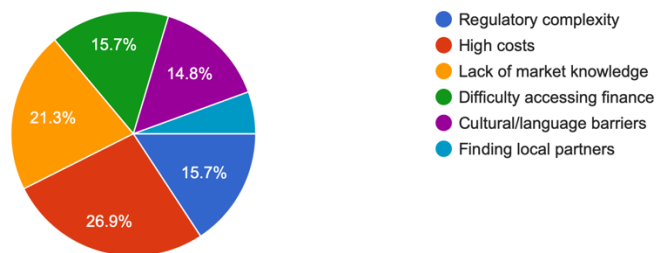


Figure 3-7. Main challenges for companies entering the European market

8. What was the main challenge your company faced when entering the European market? (Select one)

108 responses



The survey's findings support earlier research on the difficulties faced by training providers looking to expand internationally. According to research by Knight and Liesch (2016), for instance, high costs and a lack of market knowledge are major obstacles to SMEs' ability to expand internationally. This is also demonstrated by the fact that 21.3% of respondents cited a lack of market knowledge, and 26.9% of respondents cited costs as the largest obstacle.

Additionally, Barbero et al. (2011) stress that difficult legislation and financial access are frequent obstacles to European expansion, particularly for businesses engaged in knowledge-based industries like corporate training. The findings of our study, which showed that 15.7% of participants cited the intricacy of regulations and another 15.7% highlighted the challenge of obtaining financing, support this.

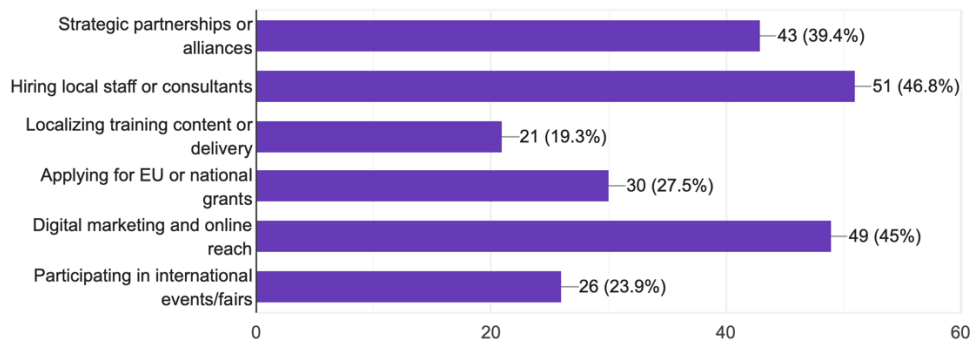
Furthermore, our data show that 14.8% of respondents cited language and cultural barriers as a key difficulty, which is consistent with Hofstede's (2001) emphasis on the importance of cultural differences in international business dealings.

As a result, we discover that our research's data consistently supports the previously mentioned trends while also offering value by being directly applied to the training provider industry, a field that has received very little attention in the economics literature.

Figure 3-8. Strategies used to succeed or remain competitive in a new European market

9. Which strategies helped you succeed or stay competitive in the new market? (Select up to 3)

109 responses



Hiring local employees or consultants was the most often suggested tactic, indicating how crucial it is to adjust to the unique needs of the target market. Next in line are online presence and digital marketing, which are powerful tools for increasing awareness and drawing in clients. Participating in international events, obtaining national or European grants, and forming strategic alliances are additional pertinent tactics. This variety demonstrates how businesses use a variety of strategies to address the difficulties of the expansion process.

Figure 3-9. Distribution of respondents by company size and status of expansion in Europe

Count of 1. What is the size of your company?		Column Labels			
Row Labels	No	Planning to expand soon	Yes	(blank)	Grand Total
Large (250+ employees)	1		6	6	13
Medium (50–249 employees)	2		8	6	16
Micro (1–9 employees)	14		28	27	69
Small (10–49 employees)	2		12	17	31
(blank)					
<b>Grand Total</b>	<b>19</b>		<b>54</b>	<b>56</b>	<b>129</b>

The decision to expand in Europe is influenced by a company's size, as this table illustrates. Because they have greater means to handle the expenses and financial difficulties,

medium-sized and larger businesses tend to be more active in international expansion. Micro-enterprises, on the other hand, are typically more cautious or still in the planning phase.

This distribution offers a framework for examining financial restrictions and options selected based on available resources, as well as aids in understanding the respondents' environment.

Figure 3-10. Frequency of financial barriers by company size

Row Labels	Large (250+ employees)	Medium (50-249 employees)	Micro (1-9 employees)	Small (10-49 employees)	(blank)	Grand Total
Difficulty obtaining public funding/grants				5	5	10
Difficulty obtaining public funding/grants, High cost of compliance/legal services	1			2	1	4
Difficulty obtaining public funding/grants, Limited internal capital					1	1
Difficulty obtaining public funding/grants, Unfavorable currency exchange rates				2	1	3
Difficulty obtaining public funding/grants, Unfavorable currency exchange rates, High cost of compliance/legal services		1		1		2
Difficulty obtaining public funding/grants, Unfavorable currency exchange rates, Limited internal capital				1		1
High cost of compliance/legal services	2	1	1	1	2	6
High initial investment costs	3	3	7	7	3	16
High initial investment costs, Difficulty obtaining public funding/grants				1		1
High initial investment costs, Difficulty obtaining public funding/grants, High cost of compliance/legal services	1		1	2		4
High initial investment costs, Difficulty obtaining public funding/grants, Limited internal capital, High cost of compliance/legal services				1		1
High initial investment costs, Difficulty obtaining public funding/grants, Unfavorable currency exchange rates					2	2
High initial investment costs, High cost of compliance/legal services			2			2
High initial investment costs, Lack of access to loans or credit, Difficulty obtaining public funding/grants	1	1	1			3
High initial investment costs, Lack of access to loans or credit, Difficulty obtaining public funding/grants, Unfavorable currency exchange rates						
Limited internal capital, High cost of compliance/legal services				1		1
High initial investment costs, Lack of access to loans or credit, Limited internal capital, High cost of compliance/legal services				1		1
High initial investment costs, Lack of access to loans or credit, Unfavorable currency exchange rates				1		1
High initial investment costs, Lack of access to loans or credit, Unfavorable currency exchange rates, Limited internal capital, High cost of compliance/legal services					1	1
High initial investment costs, Limited internal capital				1	1	2
High initial investment costs, Limited internal capital, High cost of compliance/legal services	1			2	1	4
High initial investment costs, Unfavorable currency exchange rates				1	1	2
High initial investment costs, Unfavorable currency exchange rates, Limited internal capital				1	1	2
Lack of access to loans or credit	1			3	1	5
Lack of access to loans or credit, Difficulty obtaining public funding/grants				1	2	3
Lack of access to loans or credit, Difficulty obtaining public funding/grants, High cost of compliance/legal services					1	1
Lack of access to loans or credit, High cost of compliance/legal services				1		1
Lack of access to loans or credit, Limited internal capital			1	1	1	3
Lack of access to loans or credit, Unfavorable currency exchange rates			3	2		5
Limited internal capital	1	1	4	4	2	8
Limited internal capital, High cost of compliance/legal services				1		1
Skate				1		1
Unfavorable currency exchange rates				5	1	7
Unfavorable currency exchange rates, Limited internal capital	1				1	1
Unfavorable currency exchange rates, Limited internal capital, High cost of compliance/legal services				1		1
(blank)	1	2	14	2		19
<b>Grand Total</b>	<b>13</b>	<b>16</b>	<b>69</b>	<b>31</b>	<b></b>	<b>129</b>

Depending on the size of the business, the pivot analysis reveals variations in how financial constraints are seen and their effects. The findings indicate that while large enterprises are more likely to experience high compliance and regulatory costs, small businesses are more likely to have insufficient internal capital and trouble obtaining loans. Although they affect businesses of all sizes, obstacles like high startup expenses are somewhat more prevalent in medium- and large-sized businesses.

This comparison demonstrates how the size of a company affects the type and degree of financial barriers encountered while entering the European market. As a result, assistance and funding plans must be customised to each segment's unique requirements.

Figure 3-11. Distribution of the difficulty level of financing European expansion, depending on the city of the company's headquarters

Count of 2. Where is your company headquartered?							Column Labels
Row Labels	1	2	3	4	5 (blank)	Grand Total	
1					1	1	
.			1			1	
Barcelona	1	1	1			3	
Bari		1				1	
Berlin			3	1		4	
Bologna				1		1	
Branesti	1					1	
Bucharest		1	7	2	2	14	
Bucharest			2		1	3	
Budapest			1			1	
Bulgaria				1		1	
Carpnedolo (BS), Italy					1	1	
Constanta			2			2	
Europe					1	1	
Frankfurt			1			1	
Gdansk					1	1	
Germany (Haan)					1	1	
Iasi			1	1	1	3	
Israel					1	1	
London			3	4		7	
London, United Kingdom			1			1	
Madrid, España				1		1	
Milan				1		1	
München				1		1	
Oslo		1	1	1		3	
Paris, France			1			1	
Pitesti			1			1	
Poland				2		2	
Poland			1			1	
Poland, Warsaw				1		1	
Roma		1				1	
Romania	2	1	14	7	3	34	
Romania			2	1	1	4	
Romania, Bucharest				1		1	
Rome				1		1	
Sibiu, Romania				1		1	
Spain			1			1	
Szczecin (Poland)					1	1	
Timisoara				1		1	
Timisoara			1			1	
Toledo				1		1	
United Kingdom		1	3		3	8	
Veldhoven		1				1	
Warsaw			2			2	
(blank)							
<b>Grand Total</b>	<b>4</b>	<b>7</b>	<b>51</b>	<b>30</b>	<b>11</b>	<b>17</b>	

Depending on the city where the responding company is based, the figure displays the distribution of replies regarding the perceived difficulties of funding expansion in European markets. There are notable disparities between cities, which correspond to regional variations in financing availability and the financial obstacles faced. This analysis offers a thorough understanding of how the regional context affects the financial difficulties faced by businesses growing in Europe.

Figure 3-12. Financing models used depending on company size

Row Labels	Large (100+ employees)	Medium (50-100 employees)	Small (10-50 employees)	Grand Total
Bank loans			4	4
Bank loans, Government/EU grants		1	3	4
Bank loans, Government/EU grants, Strategic partnerships or joint ventures			1	1
Bank loans, Private investors		1	1	2
Bank loans, Private investors, Government/EU grants	1		1	2
Bank loans, Private investors, Strategic partnerships or joint ventures			1	1
Bank loans, Private investors, Venture capital or private equity	1			1
Bank loans, Strategic partnerships or joint ventures, Crowdfunding			1	1
Bank loans, Venture capital or private equity	1	2	1	4
Government/EU grants			6	6
Government/EU grants, Crowdfunding			1	1
Government/EU grants, Strategic partnerships or joint ventures			1	1
Government/EU grants, Venture capital or private equity			1	1
Internal company funds	1	1	7	12
Internal company funds, Bank loans			2	2
Internal company funds, Bank loans, Strategic partnerships or joint ventures, Crowdfunding			1	1
Internal company funds, Bank loans, Venture capital or private equity			1	1
Internal company funds, Government/EU grants		1	2	3
Internal company funds, Government/EU grants, Strategic partnerships or joint ventures, Venture capital or private equity	1			1
Internal company funds, Government/EU grants, Venture capital or private equity			1	1
Internal company funds, Private investors	1			1
Internal company funds, Private investors, Government/EU grants	1	1		2
Internal company funds, Private investors, Government/EU grants, Strategic partnerships or joint ventures			1	1
Internal company funds, Private investors, Strategic partnerships or joint ventures			1	1
Internal company funds, Private investors, Strategic partnerships or joint ventures, Crowdfunding		1		1
Internal company funds, Strategic partnerships or joint ventures	1	1		2
Internal company funds, Strategic partnerships or joint ventures, Venture capital or private equity		1		1
Private investors	1	2	3	6
Private investors, Crowdfunding			1	1
Private investors, Government/EU grants	1		3	4
Private investors, Government/EU grants, Strategic partnerships or joint ventures			1	1
Private investors, Government/EU grants, Strategic partnerships or joint ventures, Venture capital or private equity		1		1
Private investors, Strategic partnerships or joint ventures			1	1
Private investors, Venture capital or private equity			3	3
Strategic partnerships or joint ventures	1		3	4
Strategic partnerships or joint ventures, Crowdfunding			1	1
Strategic partnerships or joint ventures, Venture capital or private equity			1	1
Venture capital or private equity	1	1	2	4
Venture capital or private equity, Crowdfunding			2	2
(blank)	1	2	15	20
<b>Grand Total</b>	<b>13</b>	<b>16</b>	<b>68</b>	<b>128</b>

The distribution of the responding companies' use of various financing models by size is seen in this image. Understanding how small, medium, and big businesses approach funding expansion in European markets is made easier by the analysis, which focuses on the distinct financial preferences of each firm size segment.

Figure 3-13. Correlation between the main challenges encountered and the perceived level of financial difficulty

Row Labels	1	2	3	4	5 (blank)	Grand Total
Cultural/language barriers	1	2	7	4	2	16
Difficulty accessing finance		1	11	4	1	17
Finding local partners	1		1	3	1	6
High costs			1	13	9	23
Lack of market knowledge			1	15	6	22
Regulatory complexity	1	2	8	5	1	17
(blank)	1	1				2
<b>Grand Total</b>	<b>4</b>	<b>7</b>	<b>56</b>	<b>31</b>	<b>11</b>	<b>109</b>

The graph illustrates the relationship between perceived obstacles (such as exorbitant expenses, a lack of market expertise, or cultural hurdles) and the general difficulty in securing funding for growth in Europe. For instance, financial difficulty was rated higher by respondents who cited high costs or trouble obtaining funding as significant barriers (4 and 5). On the difficulty scale, however, individuals who brought up cultural difficulties or complicated rules were more dispersed, indicating a less noticeable financial perception.

Figure 3-14. Preferred Market Entry Strategies by Company Size

Row Labels	Large (250+ employees)	Medium (50-249 employees)	Micro (1-9 employees)	Small (10-49 em) (blank)	Grand Total
Applying for EU or national grants			5	1	6
Applying for EU or national grants, Digital marketing and online reach	1		1		2
Applying for EU or national grants, Digital marketing and online reach, Participating in international events/fairs			1		1
Applying for EU or national grants, Participating in international events/fairs	1				1
Digital marketing and online reach		2	3	3	8
Digital marketing and online reach, Participating in international events/fairs	1		3		4
Hiring local staff or consultants	1		3	1	5
Hiring local staff or consultants, Applying for EU or national grants			2	3	5
Hiring local staff or consultants, Applying for EU or national grants, Participating in international events/fairs				1	1
Hiring local staff or consultants, Digital marketing and online reach			4	2	6
Hiring local staff or consultants, Digital marketing and online reach, Participating in international events/fairs			2	1	3
Hiring local staff or consultants, Localizing training content or delivery			1	2	3
Hiring local staff or consultants, Localizing training content or delivery, Applying for EU or national grants, Digital marketing and online reach				1	1
Hiring local staff or consultants, Localizing training content or delivery, Digital marketing and online reach				1	1
Hiring local staff or consultants, Localizing training content or delivery, Participating in international events/fairs			1	1	2
Localizing training content or delivery, Applying for EU or national grants			1		1
Localizing training content or delivery, Digital marketing and online reach		2	1	2	5
Localizing training content or delivery, Participating in international events/fairs	1	1	1	1	4
Participating in international events/fairs			1	1	2
Strategic partnerships or alliances	1		6	5	12
Strategic partnerships or alliances, Applying for EU or national grants				1	1
Strategic partnerships or alliances, Applying for EU or national grants, Digital marketing and online reach			2	1	3
Strategic partnerships or alliances, Applying for EU or national grants, Participating in international events/fairs	1				1
Strategic partnerships or alliances, Digital marketing and online reach			1	1	2
Strategic partnerships or alliances, Digital marketing and online reach, Participating in international events/fairs			3		3
Strategic partnerships or alliances, Hiring local staff or consultants			1	2	3
Strategic partnerships or alliances, Hiring local staff or consultants, Applying for EU or national grants	1		1		2
Strategic partnerships or alliances, Hiring local staff or consultants, Applying for EU or national grants, Digital marketing and or	1				1
Strategic partnerships or alliances, Hiring local staff or consultants, Applying for EU or national grants, Digital marketing and online reach, Participating in international events/fairs				1	1
Strategic partnerships or alliances, Hiring local staff or consultants, Digital marketing and online reach	1		4		5
Strategic partnerships or alliances, Hiring local staff or consultants, Digital marketing and online reach, Participating in international events/fairs	1				1
Strategic partnerships or alliances, Hiring local staff or consultants, Localizing training content or delivery, Digital marketing and online reach				1	1
Strategic partnerships or alliances, Hiring local staff or consultants, Participating in international events/fairs			1	1	2
Strategic partnerships or alliances, Localizing training content or delivery, Digital marketing and online reach	1				1
(blank)	1	2	15	2	20
<b>Grand Total</b>	<b>13</b>	<b>16</b>	<b>68</b>	<b>31</b>	<b>128</b>

The figure shows how businesses of various sizes use different approaches to help them enter new markets or remain competitive in Europe. As a result of their requirement for knowledge-intensive and cost-effective strategies, smaller businesses (those with fewer than ten employees) most commonly turned to grants, digital marketing, and local consultants.

On the other hand, medium-sized and large businesses preferred to hire local employees, participate in international events, and form strategic relationships. This suggests that they have access to more resources and are planning for the long run. This variation demonstrates how a company's size affects both its ability to obtain capital and its strategic approaches to market penetration.

### 3.3. Summary of the quantitative findings

An overview of the financing strategies and financial obstacles faced by training providers looking to enter the European market is given by the survey results. High start-up costs, trouble obtaining public funding, and insufficient internal capital are the most commonly mentioned barriers. SMEs are especially impacted by these obstacles since they frequently lack the strong administrative or financial resources necessary to get outside funding.

Businesses cited government or European grants, private investors, and internal funds as the most common financing options. At the same time, bank loans and strategic alliances were often cited, but venture capital and crowdfunding were not used as much, indicating a lack of confidence in riskier approaches or challenges in obtaining them.

According to the comparison investigation, the size of the company has a big impact on how barriers are perceived and how financing options are selected. For instance, larger businesses look at a greater variety of funding sources, whereas smaller businesses rely more on grants and government assistance.

Because of several methodological constraints, the results should be regarded cautiously. The results may not be as representative as they may be because of the limited sample size. Additionally, self-reporting is the basis for the responses, which raises the possibility of subjective bias. Finally, in-depth regional classification and analysis may become ambiguous due to open data on location or size.

Based on the questionnaire results analysed in this chapter, the study provides a clear answer to Research Question 1: What financing models are used by corporate training providers, and what financial barriers do they encounter in the process of expanding into European markets?

The data collected shows that SMEs in the training sector most often rely on internal funds, private investors, and government or European grants to finance their expansion. At the same time, significant financial barriers have been identified, such as high initial costs, difficulties in accessing public funds, and high costs associated with legal compliance. The results highlight correlations between company size and the financing methods used, as well as perceptions of the obstacles encountered.

Thus, the conclusions of this chapter answer the research question by outlining the financing models used and the most common financial barriers faced by training providers in the process of European expansion.

## Chapter 4: Case study – Axioma Solution’s expansion into Bulgaria and the UK

### 4.1. Introduction

This chapter presents a qualitative case study on Axioma Solutions, an SME in Romania specializing in corporate training services. The company was chosen because of its direct relevance to this research: it attempted to expand beyond the domestic market into two contrasting European markets—Bulgaria, a member state of the European Union, and the United Kingdom, a non-EU country.

The purpose of the case study is to investigate how a legitimate training provider dealt with obstacles related to money and market access, offering a practical viewpoint on both the challenges faced and effective tactics. This example is useful for learning what works and what doesn't in the European internationalisation process since, despite having a strong position in Romania, Axioma Solutions has faced several challenges in its development into Bulgaria and the United Kingdom.

Publicly accessible sources, including official business registries, financial information, corporate websites, and secondary market research, form the basis of the analysis. The information has, if feasible, been cross-checked against data from the company's prior expansion initiatives and industry publications. Furthermore, I am able to benefit from my personal insights into the company, having worked in Marketing and Sales positions, but also having administrative and managerial tasks, which allowed me to dive deeper into this and to closely follow the process.

This chapter answers the second research question: How have corporate training providers navigated financial and market entry barriers in their attempts to expand into European countries such as the UK and Bulgaria?

By analyzing Axioma Solutions' experiences, the chapter highlights the practical barriers encountered, such as high compliance costs, limited access to financing, or lack of knowledge of the local market, and identifies strategies that have proven either effective or insufficient. The chapter concludes with a comparative reflection on lessons that may be useful to other SMEs in the training sector seeking international expansion.

## 4.2. Axioma Solution's background

Axioma Solutions is a training company founded in 2004 that focuses on delivering courses to clients in Project Management, Agile, Leadership, Soft Skills, Microsoft Office, Sales, and consulting.

The team consists of 15 employees and collaborators who are available to help clients deepen their knowledge. According to Risco (2025), the turnover recorded in 2023 is 361.329 EUR and the profit is 35.168 EUR.

The company began operating in 2004, offering only Project Management and Microsoft Excel courses.

In 2007, it expanded into Sales and Leadership and hired three employees. In 2013, Soft Skills courses were added, with a wide range of courses developed that can be customized based on customer needs.

On January 11, 2021, Axioma Solutions became a Scaled Agile Transformation partner, and on August 18, 2021, the company also entered into a partnership with the Project Management Institute.

Following the outbreak of the pandemic, the CARTA method and the Colltrain platform were developed in 2020 to support the delivery of training in the online environment.

CARTA is a method for personalizing and synchronizing remote training sessions in order to maximize active participant engagement (CARTA Method, 2022). By "remote training," we mean a course format that facilitates the use of video, audio, and specific remote technologies by the trainer to support synchronous interaction with course participants. This format complements traditional e-learning and online learning platforms, which provide course participants with access to sets of documents, videos, or other types of content that they can use at their own pace (i.e., asynchronously), in the absence of a trainer.

Certain elements of this method have been used in previous years, but its consolidation into a single form—the current one—was achieved following the delivery of over 120 online sessions in 2020 by the Axioma Solutions training team.

Colltrain is a collaborative training tool that enables trainers and facilitators to successfully deliver remote training (Colltrain, 2022).

According to an internal offer, Axioma provides training services based on the following differentiators:

- The unique structure of the courses, focused both on knowledge transfer and practical skills acquisition, so that upon returning to work, participants can practice the techniques and skills gained during the course.
- This is achieved by involving participants in practical exercises based on common scenarios, with a level of individual activities focused on immediate application, lasting more than 60%-70 % of the course duration.
- Delivering a memorable experience for participants during the seminars.

The company's main field of activity is according to the classification (Order 337/2007) Rev. Caen (2), 8559 - Other forms of education n.c.a.

Secondary areas of activity cover a wide range of other CAEN codes, which determine the company's involvement in other activities related to the main CAEN code, namely education. Annex 1 lists the secondary areas of activity in accordance with the articles of association.

Axioma believes that exceptional long-term results are achieved through flawless planning and execution of services, all aligned with the mission, vision, and values as key elements in the organization's structure.

According to the company's manager, "Our mission is to help organizations achieve their business goals by providing integrated training, consulting, and skills testing services."

### **Company values**

- Qualification, expertise, dedication, respect for colleagues, clients, and students, gaining and maintaining trust, results orientation.
- Each client is unique. We constantly strive to identify the needs and priorities of our customers in order to provide the best training solutions through a consultative approach.
- Innovation is a key element in developing new services and providing the best solutions for our customers. We use and integrate the most innovative approaches and tools into our processes.

Respect for students and interest in their learning objectives support the professional approach to interaction and provide a memorable experience during the courses.

The company's motto is: Better People – Better Results!

The training covers nine major areas: MS Office courses, Agile, Management & Leadership courses, Sales & Marketing courses, Soft Skills, Business Process Management, event facilitation, and skills testing, with over 75 courses and certifications.

Currently, the company has over 540 corporate clients operating in various fields, such as banking, telecommunications, IT and technology, manufacturing, automotive, and retail. These clients have brought in over 25,000 satisfied students.

There are over 55 training topics available, divided into seven categories.

According to an annual report, in 2022, 76 training and coaching sessions were held in person, and 149 sessions were held online. In 2023, by the end of May, 34 sessions were held in person and 35 were held online.

The choice to expand internationally was influenced by several significant market and strategic factors. First, the Romanian market, which was still growing but was beginning to show signs of saturation in a few IT service categories, made it difficult for the company to grow dynamically there. Second, Axioma observed that the demand for specialised IT solutions was rising in other European countries, particularly those in Central and Eastern Europe, where the market and cultural environments were quite similar to Romania's.

Additionally, the company's experience allowed it to compete with larger rivals in global marketplaces in terms of the quality and adaptability of its solutions. The expansion also aimed to reduce dependence on a particular market and diversify sources of income. It was thought that growing outside of Romania would be a natural next step in creating a worldwide brand.

### 4.3. Expansion into Bulgaria

Axioma Solutions expanded its operations in Bulgaria on August 25, 2017, when the local entity was registered under the name Аксиома Солюшънс България ООД (Axioma Solutions Bulgaria OOD). The choice of Bulgaria was part of the company's internationalization strategy, influenced by geographical proximity, cultural similarities, and interest in developing a regional training market in Southeast Europe.

Official information and legal structure:

- Unique identification code (ЕИК): 204736005
- Legal form: Limited liability company (ООД)
- Share capital: BGN 1,000

Address: Bulgaria, Varna, Mladost district, 9 Han Kubrat Street, 5th floor. The company is owned and managed by Marian-Liviu Știrbescu, founder of Axioma Solutions, also active in Romania and the United Kingdom, together with Stefan Valeriev Tsezarov, co-owner.

#### **Financial and operational aspects**

The expansion into Bulgaria was mainly self-financed, using equity capital from operations in Romania. Start-up costs included company registration, translations, administrative costs, and hiring a local partner, without resorting to grants or external financing. The collaboration with Stefan Tsezarov represented an operational advantage in terms of market understanding and access to local networks.

#### **Challenges encountered**

Despite its solid experience in the field, Axioma Solutions faced a number of challenges:

- Relatively low demand from local companies for premium training services
- Competition from small local companies offering very low prices
- Difficulties in attracting repeat customers and establishing a stable commercial base
- Lack of a clear public funding framework or limited access to European funds, compared to Romania

### Current results and observations

Although the expansion into Bulgaria was initially seen as a strategic opportunity, in recent years the company's activity in Bulgaria has been significantly reduced, and the focus has shifted to developing its presence in the United Kingdom. There is no recent public data on active contracts or new projects in Bulgaria, and the direct relationship with the Varna subsidiary has not been maintained. It can be concluded that, although the subsidiary remains legally active, its commercial impact on the Bulgarian market has been limited, and its potential has not been fully exploited.

### Mini SWOT – Expansion to Bulgaria

<b>Strengths</b>	<b>Weaknesses</b>
Solid know-how in professional training	Low visibility on the Bulgarian market
Official local presence and local partner	Reduced demand for premium services
Digital services and proprietary delivery methods (CARTA, Colltrain)	Lack of a scalable model for attracting customers
<b>Opportunities</b>	<b>Threats</b>
The possibility of accessing EU funds for education	Strong price competition from local companies
Reorientation towards regional or multinational projects	Uncertainty regarding the sustainability of the model in Bulgaria
Parteneriate internațională în contextul UE	Limited internal resources allocated to subsidiaries

### 4.4. Expansion into the UK

After establishing its business in Romania and launching a subsidiary in Bulgaria, Axioma Solutions decided to explore the UK market, one of the most developed and competitive in Europe in the field of training and consulting for the business environment. The expansion into the UK was not initially planned as a major strategic investment, but arose from the desire of founder Marian-Liviu Știrbescu to explore new opportunities in an environment that appealed to him personally and professionally. Regular visits to England, participation in

relevant conferences, and connections established with local professionals contributed to the decision to set up a dedicated legal entity.

### **Official information and legal structure**

- Full name: Axioma Solutions Ltd
- Date of incorporation: July 21, 2015
- Registration number: 09696998 (England and Wales)
- Status: Active
- Legal form: Private Limited Company
- VAT number: 249 2157 95
- Registered office: 56 Elton Avenue, Greenford, Middlesex, UB6 0PP

The company is managed by Marian-Liviu Știrbescu, who is currently managing the company remotely from Romania, and who owns over 50% of the shares and is considered the person with significant control, together with Leonard Claudiu Bărbulescu, a British citizen

### **Areas of activity and services offered**

According to SIC codes, the company operates in the following areas:

- 62012 – Business software development
- 62020 – IT consulting
- 70229 – Management consulting
- 85590 – Other forms of education.

In particular, Axioma Solutions UK offers corporate training and consulting in areas such as:

- Project management (including PMP and CompTIA Project+)
- Agile and organizational transformation
- Leadership, soft skills, communication, and sales
- Delivery of online training courses using the CARTA method and its own Colltrain platform

The company is also an official Scaled Agile Transformation partner, with expertise in supporting organizations that want to adopt Agile practices.

## **Market entry process**

Entry into the UK market was self-financed, without external grants or institutional investments. Initial efforts focused on:

- Legal establishment of the entity
- Partial rebranding and updating of the website to attract UK customers
- Participation in conferences and professional networking
- Initiating collaborations with local partners in the field of corporate education

However, the entry strategy was not comprehensive or integrated. Advertising and website redesign did not lead to the attraction of a solid customer base. In an attempt to deliver training in the UK, the personal network (friends/acquaintances) was used, but this model did not attract enough participants to sustain constant activity.

## **Financial aspects**

- Estimated turnover (2023-2024): £54,000
- Net assets: £-33,000 (indicates losses and negative equity)
- The company is classified as a micro-enterprise under UK regulations.

## **Challenges and barriers encountered**

- Competitive market with well-positioned local suppliers
- High promotion and delivery costs
- No external financial support or European grants
- Difficulties in building a stable local team
- Low customer conversion rate, despite online presence and participation in events
- Lack of a localized marketing strategy and sustainable strategic partnerships

## **Observations on current activity**

Although the company remains legally active, it has not recorded consistent activity in recent years. Currently, Axioma Solutions is focusing more on developing its business in Romania and strengthening international partnerships through other channels. The UK subsidiary remains active, but is not a primary source of revenue or strategic development at this time.

### Mini SWOT – Expansion into the United Kingdom

<b>Strengths</b>	<b>Weaknesses</b>
Stable legal presence and delivery experience	Uneven investment and insufficient marketing strategy
Quickly adapting to UK training requirements	High costs, low activity, and negative equity
Initial network of contacts and specific partnerships	Lack of a local team and a solid customer channel
<b>Opportunities</b>	<b>Threats</b>
Growth through international partnerships	Very strong competition in the training market
Diversification of the offer through the Colltrain platform	Very strong competition in the training market
Participation in tenders or B2B projects in the UK	Risk of stagnation or closure if not actively reinvested

#### 4.5. Comparative analysis Bulgaria vs the UK

Axioma Solutions is a pertinent illustration of a diverse approach to the internationalisation process after growing from Romania into two distinct European markets—Bulgaria and the United Kingdom. The results were impacted by variations in context, strategy, and execution, even though both endeavours were founded on local market experience and a goal for regional expansion.

##### **Similarities in entry strategy**

- **Entrepreneurial initiative:** In both cases, the expansion was initiated by the company's founder, Marian-Liviu Știrbescu, without the involvement of an investment fund or institutional partnership.
- **Self-financing:** In both Bulgaria and the UK, the initial investments were made with the company's own resources, without external support or grants.
- **Similar services offered:** The company tried to maintain the line of training courses delivered in Romania (project management, Agile, leadership, etc.), adapting them minimally to the local market.

## Major differences between markets and approaches

Element	Bulgaria	United Kingdom
Year of expansion	2017	2015
Legal structure	LLC (ООД) with local partner	Private Limited Company
Local partnership	Yes – local co-founder (Stefan Tsezarov)	No – team managed exclusively from Romania/UK
Adapting to the market	Services tailored to local demand	Offers almost unchanged compared to Romania
Activ presence	Local connections, direct contact with the market	Digital presence, limited networking
Achieved results	More consistent activity and local collaborations	Reduced activity, scaling difficulties

### Financial strategies and access to support

In Bulgaria, partnering with a local player enabled a better understanding of the market and more efficient cost distribution. Although the startup was modest (BGN 1,000 share capital), the business was adapted to local requirements and supported by personal relationships and direct collaborations. Operating and market entry costs were lower compared to the UK.

In the UK, although the legal framework and business opportunities are attractive, the lack of a solid local network and high costs (including promotion) have limited expansion. The company did not access external sources of funding or grants, and the strategy of attracting customers through advertising and website redesign did not generate visible results.

### What worked best and why?

In Bulgaria, relative success was due to a more pragmatic strategy: local collaboration, adaptation to market demand, and lower costs.

In the UK, the approach was aspirational but underfunded and insufficiently adapted to a mature and competitive market.

### Lessons learned

1. Local partnership is essential – having a local co-founder in Bulgaria was a clear strategic advantage.
2. Adapting services to the local context is mandatory – what works in Romania is not guaranteed to work in other markets.

3. Promotion is not enough without community and network – in the UK, the lack of a local customer base and limited teams lowered the impact.
4. Developed markets require higher investment and long-term planning – a lean strategy works better in emerging markets.
5. Access to external financing or European grants can support more sustainable expansion; their absence limited scaling in both countries.

#### 4.6. Summary of qualitative results

In order to respond to the second research question, this chapter examined the qualitative findings from the case study of Axioma Solutions' growth into Bulgaria and the UK:

How have corporate training providers navigated financial and market entry barriers in their attempts to expand into European countries such as the UK and Bulgaria?

Several themes and trends that are pertinent to comprehending how SMEs in the training industry handle international expansion surfaced from this comparative analysis:

1. The importance of local partnerships

In Bulgaria, collaboration with a local partner (co-owner) was essential to understanding market requirements, facilitating company registration, and building commercial relationships. In contrast, in the United Kingdom, the lack of such a partnership led to a reduced presence and limited results. Local presence and collaborations are key factors for effective expansion.

2. Gradual, self-financed expansion

Expansion was accomplished in both situations using internal resources alone, without outside assistance. Although this decreased financial risks, it also made it more difficult to hire employees, make advertising investments, or modify services. While self-financing could be effective in the beginning, sustainable growth might be supported by applying for grants or funds from Europe.

3. Adapting to the local market and culture

Bulgaria's cultural proximity to Romania made it easier to tailor its services to local needs. The target audience in the UK was not sufficiently receptive to the early products and methods (such as advertising and website overhaul). It is necessary to adapt products and communication to the local market's expectations and culture.

#### 4. Visibility and reputation

At first, the corporation was not very well-known in any country. On the other hand, direct connections and local networking bolstered its influence in Bulgaria. In contrast, promotion in the UK was mostly focused on personal connections and an internet presence, with only a slight impact. Digital marketing alone won't get you into the market; you also need to strategically create your reputation.

#### 5. Personal motivation vs. strategic planning

The founder's personal motivation had a significant role in the expansion into the UK; he regularly visited the country, attended conferences, and formed casual connections. However, the outcomes were constrained by the absence of a well-defined plan. Personal enthusiasm is a powerful motivator, but it needs to be backed up with careful preparation, study, and execution.

### **Implications for SMEs and policymakers**

For other SMEs in the training sector, these findings suggest that international expansion is more successful when it is based on:

- Strong local partnerships,
- Access to dedicated funding, and
- Cultural and operational adaptation.

For authorities and support organizations, it is recommended to:

- Facilitating cross-border networks and platforms for connecting companies,
- Creating financial instruments tailored to soft sectors (training, consulting),
- Providing mentoring and access to market information for micro-enterprises.

## Chapter 5: Discussions, conclusions, and recommendations

### 5.1. Overview

The purpose of this research was to understand how corporate training providers deal with financial and market entry challenges when trying to expand into European countries. The study was structured around two main research questions:

1. What financing models are used by corporate training providers, and what financial barriers do they face when expanding into the European market?
2. How have corporate training providers navigated financial and market entry barriers in their attempts to expand into European countries such as the UK and Bulgaria?

To answer these questions, the research used a mixed approach:

- Quantitative methodology, through a survey of SMEs in the training sector, highlighted preferred financing models, perceived financial barriers, and difficulties in expansion.
- Qualitative methodology, through a case study on Axioma Solutions, provided a practical perspective on concrete experiences of expansion in two different European markets.

This combination of methods allowed for a broader and more contextualized understanding of the subject, highlighting both general trends in the sector and lessons learned from real experiences.

### 5.2. Discussion of findings

The results obtained through the survey and case analysis highlighted a number of important findings, which can be discussed in relation to the literature and research objectives:

#### **1. Diversity of funding sources is limited**

Most respondents indicated that they rely on self-financing or informal partnerships. External sources of funding—such as European grants or investments—are rarely used, despite existing opportunities. The Axioma Solutions case study confirms this trend: expansion in both countries was mainly supported by their own resources.

## **2. The most common barriers are difficult access to capital and high initial cost**

Both quantitative and qualitative data indicate that obtaining capital for expansion is one of the biggest challenges. In the case of Axioma, the lack of external financing limited investments in promotion, personnel, and local infrastructure, especially in the UK.

## **3. Local presence and collaboration are critical success factors**

Expansion in Bulgaria benefited from a local partnership, which facilitated company registration, market understanding, and relationship development. In the UK, the absence of these elements led to limited market penetration. This suggests that entry strategies should be tailored to the local context.

## **4. Personal motivation is not enough for international success**

In the case of expansion into the UK, the founder's desire to access this market was an initial driver, but the lack of a clear strategy, local support, and adequate resources meant that results were modest. This reinforces the idea that intention must be backed up by strategic planning and resources.

## **5. SMEs in training need more specific support**

The training sector is often considered "intangible" and has difficulty attracting traditional funding. Therefore, government support, grants, and cross-border initiatives should be better tailored to this area.

### 5.2.1. Research question 1

The survey's findings on financial barriers and financing models are generally consistent with previous research, but they also add some new details:

- According to recent studies on the internationalisation of SMEs, many service-related businesses, particularly those undergoing training, rely on self-financing and steer clear of outside sources because of bureaucracy, hazards, or ignorance (Cavusgil et al., 2021). This is supported by the poll, which found that own funds, reinvested income, and informal relationships were the most commonly mentioned sources.
- Contrasts: While research indicates that European entrepreneurs are becoming more interested in venture capital or equity-based investment (OECD, 2020), respondents were hardly interested in either of these forms of finance. This suggests a potential lack of knowledge or access, particularly for small businesses providing intangible services.

- New insights: Despite the existence of programs available at the European level, the poll revealed a lack of readiness in attracting non-repayable financing. Additionally, some perceived obstacles that are important in practice but are less common in the mainstream literature include the high costs of cultural adaptation or the challenge of persuading foreign clients.

### 5.2.2. Research question 2

The analysis of Axioma Solutions' expansion in Bulgaria and Regatul Unit offers an intriguing perspective on internationalisation theories:

- The Uppsala model (Johanson & Vahlne, 1977), which describes a progressive expansion based on experience and increased engagement, appears to be partially applicable in the case of Bulgaria; there, one would call for a local partner, make wise investments, and modify programs to address the issues.
- In contrast, growth in the United Kingdom has been more in line with entrepreneurial opportunities, driven more by the founder's personal preferences and less by formalised strategies. Impact is limited by local infrastructure and a network of partners.
- These differences are highlighted by SWOT analysis: in Bulgaria, local partnerships and cultural adaptation are strong points that compensate for minority slăbicies, whereas in the UK, opportunities could not be valued due to a lack of local resources and coercive investments.

These findings imply that market entry strategies need to be contextualised; success cannot be replicated mechanically; instead, they must be tailored to the nation, culture, laws, and local infrastructure.

### 5.2.3. Mixed-Method Integration

Combining quantitative and qualitative data has given us a more comprehensive understanding of the challenges faced by IMMs in the training sector during their international expansion process:

- Mutual confirmation: The results of the study were supported by the case study; for instance, the difficulties in attracting funding and the problems caused by the lack of local partners were found in both sources.

- Completing: While quantitative data highlight general trends (e.g., the prevalence of autofinance), qualitative data provide context and insight (e.g., how the absence of a local partner affected success in the UK).
- Useful contradictions: While some respondents to the survey stated that digital marketing is an effective way to draw in foreign customers, a case study showed that investments in rebranding and promotion did not yield meaningful results in the UK without the support of a local ecosystem. This suggests that promotional tools cannot make up for a lack of social capital or trustworthy relationships.

In conclusion, a mixed approach has made it possible to not only validate some hypotheses but also to uncover some practical aspects that are crucial for internationalisation success but are difficult to capture through solely observation or case studies.

### 5.3. Conclusions

The purpose of this study was to shed light on how corporate training providers deal with financial and business obstacles while entering the European market and how they obtain funding.

After a quantitative study, it was shown that the primary methods used by SMEs in the training industry to support worldwide expansion include grants, partnerships, and self-finance. Simultaneously, persistent challenges were noted, including high entry costs into new markets, bureaucracy, and restricted access to financing. These results support and add to the research that identifies comparable obstacles to SMEs' internationalisation.

By examining Axioma Solutions' development into Bulgaria and the UK, the study's qualitative component offered useful insight into how partnerships, local context, and entrepreneurial choices affect an expansion's performance. While market entry was made easier in Bulgaria by working with a local partner, the impact was lessened in the UK by an unstable network and unequal marketing and delivery investments.

Combining the two research approaches, the study demonstrated that local adaptation strategy, pertinent partnerships, and target market knowledge are more important for expansion success than financial access alone.

These findings add to the body of knowledge and managerial practice while offering other SMEs looking to grow in Europe clear paths forward.

## 5.4. Practical recommendations

Based on the study's conclusions, the following concrete recommendations can be made for SMEs in the training sector interested in expanding into Europe:

### **1. Realistic financing approaches**

In the absence of easy access to external investment, companies should focus on gradual self-financing, reinvesting profits, or attracting local partners who can contribute resources (financial or logistical).

SMEs can benefit from European initiatives such as Erasmus+ or Horizon Europe, but they need to invest in their capacity to apply for grants (e.g., consulting, training).

### **2. Lowering barriers to entry**

An effective strategy is to test the target market through one-off collaborations, online deliveries, or pilot events before setting up a local entity.

Choosing a trusted local partner, as in the case of Bulgaria, can facilitate access to customers, understanding of regulations, and credibility in the market.

### **3. Adapting to the local context**

Training services must be culturally and economically contextualized, including through content localization, relevant examples, and understanding the real needs of the market.

Simply transposing the model from the country of origin without local validation can fail (e.g., difficulties in the UK).

### **4. Involvement in policies and networks**

SMEs should engage in professional networks and European groups to access support, exchange best practices, and gain visibility.

Participation in international conferences and project consortia offers both visibility and opportunities for transnational collaboration.

## 5.5. Limitations of the study

This research had certain limitations that may influence the interpretation of the results:

- **Limited sample:** The number of survey respondents was relatively small, and the results cannot be generalized to the entire European sector.
- **Self-reporting:** The data collected is based on the perceptions and statements of respondents, which implies a degree of subjectivity.
- **Limited access to detailed financial data:** Particularly for the case study, some essential information about actual performance or exact costs was not available.
- **Focus on a single sector:** The study focused exclusively on training companies, so the conclusions may not be applicable to other service industries.

## 5.6. Suggestions for future research

To expand understanding of this topic, future research could address the following directions:

- **Studying micro-firms (fewer than 10 employees),** which may have different challenges and strategies than traditional SMEs.
- **Comparative analyses between countries:** For example, a comparison between markets in Central Europe vs. Western Europe or between the EU and non-EU markets.
- **Longitudinal studies:** Tracking company performance over 3-5 years post-expansion could provide data on the sustainability of initiatives.

**Involvement of multiple case studies:** Analyzing companies from various service industries would allow for a deeper understanding of the barriers and solutions in international expansion.

## 6. General conclusions

With an emphasis on the finance strategies employed and the challenges faced during the internationalisation process, this study aimed to investigate how corporate training providers—in particular, SMEs—approach growth into European markets.

The following conclusions can be made in light of the questionnaire's results when applied to a pertinent sample of businesses and the thorough case study of Axioma Solutions:

1. Obtaining funding is still quite difficult. Access to outside funding is seen as challenging, primarily because of bureaucracy and a lack of knowledge or specialised assistance, despite the fact that many businesses employ their own resources, grants, or partnerships.
2. The goal of this study was to investigate how corporate training providers—SMEs in particular—are growing into European markets, with an emphasis on the funding strategies employed and the challenges faced during the internationalisation process. The findings from the questionnaire's application to a pertinent sample of businesses and the thorough case study of Axioma Solutions allow for the following deductions to be made:
3. Financing accessibility is still a significant obstacle. Despite the fact that many businesses rely on their own cash, grants, or partnerships, access to outside funding is seen as challenging, primarily because of bureaucracy and a lack of knowledge or specialised assistance.
4. Adaptability and local networks are essential for success. Local alliances and market expertise were crucial in both nations. Although the initial goals were good, their absence caused stagnation.
5. A comprehensive image can be obtained by combining quantitative and qualitative methods. The case study offers background and practical specifics, while the questionnaire data highlights broad tendencies; taken as a whole, they serve as the foundation for pertinent and useful conclusions.

All things considered, the study advances knowledge of the difficulties and tactics associated with training firms' internationalisation and offers a strong foundation for the creation of support regulations that are more suited to SMEs.

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## Appendices

### Appendix 1 – Questions related to the questionnaire concerning: „Financing and Market Entry Challenges for Corporate Training Providers Expanding into Europe”

1. What is the size of your company?
  - a. Micro (1–9 employees)
  - b. Small (10–49 employees)
  - c. Medium (50–249 employees)
  - d. Large (250+ employees)
2. Where is your company headquartered?

Short answer text
3. Have you expanded your services into one or more European countries?
  - a. Yes
  - b. No
  - c. Planning to expand soon
4. Which of the following financial barriers did your company experience or anticipate when entering the European market? *(Select all that apply.)*
  - a. High initial investment costs
  - b. Lack of access to loans or credit
  - c. Difficulty obtaining public funding/grants
  - d. Unfavorable currency exchange rates
  - e. Limited internal capital
  - f. High cost of compliance/legal services
  - g. Other...
5. Rate the overall difficulty of financing your European expansion: (on a scale from 1 to 5)
6. Which financing models have you used to support your international expansion? *(Select all that apply.)*
  - a) Internal company funds
  - b) Bank loans

- c) Private investors
- d) Government/EU grants
- e) Strategic partnerships or joint ventures
- f) Venture capital or private equity
- g) Crowdfunding
- h) Other...

7. Which European countries did your company target or expand into? *(Select all that apply)*

- a. Germany
- b. France
- c. Netherlands
- d. Spain
- e. Italy
- f. Poland
- g. Sweden
- h. Belgium
- i. Ireland
- j. Other...

8. What was the main challenge your company faced when entering the European market? *(Select one)*

- a) Regulatory complexity
- b) High costs
- c) Lack of market knowledge
- d) Difficulty accessing finance
- e) Cultural/language barriers
- f) Finding local partners
- g) Other...

9. Which strategies helped you succeed or stay competitive in the new market? *(Select up to 3)*

- a) Strategic partnerships or alliances
- b) Hiring local staff or consultants

- c) Localizing training content or delivery
- d) Applying for EU or national grants
- e) Digital marketing and online reach
- f) Participating in international events/fairs
- g) Other...

## Appendix 2 - Secondary areas of activity according to the articles of association

6420 - Activities of holding companies

6311 - Data processing, web page administration and related activities

9511 - Repair of computers and peripheral equipment

9329 - Other recreational and entertainment activities n.e.c.

8560 - Support activities for education

8559 - Other forms of education n.e.c.

8551 - Sports and recreation education

8532 - Secondary, technical, or vocational education

8299 - Other business support service activities n.e.c.

8230 - Organisation of exhibitions, fairs and congresses

8219 - Photocopying, document preparation and other specialised secretarial activities

8211 - Combined secretarial activities

8110 - Combined support service activities

7830 - Labor supply and management services

7820 - Temporary staffing activities

7810 - Activities of employment agencies

7733 - Rental and leasing activities with office machinery and equipment (including computers)

7490 - Other professional, scientific, and technical activities n.e.c.

7420 - Photographic activities

7410 - Specialized design activities

7320 - Market research and public opinion polling activities

7312 - Media representation services

7022 - Business and management consulting activities

7021 - Public relations and communication consulting activities

6832 - Real estate administration on a fee or contract basis

6820 - Letting and subletting of own or leased real estate

6810 - Buying and selling of own real estate

6209 - Other information technology service activities

6203 - Management (administration and operation) of computing resources

6202 - Information technology consulting activities

6201 - Custom software development (customer-oriented software)

5920 - Audio recording and music publishing activities  
5912 - Film, video, and television program post-production activities  
5821 - Computer game publishing activities  
4799 - Retail trade conducted outside stores, stalls, kiosks, and markets  
4791 - Retail trade through mail order houses or the Internet  
4778 - Retail sale of other new goods in specialized stores  
4777 - Retail sale of watches and jewelry in specialized stores  
4761 - Retail sale of books in specialized stores  
4742 - Retail sale of telecommunications equipment in specialized stores  
4741 - Retail sale of computers, peripheral units, and software in specialized stores  
4666 - Wholesale of other office machinery and equipment  
4651 - Wholesale of computers, peripheral equipment, and software  
4619 - Intermediation in the trade of various products  
4110 - Real estate development (promotion)  
2620 - Manufacture of computers and peripheral equipment  
1820 - Reproduction of recorded media