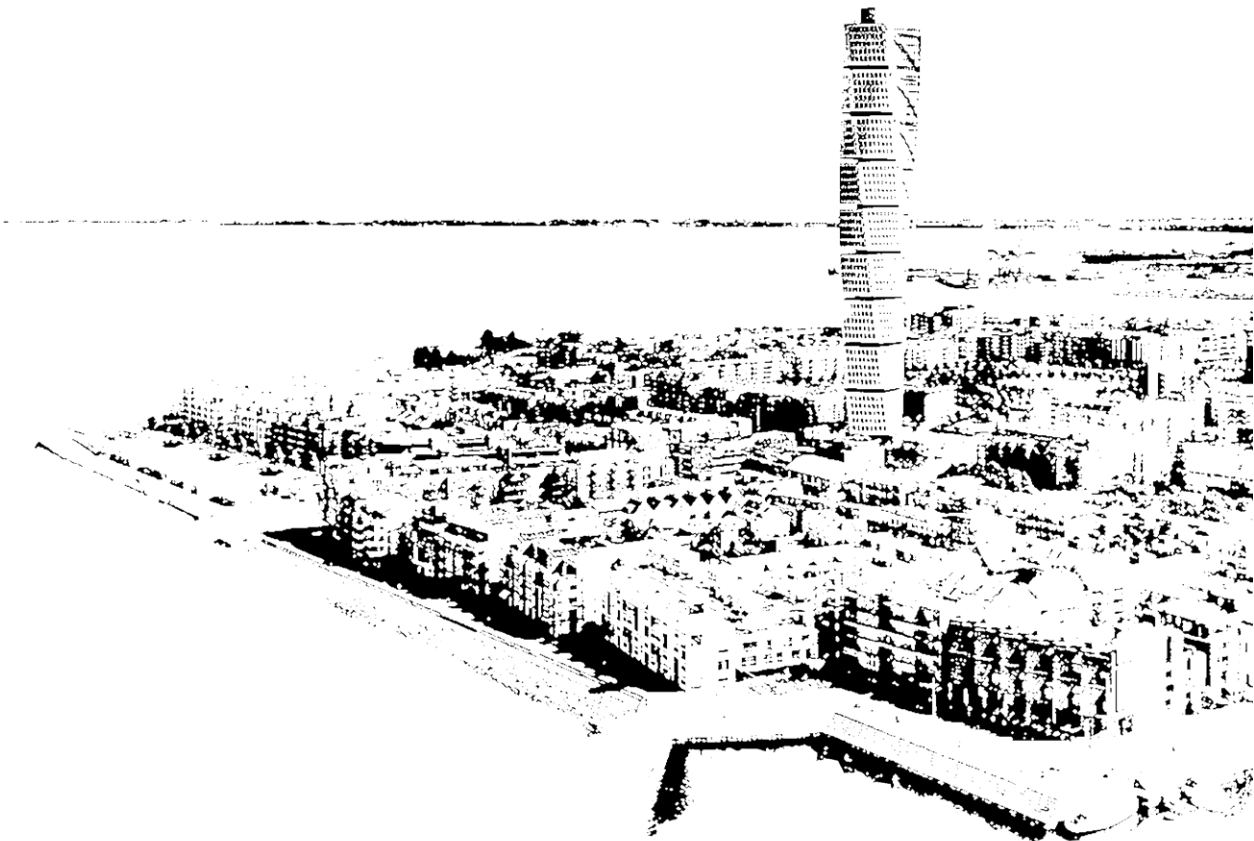# Why do **entrepreneurs** choose to operate from specific **locations** in the era of location **independence**?

Towards the entrepreneurial city : the case of Malmö's entrepreneurial ecosystem

SCHOOL OF ECONOMICS AND MANAGEMENT

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Abstract

This study explores the topic of the choice of location of entrepreneurs and the extent of the role of spatial context in entrepreneurship at the city level. In other words, by analysing the interactions between entrepreneurs and their spatial context on an urban microscale, we pursue to understand how a city can become more entrepreneurial. We do this by conceptualising entrepreneurship in the urban context as a spatial and multifaceted phenomenon and exploring how entrepreneurs, based on their experience, are enabled by their spatial context to choose a place from where to operate their business, regardless of their proximity independence from specific resources or markets. This thesis focuses on data provided by eleven entrepreneurs working in Malmö. Given the lack of theorisation in the area, the study explores an inductive approach using semi-structured interviews supported by the usage of maps. Furthermore, we define a broader understanding of the city's spatial context concerning entrepreneurship through four aggregated dimensions: (1) city's physical dimension, (2) city connectivity, (3) city entrepreneurial culture, and (4) city people. Finally, as not every firm relate in the same manner with its spatial surroundings, six different typologies of entrepreneurs are conceptualised, combining the concepts of spatial embeddedness and prior entrepreneurial experience. Thus, providing a thorough understanding of the choice of location of entrepreneurs, helping policymakers, scholars, and entrepreneurs work jointly towards a more entrepreneurial city.

Keywords: Entrepreneurship, Entrepreneurial Ecosystem, City, Urban, Location, Spatial Context, Cluster

Acknowledgements

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List of concepts

Entrepreneurial Activity (EA)

Entrepreneurial Opportunity (EO)

Entrepreneurial Ecosystem (EE)

Nascent Entrepreneur (NE)

New Business Owner (NBO)

Established Business Owner (EBO)

Spatial Context ≅ Spatial Dimension

City context = Urban context = Urban environment

Geographical context = Geographical areas

Creative Class Theory (CCT)

Human Capital Theory (HCT)

Chapter 1: Introduction

More cities are gaining traction in the last decades since urban areas are bidding to retain and attract entrepreneurial human capital. According to Duranton & Puga (2014), greater diversity among entrepreneurs foster urban growth, although the exact channels through which it happens are not identified. Meanwhile, in the rise of the knowledge base economy, it may seem that new firms do not depend on the distance to markets, raw materials, or specific infrastructure (Florida, 2020; Pennings, 1982; Ratten, 2017), leaving a place for investigation on the future relationship between entrepreneurship and its spatial context.

Entrepreneurship is a phenomenon attached to a geographical area (Bosma, 2009; Florida, 2002a), finding in the city an effervescent environment to emerge (Bosma & Sternberg, 2014). In that regard, prior research shows the relatedness between entrepreneurship and its spatial context, leading to the analysis of how the city and its entrepreneurial actors simultaneously affect one another (Iftikhar, Justice & Audretsch, 2020; Jessop, 2019; Stephens, 2020). Furthermore, what used to be an accidental phenomenon that gathered the attention of both scholars and policymakers; is now a desired and planned strategy to foster economic prosperity at the city level. Being a field of study in development (Bosma & Sternberg, 2014), scholars have shown interest in the spatial aspects of entrepreneurship and its clustering tendency for the last three decades (i.e., Fallick, Fleischman & Rebitzer, 2006; Plaza, 2007; Rybczynski, 2002).

However, recent policies, taxation incentives, digital transformation and improved ease of communication are disrupting the related dependency between entrepreneurs and their spatial context (Bussgang, Montuori & Brah, 2014; Goede, 2019; ed. Haas & Westlund, 2018; Isenberg, D. & Onyemah, 2017; Johnson, Farrell & Henderson, 1996; Stephens, 2020). Furthermore, and despite the increasing interest among scholars, the spatial dimension of entrepreneurship continues to be underattended in entrepreneurial research (Florida et al., 2020; Iftikhar, Justice & Audretsch, 2020; Müller & Korsgaard, 2018). Previous contributions have mainly focused on macroscale approaches and quantitative methods that have left a gap in

extant literature (ed. Iftikhar, Justice & Audretsch, 2020, p.7). Therefore, lacking direct qualitative evidence from entrepreneurs on how the spatial context of the city remains attractive for their ventures, even when their operations do not depend on the proximity to the aforementioned specific resources or markets. Finally, the city's role in attracting talented entrepreneurs should be reviewed from entrepreneurs' perspective as Florida's (2002b) CCT has been disproved when applying it to specific areas (Andersen et al., 2010; Asheim & Hansen, 2009).

Finally, as entrepreneurs' prior experience influences the recognition and exploitation of opportunities (Baron, 2006; Gabrielsson & Politis, 2012; Shane, 2000), it can be assumed that it could play a significant role in how individuals interact with their spatial context and eventually, how it affects their ventures. This second stream of literature has rarely been employed to analyse the spatial dimension of entrepreneurship. Thus, both fields of research - the spatial context in entrepreneurship and the role of prior knowledge in opportunity recognition, can benefit each other by generating original and innovative theoretical contributions.

In our research, we aim to explore the choice of location of entrepreneurs through a combined perspective taking into account their spatial embeddedness and the stage they are in their careers. This thesis deepens on understanding how entrepreneurial practices are affected by the spatial context and explore the future role of the city in promoting entrepreneurship. After that, this study pursues contributing to the existing body of literature, based on direct research findings from entrepreneurs, implementing a qualitative method focused on eleven individual entrepreneurs with various experience operating from the Swedish mid-size city of Malmö. Regarding its practical implications, this study provides relevant contributions that might help policymakers collaborate with the private sector to create a more entrepreneurial city (Jessop, 2019; Pereyra, 2019; Short & Kim, 1999; Stephens, 2020).

To summarise, this study is motivated by the aim to answer the following question:

Why entrepreneurs choose certain locations to operate their business?

As it has been presented, the question mentioned above will be explored from a combined analysis driven by the following two sub-questions:

How the spatial context of the city affects the choice of location of entrepreneurs' venture?

How the entrepreneurs' experience mediates in the choice of the location of their ventures?

The rest of the paper continues as follow. The second chapter presents a theoretical framework based on prior research on entrepreneurship and its spatial context, concentrating on entrepreneurial clusters and the phenomenon of entrepreneurship in cities. Adding on that, contributions on the role of prior knowledge in entrepreneur's opportunity recognition will also be addressed. The third chapter presents and elaborates on the methodology for qualitative research employed, focusing on the data sample and the data coding and analysis. Following that, empirical findings and discussion related to the theoretical framework are exposed in the fourth chapter. Moreover, in the fifth chapter, conclusions will be outlined from the discussion to provide clear insights into the results. Finally, in the sixth chapter, practical and theoretical implications and suggestions for further research will be presented.

Chapter 2: Literature Review

As presented, entrepreneurship can be understood as a phenomenon attached to a specific spatial context (Bosma & Sternberg, 2014; Müller & Korsgaard, 2018). In order to generate a theoretical base to understand the choice of location of entrepreneurs in the urban context, an inductive approach is conducted, presenting existing observations and theories from two streams of literature – (1) the spatial context in entrepreneurship and (2) prior entrepreneurial knowledge. Firstly, from a broader to a more city-specific perspective on the relatedness between entrepreneurship and its spatial context, the present theoretical background draws upon (1) the definition of entrepreneurial spatial dimensions; (2) the geographical dimension of entrepreneurship and its clustering; (3) entrepreneurship at the city level; (4) CCT, HCT and the concept of the knowledge city and, finally; (5) theoretical attempts on defining the taxonomy of the entrepreneurial city. Secondly, contributions on entrepreneurs' prior knowledge in scouting opportunities will be introduced to understand how it could affect the relationship between their venture and its spatial context.

2.1. Entrepreneurship and city's spatial context

2.1.1. Spatial context and entrepreneurship

The Austrian School of Economic describes entrepreneurship as being driven by individual motivations (Chiles, Bluedorn & Gupta, 2007; Koppl & Minniti, 2003). Kirzner (1973, 1999), Lachmann (1997) and Schumpeter (1934) support that entrepreneurs must possess certain traits leading to economic activities, such as alertness and occurrence of specific opportunities. This view is well-recognised, especially regarding the emphasis on opportunity recognition and the economy-related role of entrepreneurship. However, these theories are non-spatial (Hindle, 2010; Müller & Korsgaard, 2018; Welter, 2011), lacking an explanation of the intrinsic spatial dimension of entrepreneurship (Andersson, 2005). This research gap provides

an opportunity for further contributions to the study of the role of the spatial context on entrepreneurship and choice of location among entrepreneurs, which this study aims to do.

Further discussion exists concerning the objectivity of how entrepreneurs recognise opportunities that can be developed in future ventures. Entrepreneurship relies on the recognition and exploitation of opportunities by entrepreneurs that can lead to the development of future ventures (Baron, 2006; Shane & Venkataraman, 2000; Short, Ketchen & Shook, 2010). On the one hand, this process is understood as an individual and endogenous phenomenon that depends on innate or trained abilities to connect the dots or process the information (Baron, 2006; de Groot, Poot & Smit, 2007; Shane & Venkataraman, 2000; Stephens, 2020). On the other hand, the process of recognising and exploiting potential opportunities can be exogenous, depending on the spatial context where the entrepreneur operates (Short, Ketchen & Shook, 2010).

In this study, entrepreneurship is defined as an endogenous (Baron, 2006; Shane & Venkataraman, 2000) and individually motivated socio-economic phenomenon (Chiles, Bluedorn & Gupta, 2007; Koppl & Minniti, 2003; Praag, 1999) with a significant exogenous component endorsed to its spatial dimension (Florida et al., 2020; Müller & Korsgaard, 2018; Stephens, 2020). This phenomenon is influenced by market situation-specific factors (Kirzner, 1973, 1999) and fosters opportunity recognition among individuals (Baron, 2006; Bosma & Sternberg, 2014; Shane & Venkataraman, 2000). As Müller & Korsgaard (2018) supports, the spatial context and the entrepreneur's relation to it can influence the development of different entrepreneurial activities.

The concept of spatial context has been used ubiquitously in literature among different fields of research. From a very generic perspective, Freksa, Klippel and Winter (2007) define spatial context as the physical environment in which an object or an agent is located. Furthermore, they add that the available tangible, perceptual and cognitive processes should be considered part of the spatial context, as it has a direct effect on what influences a specific situation (Müller & Korsgaard, 2018; and Sloman, 1985; Klippel et al., 2003; Jackendoff, 1997; Habel, 2003; cited in Freksa, Klippel & Winter, 2007). On the intersection of spatial context and entrepreneurial research, Muller & Korsgaard (2018) find that the spatial context of entrepreneurship can be seen as a combination of its physical and geographical context and the socio-cognitive aspects with which entrepreneurs construct a mental representation of it. Furthermore, they propose a more comprehensive understanding of space as "a physical

extension, which allows social relations and exchanges to flow more or less frictionless leading to the agglomeration and concentration" of firms in specific locations (Müller & Korsgaard, 2018, p. 226). Thus, emphasising how physical proximity and distance can affect entrepreneurial activities (Adler et al., 2019; Chatterji, Glaeser & Kerr, 2013; ed. Iftikhar, Justice & Audretsch, 2020).

In conclusion, the concept of spatial context is crucial in entrepreneurship research to understand the choice of location of entrepreneurs, which is the aim of this study; and ultimately, to contribute to a more holistic theory of entrepreneurship, which considers not only its endogenous but also exogenous nature.

2.1.2. Entrepreneurial clusters

Once entrepreneurship is acknowledged as a phenomenon with a precise spatial dimension (Bosma & Sternberg, 2014; ed. Iftikhar, Justice & Audretsch, 2020; Müller & Korsgaard, 2018), it should be considered to not be equally distributed upon different geographical areas. Entrepreneurial research has borrowed the term *cluster* from economic geography to define the concept of an entrepreneurial cluster (Adler et al., 2019; Chatterji, Glaeser & Kerr, 2013; Glaeser, 2010). Entrepreneurial cluster is defined as the concentration or agglomeration of EA in one specific location (Chatterji, Glaeser & Kerr, 2013). Therefore, it can be assumed that location matters for entrepreneurs and that establishing their business in one location or the other might result from a specific rationale in their decision concerning their firm competitiveness.

Although it is not in the scope of this paper to elaborate on entrepreneurial clusters or economic agglomeration theories, it is relevant to acknowledge the existence of two different streams of knowledge on how the concentration of firms in one specific area fosters economic development. On the one hand, and deriving from Marshall's (1890) contributions, location economics favour the concentration of companies from a similar industry in one area, leading to specialisation of workforce pool and technological knowledge spillovers (Beaudry & Schiffauerova, 2009; Bosma & Sternberg, 2014). On the other hand, urbanisation economics support that cities should host diversified entrepreneurial clusters (Beaudry & Schiffauerova, 2009; Bosma & Sternberg, 2014). These diversified clusters lead to Jacobs' externalities (Jacobs, 1969, 1984), such as diversification of human skills and stakeholders and diversity of knowledge

(Florida et al., 2020), generating significant knowledge spillovers among firms in the urban setting. In this paper, both approaches are valid, assuming that an entrepreneur might choose a more specialised or more diverse cluster regarding his industry and entrepreneurial experience. Therefore, it is part of the aim of this study to explore to what extent entrepreneurial clusters, and their different externalities, affect the choice of location of different entrepreneurs.

Finally, as cities must define the kind of firms they should encourage (Stephens, 2020), urban policymakers in collaboration with the private sector will benefit from a closer understanding of what entrepreneurs look for in the spatial context to recognise opportunities and develop their ventures. Furthermore, as presented by Audretsch, Belitski & Desai (2015), a growing interest in European urban policies encouraging the creation, development and supply of entrepreneurship (European Commission, 2016) contrast with the scarcity of literature on the spatial dimension of entrepreneurship at the city level (Florida et al., 2020; Glaeser, 1994, 2010). Thus, this paper seeks to contribute to extant studies, understanding why entrepreneurs choose a specific location to operate their business and ultimately discuss the role of the cities in the supply of entrepreneurship.

2.1.3. Entrepreneurship at the city level

From what it has been presented, it can be assumed that at the city level, different motivations and industries can lead to different kind of entrepreneurial clusters or microclusters, as Florida et al. (2020) names the presence of different entrepreneurial clusters within the same city. By default, it can also lead to variant relationships between entrepreneurs and the spatial context in which they operate. Regarding entrepreneurial motivations, opportunity and necessity-driven are the main motivations underlying the creation of new ventures by an entrepreneur. In European cities, opportunity-driven ventures rather than necessity driven tend to take place at a higher level in the urban context, benefiting from Jacobs externalities (Bosma & Sternberg, 2014). Moreover, growth-driven and scalable entrepreneurial ventures are more prone to generating economic prosperity (Pereyra, 2019; Shane, 2009). Other kinds of entrepreneurship, such as self-employed individuals, individual entrepreneurs who had acquired SMEs; intrapreneurship at the corporate level (Stephens, 2020); or entrepreneurs who open a business due to the difficulties of entering the job market, are not considered in this study. These

entrepreneurs have a minor impact on the city's EE, commonly focused on supporting high-skilled and growth-driven entrepreneurs (Audretsch & Belitski, 2017; Pereyra, 2019).

The city's role in encouraging the attraction of entrepreneurs can be considered from multiple perspectives. However, scholars have shown great interest in the potential of the city to design, redesign and revitalise the urban space, focusing on the configuration of spaces, enabling connectivity and encouraging a supportive culture (Stephens, 2020). With similar intentions, Jessop (2019) encourages creation of better urban EE by generation and reorganisation of urban spaces, leading to new ways of living, working & consuming, opening of new markets and enhancing the city's competitive advantages. However, the relation between entrepreneurship and its spatial context can be seen as a dynamic phenomenon that varies through time. In recent years and boosted by the COVID-19 pandemic of the years 2020 and 2021, the choice of location is becoming less constrained by the distance to markets, resources or even opportunities, with scholars making statements like "the death of distance" and "the end of geography" (Florida et al., 2020). Surprisingly, at the same time, EEs are flourishing in urban areas worldwide, and entrepreneurial clusters are visible in a broader range of cities (Iftikhar, Justice & Audretsch, 2020; Stephens, 2020). Then, why do entrepreneurs still decide to allocate their business in a specific urban area, even when their operations do not depend on the proximity to it?

Urban policies have limitations in generating entrepreneurial opportunities (EO) that eventually will lead to new ventures. These limitations come from the fact that EOs have to be recognised or seized by entrepreneurs. This process is endogenous (Baron, 2006; Shane & Venkataraman, 2000), dependent on the entrepreneur's knowledge and cognitive skills; but also exogenous, influenced by the context where it takes place (Florida et al., 2020; Müller & Korsgaard, 2018; Stephens, 2020). Since urban policies cannot, or even should not, mediate on how entrepreneurs perceive and exploit opportunities, the city's role in promoting entrepreneurship is more related to its capacity to provide a well-functioning spatial context for a firm to establish in. In other words, cities should focus on hosting a genuine EE to attract talent that eventually will lead to the creation and seizing of more EO and economic growth.

2.1.4. The knowledge city and the agglomeration of human capital

The concept of the knowledge city has been developed in research as "cities, where relationships between people are more extensive, provide the most natural environment in which to look for evidence of the knowledge spillover so emphasised by the endogenous growth theory" (Bruzzi et al., 2020, p.57). In this context, cities are not "containers for smart people; they are the enabling infrastructure where connections take place, networks are built, and innovative combinations are consummated" (Florida, Adler & Mellander, 2017, p.92).

Florida (2002), in his best-seller book *'The Rise of the Creative Class',* presents the CCT as a framework to support a new urban economic wave based on the creativity of each individual to foster economic growth (Florida, 2002a). The CCT refers to a group of individuals whose values shift from material needs to the pursuit of self-actualisation and their purposes that lead to economic prosperity. From the perspective of entrepreneurial research, highly skilled individuals are precisely linked with highly skilled opportunity-driven entrepreneurship (Adler et al., 2019; Bosma & Sternberg, 2014; Glaeser, 2010). However, how these entrepreneurs interact with the urban context is also changing, leading cities to become excellent and attractive places to retain, attract and encourage highly skilled people (Florida, 2002a; Glaeser, Saiz & Albert Saiz, 2003). Thus, it drives policymakers to work on the openness, diversity, and inclusivity of the city for economic prosperity by promoting density, clustering and concentration.

The CCT has also been criticised for its resemblance with the HCT developed by Glaeser & Saiz (2003). Pereyra (2019) builds on it, stating that the CCT results from merging HCT, Jacobs' externalities, and strategic management theories. Nevertheless, in both cases, there is no doubt that "highly skilled people in high skilled industries may come with more new ideas" (Glaeser & Saiz, 2003, p.594). By bringing together ideas, talents, goods, business services, firms, and human creativity, cities "are becoming the natural environment for the development of entrepreneurship, especially because of their increase in the process of creating and diffusing knowledge" (ed. Iftikhar, Justice & Audretsch, 2020,p.66). However, the generalisation of what seemed to be true in the significant metropolitan areas in the US, which Florida (2002b) analysed; faced criticism of other scholars who sustained that the CCT could not be applied equally in every location (Andersen et al., 2010; Asheim & Hansen, 2009).

Bruzzi et al. (2020) confirm that the knowledge city stimulates the development of entrepreneurship, emphasising the idea that social and cultural dimensions lead to the creation of more EA, while environmental and infrastructural facilities are seen as a pre-requisite being of lower importance for entrepreneurs. However, can spatial context be isolated from the social and cultural realm, or should it be considered as a whole? Infrastructure, connectivity and culture of the city are equally needed to promote entrepreneurship in the urban context (Stephens, 2020). Moreover, in urban studies, as seen in the work "Cities for People" (Gehl, 2013), social, cultural and physical dimensions of the city tend to be studied as interdependent from one another.

Some limitations can be found in the exclusivity of approaches aiming to attract creativity and highly skilled human capital in particular cities or even specific neighbourhoods or districts within cities. Besides, policymakers and the rest of the stakeholders should be aware of the limitations and adverse outcomes that the attraction of the creative class can generate, such as gentrification or social segregation (Biddulph, 2011; Pereyra, 2019) that might lead to negative knowledge spillovers. In conclusion, it seems relevant to explore how the spatial dimensions of the city help to promote the engagement of ideas and knowledge, connectivity between people and generation of an entrepreneurial culture that, in the end, lead to the generation and attraction of more ventures to the city.

2.1.5. The taxonomy of the entrepreneurial city

The importance of the city's urban configuration and infrastructure in promoting people's interaction that led to increased entrepreneurship and knowledge in the urban context (Ergazakis, Metaxiotis & Psarras, 2004) bears significant relevance when considering the city's spatial context. However, it has been frequently overpassed by scholars in the field of entrepreneurship research, who have centred in the cities' economic, sociological, cultural and historical dimensions (Parr, 2007). From an opposite perspective, the classic approach in urban studies research has been to analyse the city's spatiality from a purely architectonic view, where the city is a physical entity that directly mediates with its collective life. Rossi & Eisenman (1982) present the city as a built form where the sum of its architectures during history constitutes an urban artefact, or similarly, a physical reality. In his seminar work "*The image of the city*", Lynch (1960) presents a disrupting understanding of the urban form, recognising that the urban space does not only rely on the spatial dimensions of the city, but also on the mental representations that citizens recreate from that space. Thus, aligning with the more contemporary

notions on spatial context addressed by (Freksa, Klippel & Winter, 2007; Müller & Korsgaard, 2018).

Scholars have put a considerable effort to define a taxonomy of the spatial context of the city. Although in-depth elaboration is not intended, it is from the interest of the present study to address that there are different approaches and that an agreement does not exist on what dimensions constitute taxonomy of the spatial context of the entrepreneurial city. In that regard, Stephens (2020) proposes a conceptual framework with three key pull factors: city configuration, connectivity facilitation and city culture. City configuration refers to the city's most tangible dimension, its built environment, and it is the base for the other two factors, city connectivity and city culture, to take place. Finally, author provides a conceptual framework of the different urban assets that the city entitles, implying three domains connected to the entrepreneur: the city realm, the working realm and the living realm.

Parr (2007) outlines four physical dimensions of the city from a more tangible perspective: the built city, the consumption city, the employment city, and the workforce City. This division might seem quite functionalistic compared to the freedom of choice that the city of Florida (2002) aims to provide. Finally, Biddulph (2011) and from a very different theoretical position (Madureira, 2014a) explore how policymakers have employed different urban design principles to design a more entrepreneurial city. In that regard, the city's urban infrastructure and built environment create a supportive context, such as working spaces, increased security, affordable housing, and reduced commuting times, leading to the promotion of entrepreneurship (Biddulph, 2011; Johnson, Farrell & Henderson, 1996).

In comparison with other authors, Stephens (2020) makes an insightful contribution considering the spatial context of the city beyond a physical or built dimension, including the connectivity between individuals, firms and entrepreneurial culture embedded in the city. Due to the lack of a clear definition of the spatial taxonomy of the entrepreneurial city, probably due to dominant focus in research on macroscale implications of the entrepreneurial spatial dimensions, the generation and conceptualisation of first-hand empirical data might contribute to the research works already mentioned.

2.2. Entrepreneurs' prior knowledge and spatial embeddedness

The analysis of how entrepreneurship's spatial context affects firms' choice of location should not overlook how different entrepreneurs could have different perceptions of the same spatial context. Although it is not in the scope of this paper to dive into the cognitive capabilities of entrepreneurs in recognising how their spatial context can help them recognise and exploit EO, it should not be excluded. As presented, the spatial context in entrepreneurship has a dual nature as a spatial and socio-cognitive phenomenon (Müller & Korsgaard, 2018). In that regard, it is evident that prior experience and knowledge (Gabrielsson & Politis, 2012; Shane, 2000) and even entrepreneur's representation, meaning and attachment to a specific location (Kibler, Kautonen, and Fink 2014; Kibler et al. 2015; Korsgaard, Ferguson, and Gaddefors 2015; Lang, Fink, and Kibler 2014; McKeever, Anderson, and Jack 2014; McKeever, Jack, and Anderson 2015 cited by Müller & Korsgaard, 2018) can have major implications on how the spatial context affect entrepreneurs' ventures.

Shane (2000) states that EO, and by the extent of this paper, the resources spatial context of the city could provide for the exploitation of these opportunities, are not evident for all entrepreneurs. For Shane, although his study is limited to the high-tech industry, prior knowledge can mediate the way an entrepreneur exploits a given opportunity. Translating it to the spatial context, it could be assumed that entrepreneurs experience and knowledge could also mediate how they benefit from the resources (physical, networks, social, cultural) available in a specific location. Adding on that, Gabrielsson & Politis (2012) also provide an insightful contribution to the relatedness between prior working experience and business ideas. In this case, they study how the previous professional role and the degree of specialisation affect the individual to develop new business ideas.

Interestingly the Global Entrepreneurship Monitor (GEM) includes the concept of entrepreneurs' experience in their definition of entrepreneurship. According to Reynolds et al., (1999, pp. 3), entrepreneurship is "any attempt at new business or new venture creation (…) or the expansion of an existing business, by an individual, a team of individuals, or an established business". This research framework conceptualises different stages in entrepreneurs' careers, and by extension, the various stages in entrepreneurs' careers in three labels: nascent entrepreneurs (NE), new business owners (NBO) and established business owners (EBO). The correlation between entrepreneurs' experience and the labelling that GEM establishes is

deducted by the authors and not directly suggested by the Global Entrepreneurship Monitor (2019). Thus, understanding that growth-driven entrepreneurs aim to evolve from being NEs to being EBOs and that entrepreneurial experience should not be measured by time, but by prior roles and knowledge (Gabrielsson & Politis, 2012; Shane, 2000).

In conclusion, and aligning with the significant contributions on entrepreneurial research, the recognition and exploitation of EO and the development of new ventures highly depend on the entrepreneurs and their information processing skills (Baron, 2006; Gabrielsson & Politis, 2012; Sarasvathy, 2001; Shane, 2000; Shane & Venkataraman, 2000). In addition, cognitive approaches to creativity (Ward, 2004) and the ability to take advantage of available networks (Suddaby, Bruton & Steven, 2015) can represent entrepreneurial capabilities as innate only in specific individuals. Audretsch & Belitski (2017, pp. 1034) find that "individual views and personal judgement about the access to the labour market and finance, demand, infrastructure and cultural norms, administrative support, efficiency and competitive advantage form a framework condition of the ecosystem". Although the entrepreneur's prior experience has been broadly studied concerning the development of new ideas, extant literature lacks how it could mediate with its spatial context. Therefore, it brings the opportunity to explore how entrepreneurs in different stages of their careers relate to their spatial context and how it is relevant to their choice of location.

2.3. Chapter Summary

As a conclusion to the literature review and theoretical background that supports the research undertaking of the present thesis, we aim to compile what has been presented. Hence, emphasising the relevance of entrepreneurship's spatial dimension and how the spatial context of the city play a significant role in the choice of location on entrepreneurs. In addition, it is central for the aim of this study to assume the interdependence of the spatial context of the city with its social and cultural dimensions. Compared with other studies, this paper presents the city spatial context in a broader meaning and not constrained to its physical dimensions, but integrating the social and cultural dimensions associated with them, which help foster the recognition of opportunities and develop new and existing firms.

Overall, six relevant theoretical contributions have been presented, developing comparisons and interrelations among them. Firstly, entrepreneurship is a phenomenon with an intrinsic spatial dimension that has been unattended in significant entrepreneurial research contributions. Secondly, entrepreneurship is a phenomenon that tends to cluster in certain locations, leading to specialised or diverse concentrations of firms depending on the nature of their work. Thirdly, the city is presented as the optimal environment where EO can be recognised and exploited, leading to the creation and attraction of new ventures. As entrepreneurship brings economic development, cities should focus on improving and developing a supportive spatial context from which entrepreneurs can benefit. Fourthly, the concept of the knowledge city introduces the importance of attracting skilled entrepreneurs and how it benefits the whole entrepreneurial scene of the city. Fifthly, spatial considerations of the entrepreneurial city are highlighted and compared with other classical definitions for the city.

Finally, considering the likewise relevant endogenous dimension of entrepreneurship, we emphasise how prior experience and knowledge among entrepreneurs meditate their recognition of potential opportunities. This leads the authors to hypothesise on the possibility of a mediatitive effect of entrepreneurs' experience on how the spatial context affects their choice of location.

Chapter 3: Methodology

This chapter discusses and offers reasoning on the qualitative approach that was utilised in this thesis. The chapter opens with an explanation of the epistemological and ontological assumptions that underlie the present study. Following that, the text elaborates on the assumptions behind the research, followed by a brief discussion of the selected research design, sample group, data collection methodology, coding and analysis. Finally, we focus on the reasoning behind our study's limitations and ethical considerations.

3.1 Epistemological and Ontological Assumptions

Research methodologies are always predicated on assumptions influenced by an underlying paradigm that guides the research. A paradigm is defined as an overall view that describes the nature of the world, the individual's role in it and its range of relationships (Denzin. 2000). Further, addressing Ackroyd & Fleetwood (2005) and Saunders, Lewis & Thornhill (2019), a paradigm refers to a researcher's view on reality (ontology) and their way of knowing it (epistemology). In that regard, a qualitative approach is chosen since this thesis aims to deepen into interviewee's perspective on the research phenomenon (Scotland, 2012). The paradigm used in the thesis is exploratory. Therefore, we propose that the phenomena studied constitute socially constructed entities (Bryman, Bell & Harley, 2019) using constructionism ontology. This research adopts an interpretative and cognitive approach (Dawson, Fischer & Stein, 2006) to understand the role of the city's spatial context in bringing entrepreneurs to specific locations.

Since participants of this research come with different knowledge and experience, we expect them to have a different points of view based on their age (Manniste & Masso, 2018), gender, trust (El Mezzi, Rydz & Cha, 2020) or uncertainty avoidance (Gabrielsson & Politis, 2011). As such, we consider relativism as our ontology, suggesting that interviewees can impose their unique judgement of reality. A person's perception of the world is influenced by their earlier

experiences and cognition, according to Aarons & Gittens (1999). It is from the interest of the study to identify how some of these perceptions converge, leading to identify patterns in the qualitative data collected. This thesis aims to understand how entrepreneurs decide to locate in a particular place where they operate their venture. Then, providing the replication value on how cities remain relevant to attract and develop ventures that are not necessarily linked to specific geographical location.

3.2 Research Design

Since a limited theoretical foundation exists in this area of study, the aim is to ponder how entrepreneurs select the location to operate their venture. For that, the role of the spatial context of the city in mediating entrepreneurs' choice of location is studied. The research design seeks to gather insights that eventually will provide guidelines on how future cities, with the involvement of private and public entities, can thrive in attracting and retaining entrepreneurial human capital. Then a qualitative and inductive study (Bryman, Bell & Harley, 2019) is outlined as the driving methodology for the present work. Nevertheless, as Bryman, Bell & Harley (2019) argue, inductive processes typically include deductive elements, a prerequisite for this study.

The research approach of this work is primarily guided by the lack of focus on direct evidence from the entrepreneur's perspective on how the spatial dimension of the city affects their business or the willingness of creating a new one. Instead, existing empirical research has focused on external perspectives on entrepreneur's individuality to measure the relation between entrepreneurial activities and the spatial context in which they operate (Florida et al., 2020; Martínez et al., 2010). Then, from the authors' knowledge, there is no relevant evidence in the literature on how particular spatial dimensions of the city affect the choice of location of entrepreneurs, emphasising different stages in their career.

The main objective of this study is to generate theory and contributing to the body of literature through research findings rather than testing existing theory. Therefore, the exploratory nature of this thesis requires an inductive research approach with deductive elements. This exploratory and inductive approach with deductive elements proves to be suitable to understand the research problem. Still, it does not exclusively tie the outcome to existing theory since theories have been based on studies conducted in big cities rather than medium-small cities like

Malmö. Malmö is a splendid field for research since most planning tasks are conducted at the local level to care for the city's social, cultural, and economic aspects (Madureira, 2014b). In this regard, according to Bryman (2011), inductive stance provides the contingency to draw specific observations into generalisable deductions, which will then be placed in a theoretical context.

3.3 Case selection

The approach is related to qualitative research methods like interviews with smaller sample sizes, focusing on in-depth information and insights aiming for as much heterogeneity in the selected case as possible within the chosen scope of cases (Eisenhardt, 1989). The study utilises primary data-probability sampling, purposive and snowballs sampling since, for the viability of our study, a constraint regarding the characteristics of interviewees must be imposed. Five out of eleven entrepreneurs have been reached via snowball sampling, finding it helpful in approaching female and established entrepreneurs. The authors state that it is necessary to understand the differences among entrepreneurs as individuals with a specific role as socio-economical actors in the urban context. Thus, from the interviewees' perspectives, different aspects of the phenomenon will be prioritised above any other source of information in this work.

Based on the sampling method, the study focuses on a multiple case study approach, selecting highly-skilled entrepreneurs operating in Malmö. The categorisation of entrepreneurs provided by Global Entrepreneurship Monitor (2019) is adopted to group the targeted interviewees into three categories:

- Nascent Entrepreneurs (NE) refer to individuals who have invested resources in creating a new venture but have not yet paid salaries or other payments for 3 months or more.
- New Business Owners (NBO) refer to individuals who have already established the company and have paid salaries for 3 months up to 42 months.
- Established Business Owners (EBO) refer to individuals that are leading firms that have paid wages for more than 42 months.

Adding on that, the study sampling focuses on the city of Malmö, assuming that the spatial dimension of the city and its urban conditions are standard for all the interviewees. Finally, growth-driven entrepreneurs operating mainly under digital business models are

selected as relevant cases. This selection rationale is based on the theoretical contribution of (Florida et al., 2020; Pereyra, 2019; Stephens, 2020), who state that cities should promote growth-driven entrepreneurship in benefit of economic development. Although the authors consider essential the promotion of traditional businesses and necessity-driven entrepreneurship by policymakers, this study focuses on entrepreneurs that can be considered location independent (Lee et al., 2014), meaning that proximity to resources and markets (Florida et al., 2020) are not crucial to develop their ventures. This entrepreneurial business model is typically based on the extensive exchange of information and use of Information Communication Technologies (Hylco, Beckers, van de Voorde et al., 2016). Finally, the cases are treated as individuals that are attached and settled in Malmö. The interviewees in this study were chosen on the grounds of their knowledge of Malmö.

A descriptive, qualitative case study design is appropriate since it is not dependent on established theories and therefore provides research with increased flexibility (Eisenhardt, 1989). The unit of analysis in this thesis are the perceptions that entrepreneurs have gathered during their entrepreneurial experience on how the spatial dimensions of the city of Malmö have directly or indirectly impacted their ventures. By applying a multiple case study approach, this thesis incorporated direct interviewing with each case (Yin, 2010). Furthermore, since our research questions use the terms "how" and "why", we have limited control over the behavioural events in the process, and we investigate a contemporary phenomenon (Hollweck & Yin, 2014).

An idiographic approach has been used to present an analysis of each unique case by comparing them with each other. But also to see if the empirical results are consistent with the underlying expectations and generic theories (Yin, 2010). In other words, each interviewed individual represents a case, and therefore this study possesses multiple cases depending on the number of total interviewed individuals. Given the idiographic approach, we consider each case to provide us with unique insights that can be compared. We are interested in similarities and diversions, which may reveal the different notions associated with already known theories about spatial dimensions in big cities.

Table 1. Overview of cases

Case	Age	Years being an entrepreneur	Months of wages paid(GEM)	Gender	Years Malmö	Living district	Work district	Entrepreneurial career stage	Role	Industry	Interviws' length
1	27	2,5	2	M	2	Västra Hamnen	Västra Hamnen/ Minc	Nascent Entrepreneur	CEO	E-commerce	47:04
2	45	1	0	M	3	Gamla Staden	Frihamnen	Nascent Entrepreneur	Founder	Food Industry	49:04
3	51	3	3	F	6	Hamnen	Home office	Nascent Entrepreneur	Co-founder/ Freelance entrepreneur	Media industry/ Journalism	48:45
4	33	1	5	M	0	Looking for moving to Malmö	Home office	New Business Owner	Co-founder	Food Industry	52:16
5	30	3.5	24	M	4	Vastra Sorgenfri	Lund/ Venture Lab	New Business Owner	Founder/ CFO	IT & Services	55:15
6	28	3	36	M	Born in Malmö	Södra Innerstaden	Gamla Staden	New Business Owner	Founder / Designer	Design	52:36
7	38	12	>42	M	7	Limhamn	Kirseberg	Established Business Owner	Founder/ politician	IT & Services	56:42
8	40	22	>42	M	14	Limhamn	Västra Hamnen	Established Business Owner	Founder	Medtech	55:53
9	35	5	>42	F	Born in Malmö	Västra Innerstaden	Gamla Staden	Established Business Owner	Founder / CEO	Media industry/ Marketing	59:39
10	38	20	>42	F	10	Around Lömma	Västra Hamnen/ Minc	Established Business Owner	Founder	Beverages Industry	48:27
11	45	15	>42	M	23	Limhamn	Frihamnen	Established Business Owner	Owner and board member	Communication	52:30

3.4. Data Collection Methods

Potential interviewees were contacted through *LinkedIn.com*, email and later using snowball sampling. They received a concise overview of the thesis topic and the background of the researchers involved. Eleven one hour interviews were carried out, reaching the saturation point expected (Fusch & Ness, 2015). They consisted of the two authors of this thesis and the interviewee in a digital setting, informed beforehand about the audio recorded meeting to create a comfortable environment for the interviewee, which is crucial for interview quality (Bryman, Bell & Harley, 2019).

We opted for conducting semi-structured interviews with each respondent because the greater the amount of interviewee's knowledge on the topic, the easier it is to define the questions. Otherwise, a small amount of knowledge on the subject can lead to difficulties formulating the right questions (von Schéele, 2012). We decided to proceed with semi-structured interviews looking for the balance between those two antagonistic notions and seeking deep insights from the interviews. Furthermore, applying semi-structured interviews allowed this thesis to collect rich answers and in-depth empirical data (Bryman, Bell & Harley, 2019). We did not have a complete script going into the interviews, which allowed for flexibility, openness and improvisation (Myers & Newman, 2007). Therefore, the interview guide (see appendix 1) avoided any use of specific terminology. It was not shared with interviewees beforehand to avoid biased answers (Fitzpatrick, 2013).

Despite the flexible and explorative approach of the interview, it has been designed in three different blocks: Firstly, after an initial greeting and introduction of the topic, interviewees were asked a set of short-answered questions to define the specific case as NE, NBO or EBO. To 'break the ice' (Arico, 1986), other questions were also asked to fill the interviewees' profile in Table 1. Secondly, interviewers smoothly navigated the conversation onto the research topic using the interview guide presented in appendix 1. This section represents the core of the interview, aiming to gather insights on the relationship between entrepreneurship and the spatial dimension of the city and how it affects their venture.

Finally, closing the interview, we used a virtual map of Malmö to ask entrepreneurs to provide a virtual route through their EE and explain their relationship to the city's spatial dimension. For that, we used the online digital tool *Miro.com*, where a series of maps showing

the city of Malmö on a macro and micro-scale were provided to the interview through a shared link (see Figure 1). Using this tool and providing some basic instructions, the interviewee took a more active role in the interview. Interviewees drew and made notes on the map when the relationship between their business and the spatial dimension of the city was explained in a very detailed manner due to the creation of a mental picture in interviewees' minds (Freksa, Klippel & Winter, 2007).

The use of maps allowed to digitally pinpoint the locations indicated by the interviewees, aiding the description made by the interviewees and avoid panel conditioning (Bryman, Bell & Harley, 2019). Another reason for using artefacts is to visually display the spatial aspects of the city of Malmö compared with what our respondents see as valuable in the city versus what city policymakers perceive as worth investing in or developing.
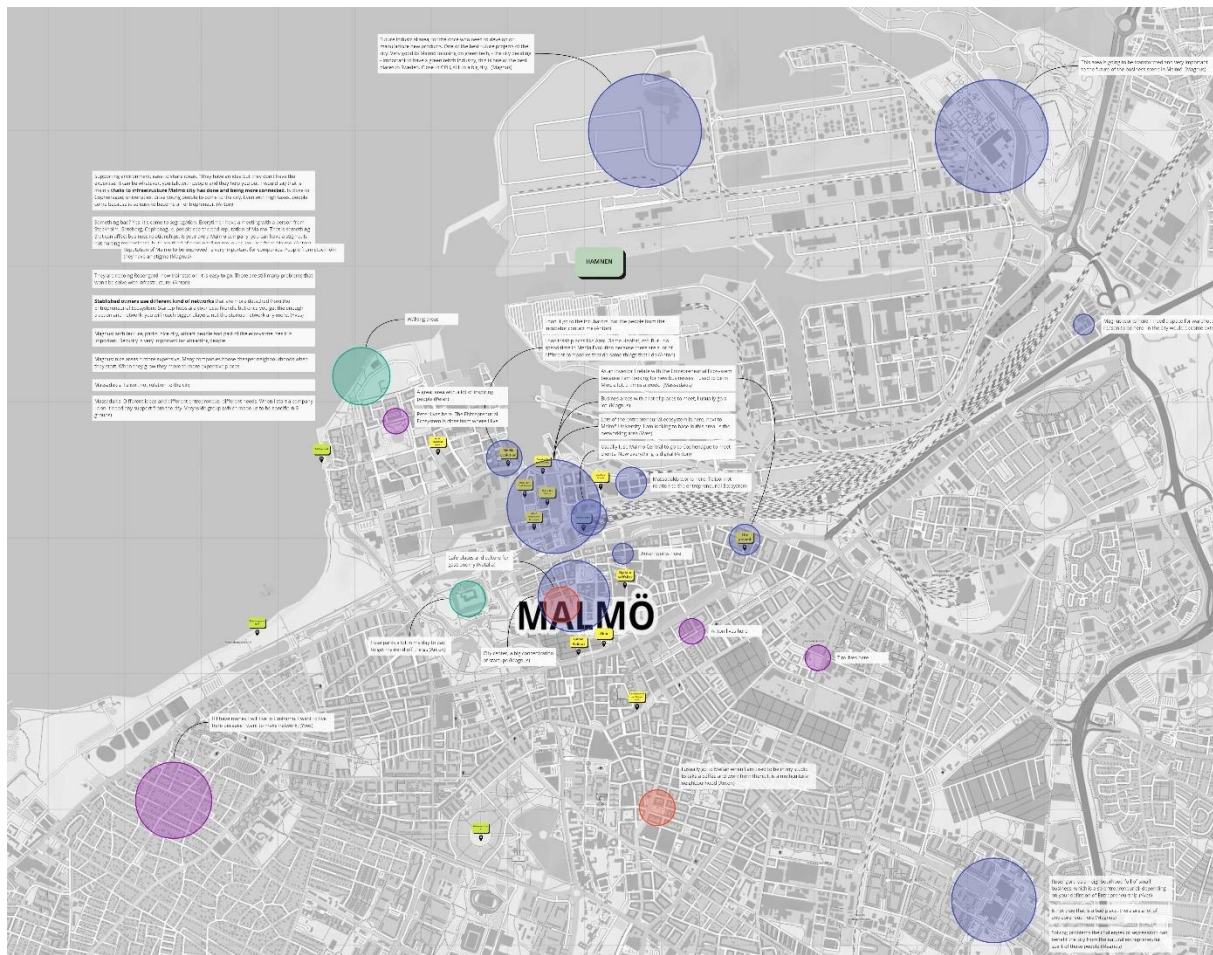

Figure 1. Digital map of Malmö showing data provided by entrepreneurs in *Miro.com*

Regarding the driving language, all interviews were carried out in English.

3.4.1. Triangulation

In this study, different methods of data collection have been employed among participants. The objective of using triangulation in this thesis was to leverage the reliability of the insights received, reducing bias in data sources, methods, and investigators (Easterby-Smith, Thorpe & Jackson, 2012; Jick, 1979). Thus, two kinds of triangulation have been used: data source triangulation and method triangulation. Data source triangulation concerns data collection from entrepreneurs in different entrepreneurial career NEs, NBOs and EBOs. Furthermore, participants were selected from very different industries. According to Carter et al. (2014), data source triangulation is commonly used in qualitative studies. Table 1 shows how the profile of the interviewees vary in age, gender, entrepreneurial career stage, industry, and location in the city. This approach explores why entrepreneurs with different backgrounds in different industries and with non-location dependency still decide to operate their business from Malmö.

Method triangulation uses different approaches to study the same phenomenon (Polit & Beck, 2012 cited in Carter et al., 2014). This approach determined to design the semi-structured interviews in three parts: leading the interviewee from a more passive to a more active role by using maps to provide a 'virtual' tour of their EE, generating a premeditated overlapping on some of the information gathered in the question-answer part of the interview.

In conclusion, despite all the interviewees selected operate from Malmö Metropolitan area, the use of different data collection methods was analysed to leverage the reliability of the study findings. Thus, when a pattern appears among such a diverse group of individuals, relevant findings with the potential to be discussed and contributing to the existing body of research appear.

3.5. Data coding and analysis

The interviews were transcribed from audio to written form using Otter Software and later analysed using NVivo 12. In line with the inductive research approach, a data structure was conducted, grouping the most meaningful insights in 2nd order themes and defining aggregated dimensions (Dawson, 2019). Based on the framework proposed by Miles & Huberman (1994),

data was organised and reconfigured several times by the authors, where inductive and deductive approaches helped to identify common patterns that led to the definition of four final aggregated dimensions. Later in the process, referred to as "axial coding" by Strauss & Corbin (1998), data got assigned parallels and contradictions, generating relationships between categories, subcategories, and subgroups.
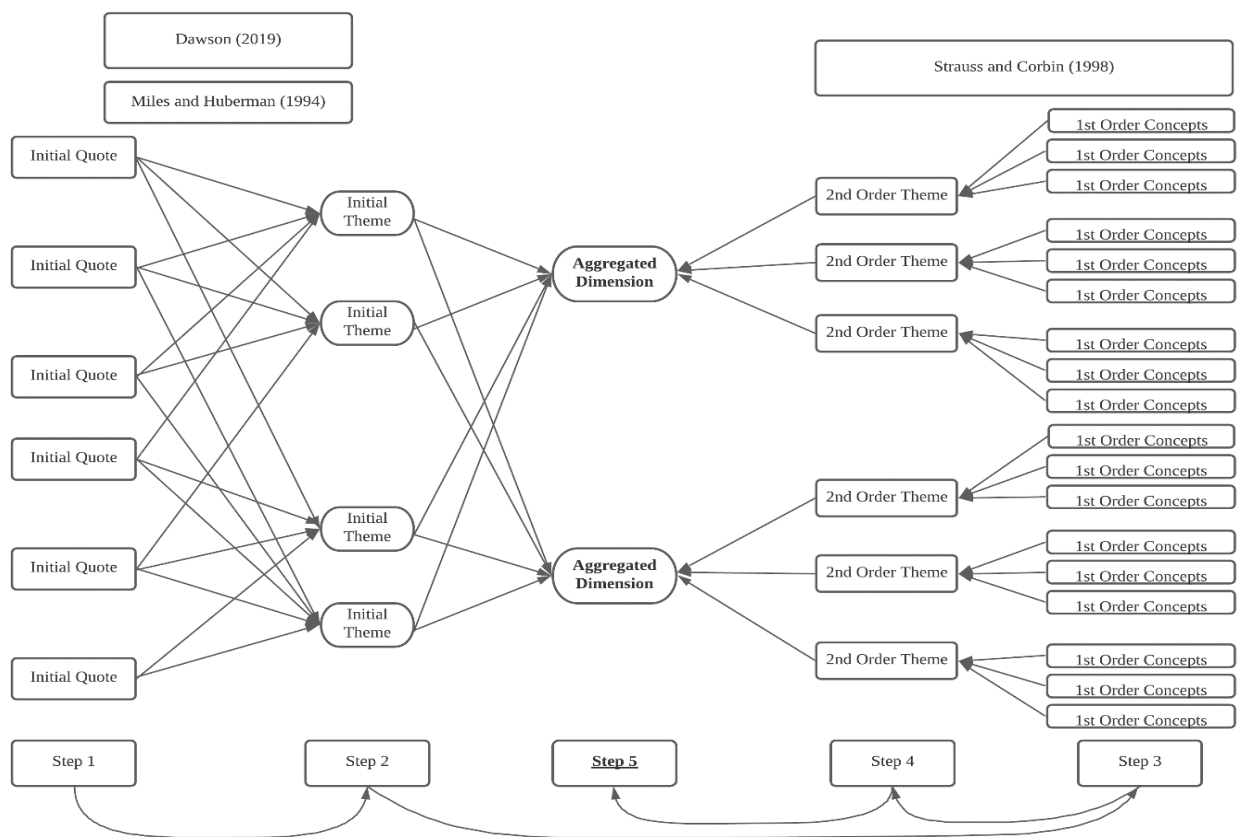
Figure 2. Data structure schema based on (Dawson, 2019; Miles & Huberman, 1994; Strauss & Corbin, 1998)

The software Nvivo 12 assisted in performing the open and axial coding by categorising the data for interpretation and deduction. Strauss & Corbin (1998) stated that the information obtained during the qualitative study should be first received before arranging it into categories, allowing the emergence of new notion and providing a fresh perspective. A systematic approach was also modelled on the concept of selective coding (Strauss & Corbin, 1998), from where alternatives and outcomes emerged (Saldaña, 2021). In figure 2, following the guidelines by (Bryman, Bell & Harley, 2019), a schema shows the conceptualisation of data structure performed in this study. As it is presented, based on the initial interviews, the most meaningful quotes were selected (step 1), which were intuitively categorised in initial themes (step 2). Then, based on the initial themes set in step 2, 1st order concepts were defined (step 3), leading to the creation of 2nd order themes (step 4) and eventually to the final aggregated dimensions (step 5).

3.7. Limitations

Regarding the qualitative nature of this study, there is a need for more explorative approaches in the existing literature regarding research design. However, qualitative methods are subjective and could be challenging to replicate and prone to cognitive bias (Bryman, Bell & Harley, 2019). Research design addresses these limitations by applying data and method triangulation and leveraging the data collection reliability. We did not consider causality relationships, which lead to objective research approaches (i.e., Adler et al., 2019; Bosma & Sternberg, 2014) due to the complexity of not clear theoretical framework followed. Finally, the relatively small sample size of eleven entrepreneurs, due to time and other external constraints, and the fact that all interviewees live or operate in Malmö could also represent a methodological limitation. Still, it serves as a beacon of light for future researchers.

In terms of replicability, any of the findings can be considered without understanding the strategic geography and excellent connectivity of the Swedish city of Malmö. Thus, the results will only be considered relevant in cities similar to the mid-size city of Malmö. Although the approach of this study could seem applicable to any urban agglomeration, it is not, since the size and density of the city (Florida et al., 2020) is still considered a major spatial factor affecting entrepreneurship at the city level. Yet, one more limitation stands from the fact that this study focuses solely on the reasons for the choice of business operation solely from the entrepreneurial perspective, rather than the quality of life (Pennings, 1982).

3.8. Ethical considerations

The interviewer must reflect upon ethical considerations when interviewing people due to the possibility of revealing sensitive and personal information. In that regard, Bell & Bryman (2007) suggested some ethical considerations that would ensure the integrity of the study. Before each interview, consent was obtained through a written consent form (see appendix 3). We reassured participants that their private information would remain confidential and anonymous throughout the whole study and afterwards. In addition to that, the interviewers also were asked for consent to record the interview for the sole purposes of the thesis.

Chapter 4: Findings

In this chapter, the findings from triangulated data analysis will be presented. The findings are structured per aggregate dimension, using the data structure analysis described in the previous chapter. The aggregate dimensions are based on the concepts from the literature review covered in chapter 2. The text further strengthens the findings by using quotations. The research question of *why entrepreneurs choose specific locations to operate their business* drives the analysis of the findings presented in the following text. Furthermore, following with the subquestions presented in chapter 1, the data is analysed regarding how entrepreneurs, in different career stages, consider the spatial context in which they operate relevant for their firms' choice of location.

This text goes beyond explaining the findings as objective factors with which the city retains or attracts new ventures. Besides, it deepens the role that the subjective perception of these factors among entrepreneurs plays in their decision to locate in a specific place. From the beginning of the interviews, data showed a clear relation between entrepreneurship and its urban and spatial context; however, understanding this concept varied considerably from one entrepreneur to the other. The way young and more experienced entrepreneurs experienced the spatial context that affects their business was different and, in several cases, contrasting. Thus, the different concepts gathered from the interviews are presented with a comparative approach, emphasising the relationship entrepreneurs in different career stages have with the same mediators. To facilitate the classification of entrepreneurs regarding their experience, we decided to tale the concepts of nascent entrepreneurs (NE), new business owners (NBO), and established entrepreneurs (EBO) defined in the (Global Entrepreneurship Monitor, 2019) and preciously exposed in subchapter 2.2.

4.1 City physical dimensions

Table 2. Data structure of city physical dimensions

1st Order Concepts	2nd Order Themes	Aggregated dimensions
- The city's size, density, and mix make it feel like a global city on a small scale. - There are micro-entrepreneurial clusters in the city hosting a different kind of firms. - Integration of the architecture of the city as part of the firm's branding. - The development of new urban areas and the renovation of existing ones will make the city more attractive for new firms. - Convenience is the main reason to choose the place from where to operate.	Image and urban form	
- Incubators spaces provide access to local networks. - Entrepreneurs actively use alternative working and meeting spaces (cafes, lounges, etc.). - Affordable working spaces are a priority, mainly for NEs. - Co-working spaces provide a shared and entertaining working environment.	Working and meeting spaces	**CITY PHYSICAL DIMENSION**
- Digital and physical maker and production spaces can attract specific industries. - Industrial and high-tech manufacturing infrastructure is vital for EBOs.	Manufacturing and R&D spaces	
- Co-living for entrepreneurs working on their start-ups is a valid component. - Home-office is the new normal but houses are not prepared for efficient remote work.	Living spaces in the work context	

The relationship between the location of new start-ups in the city and their **physical dimensions** may seem indirect or even disconnected. However, interviewees showed that it plays a relevant role when deciding where to establish their business. Even when their business is digital and non-dependant on the proximity of a specific area or infrastructure, entrepreneurs still look to benefit from access to networks, inspiring working spaces, and the reputation that a certain urban area imprints in their business. Inspired by Stephens' (2020) concept of city configuration, the findings have been grouped in the following themes: city image and urban form; working and meeting spaces, manufacturing and R&D spaces and living spaces in the work context.

The **image and the city's urban form** define the city's character and, in many cases, has a direct impact on the firms that operate in it. NEs and NBOs more than EBOs value the extent to which the configuration of the city can affect the image and the access to networks of their business. One NE highlighted the importance of micro-entrepreneurial clusters and specialised networks embedded in them: *"many start-ups are here, next to Malmö University. I am looking to base in this area. It is a networking area."*

Regarding the city image, contrary to NEs, NBOs with enough resources to choose their business location regardless of the rent valued how the character of a specific location can be integrated within the business.

"I understand clients find it fascinating to come to our studio in the industrial area because they find it cool to see a kind of rough feeling. If you are here, you are selling the whole package."

Surprisingly, EBOs did not perceive relevant relations between their business. The built environment is more related to their personal quality of life, making business location decisions based on convenience.

"Before, I had offices in the city, but then my supplier asked me if I wanted to share offices with them. It is very close to the highways; it is very beneficial to be in this location."

Finally, most of our interviewees, who had also worked in other cities, agreed on the benefits of the city's urban scale, its urban mix, and its privileged geographic position. Nine out of eleven interviewees saw Malmö as Entrepreneurial City with an optimal context to locate a business.

"Malmö is a perfect size city from the start. Malmö feels like a global city but on a small scale."

Working and meeting spaces provided by incubators, accelerators, and co-working areas are the most essential spaces for entrepreneurs as an integral part of the infrastructure that supports the EE. Most of the firms in these spaces operate with digital and growth-driven business models. NEs value the possibility to meet other entrepreneurs and access networks that incubators and co-working spaces provide in the first steps of their entrepreneurial career. Alternatively, cafes are often used to conduct meetings with clients and other stakeholders.

"I'm a start-up, I will always prefer to sit in an incubator where I can have nice meetups and discussion rounds with other entrepreneurs compared to renting my own office" - *"I'm usually working in a café or my studio. I get new perspectives. It just feels so different."*

In contrast, NBOs and EBOs prefer to work in their own office, focusing on their clients and giving them less time to relate with other entrepreneurs. They look to adapt the office space to their specific needs, their employees, and clients. They aim to adapt the office space to be as efficient as possible, while NEs look for a mix between efficiency and activities semi-related to their ventures.

"In the future, we will start meetings digitally. We will get rid of all the unnecessary transportations. I think the office will be even more important for our co-workers."

Entrepreneurs whose business is digital can be assumed not to need more than a computer and a good internet connection. However, when developing new products, prototyping, manufacturing, or storing facilities are also needed. For many NEs, **manufacturing and R&D spaces** can make the city more attractive for new entrepreneurs.

"There are limited things you can do from a computer. We also have maker spaces, and that's unusual for such a small city to have."

While NEs look for micro-maker spaces, for EBOs, the need to rethink the city's industrial areas instead of eliminating them was evident. This can make the city a perfect place for high skilled and specialised tech companies developing new products.

"Malmö should focus a lot on green tech. We have good spaces to build like, the future of factories for ones who need to develop or manufacture new high-tech products."

Regarding the city **living spaces in the work context**, access to affordable and quality housing has not been considered related to entrepreneurs' personal quality of life. Notwithstanding, interviewees portraited that *Home-office* is becoming popular among NEs, although they face some challenges due to their living spaces, cannot work. Instead, NBOs and EBOs commonly work from a destinated working space with the rest of their team.

"I am working for home; however, I need different rules, I need deadlines, I must structure"

The city's physical dimension seems to affect firms to the extent that the entrepreneurs decide. In that regard, for NEs, it is a relevant factor when deciding where to allocate their business. During the interviews, NEs provided clear and abundant references to the connection between their business and its physical context. In contrast, for NBOs and EBOs, the relation between the physical context and their firm was very relative, and their firms more independent from the contest where they operate.

4.2 City Connectivity

Table 3. Data structure of city connectivity

1st Order Concepts	2nd Order Themes	Aggregated dimension
• Interrelated networks at a local and regional level • Co-dependency between nascent and established entrepreneurs in the ecosystem. • Specialised networks among established entrepreneurs • Knowledge spillovers	Accessible & scalable networks	**CITY CONNECTIVITY**
• Proximity to other entrepreneurial hubs within the region (Copenhagen, Helsingborg, Lund) • Transportation is accessible on a macroscale but not always on the microscale. • Future transport infrastructural development will create one of the best entrepreneurial regions in Europe. • Relevance of the feeling of spaciousness while having possibilities at hand.	Ease of mobility	

The aggregated dimension of city connectivity derives from (Stephens, 2020) contribution to how the cities support entrepreneurship. City connectivity is divided into the following two themes based on the data gathered during the interviews: accessible & scalable networks and ease of movement (Biddulph, 2011). Based on these terms' **city connectivity** in this work is understood as facilitation of information exchange fostering innovation, networking, and the movement of people, resources, and ideas.

Accessible and scalable networks have been mentioned as crucial for the NEs, who indicated the interrelation of networks at the local and regional level as crucial for their business.

"Even though communities are separated and have different operations, they are interconnected, like a spider web…if you are involved with MINC, you can automatically be involved in other communities, with the opportunity to promote your firm"

In contrast, NBOs indicated the importance of co-dependency between NEs and EBOs in the eco-system. Also, they indicated that both are bound to each other despite the differences.

"I get clients from incubators. It is like a full circle. If there're no start-ups, there is no work for me, even though I can work digitally from anywhere, I prefer to work with tangible customers."

Lastly, EBOs opt for exclusivity and value the exclusivity of networks within their cluster with whom they share their experiences and ideas.

"I would not say that I am very attached to those kinds of networks. I always go my way in. When I come up with something, I share it with a closed group, and we get to work. "

Although it has been conceptualised as part of accessible and scalable networks, **knowledge spillovers** (Bergman, Trade &, & Trade & Industry Agency at the City of Malmö, 2019; Stephens, 2020) are crucial to understanding how the spatial context of the city affects its networks and ultimately, entrepreneurship at the city scale. NBOs and especially EBOs were more interested in global than local networks, stating:

"Investors used to turn around and have their investment somewhere else. They realise that there are many start-ups, which can be scaled up from Nordic countries, especially from Malmö. American firms just started looking at the Nordic countries and started investing in these areas."

During the interviews, it was clear that NEs benefited more from diverse business agglomeration, whereas NBOs and EBOs tend to benefit more from being close to specialised entrepreneurial clusters. From a NE, we received:

"I would work from co-working spaces, where I could meet other entrepreneurs. Those spaces are inspirational. You can talk to other people, get to know different industries and benefit from the access to other networks."

Finally, evidencing the knowledge spillovers between different groups of entrepreneurs, EBOs perceive possibilities for knowledge spill among NEs.

"Based on my knowledge, there are so many start-up opportunities for NE in incubators, which I did not see before."

An example of the interest of NBOs and EBOs on specialised networks can be seen in the knowledge sharing in the macro-scale among big market players, highlighting the agglomeration and clustering of firms in similar industries. Giving the example of the location dependency of an auditor company, an EBO stated:

"They are next to each other in a radius of 200 meters. Depending on the industry, Malmö is clustered, sometimes arranging 20 companies from the same industry next to each other."

The second discussed theme focuses on the **ease of mobility** within the city. NEs value proximity to other entrepreneurial hubs within the region (Copenhagen, Helsingborg, Lund).

"The Øresund region very well connected. It is so easy to take the train from Copenhagen to Malmö. It takes 36 minutes. The train is very convenient, but by car it is expensive."

However, some NEs, who seemed to be more embedded within the spatial context of the city than NBOs or EBOs, indicated the need for improvement in transportation at a microscale.

"Malmö has a lot of places which are not reachable by bus, so unless you have a bike, you are in a disadvantaged position."

Surprisingly, many interviewees focus on felt connectivity vs real used connectivity, stating that:

"when the bridge shut down due to COVID-19, I felt trapped in a way that I have never had even though I did not go abroad or to Copenhagen much. I miss the opportunity to be able to do it when I want to, which means freedom, potential and opportunities to me".

In conclusion, the more established an entrepreneur is, the more they value close relationships within their chosen network. The less experienced an entrepreneur is, the more they value the size of their network. In terms of the Ease of Movement, NEs, compared to NBOs rather than focusing solely on the macro-regional scale of movement, indicated the place for improvements in Malmö in the micro-scale originating possibly in their limited financial resources. In terms of the Ease of Movement, NEs indicate the field for improvement in the micro-scale of Malmö originating possibly in their limited financial resources. At the same time, NBOs focus solely on the macro-regional scale and unchained freedom of movement within the Oresund region, rather than practical issues of daily mobility.

The different perception on knowledge spillovers is also visible among three groups of entrepreneurs represented in the findings. NEs perceive the knowledge spillovers as the possibility of obtaining capital from previously unattainable source or exchanging opinion or networking in the spaces with this target. In contrast, NBOs perceive it as a more selfless manner of sharing knowledge with potential human capital, which is aligned with the theory regarding knowledge spillovers, which states that the more human capital retained in the area, the higher are chances for opportunity recognition (Stephens, 2020). Lastly, EBOs mainly differentiate themselves by the selfless approach and perception of knowledge sharing on the macro-scale.

4.3. City Entrepreneurial Culture

Table 4. Data structure of city entrepreneurial culture

1st Order Concepts	2nd Order Themes	Aggregated dimension
• The "entrepreneurial vibe" of the city drives entrepreneurs to perceive the city as an excellent place to launch their ventures. • Start-ups events are opportunities to know what others do and extend your network. • Food and Fika culture	Entrepreneurial vibe	
• Business relationships change from one city to the other • Supportive environment • The culture and history of the place • Positioning in one specific industry can leverage the attraction of start-ups in that industry.	City business culture	**CITY ENTREPRENEURIAL CULTURE**
• Being part of the creative ecosystem leads to open your creative potential. • The concentration of successful start-ups brings the creation and attraction of more start-ups.	Innovativeness & inspiration	

Business culture can vary among different cities, even from one neighbourhood to the other. Entrepreneurs are aware of it when they must decide where to locate their business. For entrepreneurs whose business is digital, it is crucial to interact with the outside world, look for support, make relationships, and find inspiration. The findings related to the city entrepreneurial culture are explained through the following themes: Entrepreneurial vibe, City business culture and Innovativeness and inspiration.

The **entrepreneurial "vibe"** of the city is the perception or feeling that the city is an excellent place to launch a new venture. This feeling is a very subjective dimension, resulting from the entrepreneur's relationship with their EE. For NEs, it is relevant to choose a place more suitable than others to locate their firm.

"It's clear that there is an entrepreneurial culture and an entrepreneurial vibe in the city."

Start-up events, competitions and even, in the case of Malmö, the food and Fika culture provide a well-perceived scene to meet new people and share ideas among other NEs.

"...entrepreneurial events are all about getting connections"- "There are so many different nice restaurants and whatever so that people actually can meet and interact with each other."

In contrast to the entrepreneurial "vibe", the **city business culture** is defined not as a feeling but as a series of objectives facts on the way business is performed in a specific urban area. NEs, NBOs and EBOs agree that business culture has been an essential factor in deciding where to operate their business and establishing future relationships.

"I haven't been working in Copenhagen because I think in Denmark, they have a different business culture. I've chosen not to do business with them for now - Entrepreneurs are helping each other out. They lift each other up."

In some cases, the business culture is the result of the dynamic history and heritage of the place, as one interview added:

"Malmö doesn't have this cultural history in the past to be a very entrepreneurial city. It's coming more and more so in 20 years. I'm sure it's going to be very famous for it. It has a lot to do with culture and history."

If the city decides to specialise in a specific industry, NEs whose business is digital can operate remotely. However, they still decide to cluster and locate close to similar start-ups. Thus, benefiting from knowledge spillover and access to specialised networks.

"I have lived in Helsingborg before living in Malmö. This city has positioned itself as a shopping/e-commerce friendly city. So yeah, some other cities are trying to position themselves."

Furthermore, despite the interconnection between entrepreneurs that the concentration of firms generate in the city's EE the city level facilitates (Audretsch & Belitski, 2017; Bosma & Sternberg, 2014; Glaeser, 2010); it was found that the concept of 'trust' is relevant to the way networks are established.

"you kind of need to share; however, you need to be careful what you share. Because there is always another person with a different network who can take your idea and take advantage of it. I have already noticed that some other companies are looking at where I'm looking at, and that's because I've been talking openly about it".

Finally, an important factor that defines the entrepreneurial culture of a city is **innovativeness and inspiration**. It relates to the individual's motivation from the external context that affects the attitude with which they face the development of the business. This concept is exclusive to NEs, who stated that:

"The whole thing about getting inspired is seeing other people doing the kind of projects that also motivates you." - *"It is a creative city where you meet other creative people. It's easier to feel that you can do whatever you like."*

To sum up, NEs and NBOs yearn to be involved in the city vibe and current events, while EBOs are detached from it. In terms of city business culture, NEs indicate the relevance of a supportive entrepreneurial environment. In contrast, NBOs and EBOs also indicate their selectiveness in terms of the group of entrepreneurs with whom they establish the relationship. Lastly, in terms of NEs, we have noticed a certain degree of exclusivity in firms supported by the innovativeness and entrepreneurial context. Without direct and clear explanations, this group of entrepreneurs recognized that the EE in Malmö plays a major role in their success.

4.4. City People

Table 5. Data structure of city people

1st Order Concepts	2nd Order Themes	Aggregated dimension
• Educated graduates are moving from Copenhagen and Lund. • Active freelancer community in the city.	Educated workforce	
• The mix of cultures and nationalities brings value to the city EE. • Nationality and segregated entrepreneurial clusters. • Lack of support of foreign entrepreneurs. • Immigrant entrepreneurs end up starting their small businesses out of necessity.	Nationality diversity	**CITY PEOPLE**
• Universities drive young people to the EE.	Age structure	
• Female start-ups bring more female entrepreneurs and investors.	Female owners	

From the four aggregated dimension already explained, **city people** could seem the most detached from the spatial context of the city. Although it was not expected from the review of extant literature, the interviews showed that different characteristics of the people living and working in the city could affect the choice of location among entrepreneurs. The primary connection with the city spatial context is that the city demographics have direct implications in the spawning of entrepreneurial microclusters within the city. The aggregated dimension of **city people** is the least emphasized by entrepreneurs during the interviews. The education of the city's workforce and its nationality diversity are the main themes. In contrast, the age structure and gender diversity within the entrepreneurial community are briefly mentioned.

In terms of the **educated workforce**, NBOs and EBOs value the ease to hire skilled employees or freelancers within the city. In contrast, with lower resources to hire skilled people, NEs perceives it indirectly regarding idea-sharing and building networks. An NBOs who recognised the value of the spatial context that supports the freelancers they hire stated:

"The freelancers that I hire like to sit in co-working spaces like that because they always need to talk about the clients or projects or share their ideas with someone else. Spaces like that and fast internet are good for them."

Also, many entrepreneurs mentioned the importance of Universities and other educational institutions in the supply of educated people that can benefit the city and the location of new ventures in it.

"Malmö is also a good place for people from Malmö University to stay because of the upcoming opportunities.

Malmö is one of the most intercultural city in Sweden (Anderson, 2014); therefore, it was not unexpected that the **diversity of nationalities** among its population plays an important factor in defining the city configuration, networks, and culture. In this case, there was not a clear contrast among NEs, NBOs and EBOs on how they perceive this variety. What was found is that in some cases can play a positive role:

"Mix of cultures and heritage has given me a lot in being able to think differently about what my context should be. I grew up in Gothenburg, which is Swedish. And then I moved to a smaller city, which was even more Swedish. And when I came to Malmö, I said, it is not Swedish in a great way. Cultures are influencing each other great way. A big difference for me is what is

there practically? What is there emotionally? To live in a city with all these people and different foods, cultures, and events? It is inspirational."

And in some cases, and due to the lack of success of specific policies pursuing social integration within the city context, the variety of nationalities, more significantly, its segregation in certain areas of the city, can be negatively perceived by companies.

"Sweden has a tough problem with segregation, where people from other nationalities are put into suburbs, while we do our own thing in the city centre. Malmö has a bad reputation for segregation and immigration. Policies making the city stigmatised and infrastructure is part of the issue. Visually you see the difference between the city and the suburbs."

Finally, some entrepreneurs have also shown the relevance of the population age structure or the percentage of an active female entrepreneurial community favouring establishing specific firms in certain locations.

"If you're in Malmö, the city is friendly for professionals, compared to Lund once you have finished your studies, where it could feel pretty lonely. So yeah, definitely Malmö is way much better for start-up, in a sense that you are not a student anymore."

From the perspective of NEs, NBOs and EBOs, the presence of female entrepreneurs and a high rate of skilled female workers in the city can benefit the attraction and creation of more ventures among female entrepreneurs.

"The focus on the female investment in female start-ups is a very positive move since it brings more diversity and innovation".

In conclusion, although there is potential for more dimensions that affect the spatial context where entrepreneurship operates in the city, it was found that they could be a relevant factor that affects the location of firms in the urban setting. Furthermore, understanding city people as part of the spatial context of the city could contribute to the existing literature on how entrepreneurship relates to its spatial context.

Chapter 5: Discussion and Analysis

In the following chapter, we use existing research to analyse and generate a theoretical understanding of the previously presented descriptive findings. Inspired by the theoretical construction developed by Muller & Korsgaard (2018) and directions on how to induct theory from study cases by Eisenhardt (1989), we divide the present discussion and analyse two parts. Firstly, each aggregated dimension inducted from the interviews will be presented concerning prior research, emphasizing the aim of the study and highlighting original contributions. Secondly, we outline a theoretical framework presenting six typologies of entrepreneurs based on how they choose a certain location to operate.

5.1. Spatial context-related choice of location

5.1.1. City's Physical Dimensions

In terms of city spatial configuration, NEs describe Malmö as a city with clearly defined entrepreneurial microclusters. The division of the EE within different parts of the city can enable or mitigate knowledge spillovers. However, for NEs who actively bridge between these microclusters, the diversity of firms operating in the city generates beneficial multidisciplinary knowledge spillovers. In contrast, NBOs and EBOs highlighted the advantage of positioning their businesses in specific microclusters, benefiting from specialised networks and knowledge spillovers, helping their business getting a competitive advantage in one specific industry. Thus, adding to prior contributions on entrepreneurial clusters (Beaudry & Schiffauerova, 2009; Bosma & Sternberg, 2014; Chatterji, Glaeser & Kerr, 2013; Jacobs, 1969), NEs can benefit more from diversification or urbanization economies, whereas NBOs and EBOs tend to benefit from specialization. Finally, and aligning with Andersen et al. (2010) and Asheim & Hansen (2009), the Creative Class (Florida, 2002b) and the concept of the agglomeration of skilled people by

(Glaeser, 2010; Glaeser, Saiz & Albert Saiz, 2003) are not equally beneficial for all firms, but NEs are more prone to favour from it.

Contributions on extant research, urban design and infrastructure are relevant for supporting entrepreneurship in the urban setting (Biddulph, 2011; Iftikhar, Justice & Audretsch, 2020; Parr, 2007; Stephens, 2020), constituting the base for the promotion of and knowledge sharing among entrepreneurs and their stakeholders. The findings in this paper reinforce the contribution made by Stephens (2020) in the way that entrepreneurs extend the understanding of the spatial context of the city, not only to its physical dimension, as Parr (2007) does. Furthermore, our findings showed that policymakers are aware of the need to understand the city's role in supporting entrepreneurship. This can be demonstrated by the common patterns found between our findings and *"Malmö Snapshots",* the yearly business and entrepreneurial city report of the city of Malmö (Bergman, Trade & Industry Agency at the City of Malmö, 2019).

The need for working, manufacturing and co-living spaces for entrepreneurs have been extensively developed in previous studies (Audretsch & Belitski, 2017; Madureira, 2014a; Stephens, 2020). However, this paper's interest is to highlight the findings concerning the potential of integrating the city image into the branding of new and existing firms. This is uncommon and often missed opportunity by entrepreneurs to build competitive advantage and gain exposure into the local and global context. Connected with Kavaratzis (2004), cities can make honest use of tools such as city branding or city marketing to leverage the image that its architecture and urban form imprint in the city. NBOs and EBOs can benefit more from it than NEs, whose constrained financial resources can narrow the options they have to locate their firm.

Entrepreneurship has a dual nature as an endogenous (Baron, 2006; de Groot, Poot & Smit, 2007; Shane & Venkataraman, 2000; Stephens, 2020) and exogenous (Short, Ketchen & Shook, 2010) phenomenon. The city the most suitable environment to thrive (Adler et al., 2019; Bosma & Sternberg, 2014; ed. Iftikhar, Justice & Audretsch, 2020), being aware of the limitations of urban policymakers in the provision of EO (Madureira, 2014a; Scott & Storper, 2015), this paper addresses that the city should focus on the improvement and development of a well-suited physical context as the enabler of a local agglomeration of firms, facilitating their local and global connectivity and boosting the city entrepreneurial culture.

5.1.2. City Connectivity

Concerning Suddaby, Bruton & Steven (2015), and based on the data gathered, it is argued that a critical factor of recognizing EO is the degree to which the entrepreneur engages and uses their networks. However, not one size fits all, and entrepreneurs should more strategically use networks to leverage their competitive advantage and their capacity to recognize upcoming opportunities. NBOs and EBOs were more capable of taking shortcuts on how they used their networks or access new ones when NEs committed time and effort to build social capital without an apparent effect on their firm's performance. It is evident that NEs, as Suddaby, Bruton & Steven (2015) claim, make use of all their available networks to take advantage of EO. Still, NBOs and EBOs, despite having access to a broad network, only use a fraction of it. Understanding the role of prior knowledge and working experiences in entrepreneurs' performance (Baron, 2006; Gabrielsson & Politis, 2011, 2012; Shane, 2000), it can be assumed that the way entrepreneurs use their network lies in their experience, exploiting or misattending the range and capabilities of the networks' members.

The concept of city connectivity as the facilitator of innovation, networks, ease of movement and knowledge spillover within and outside the city (Stephens, 2020) has been crucial for entrepreneurs in this study. All the interviews pointed the importance of networking above any other support they might receive from the EE. Although the concepts of entrepreneurial networks (Greve & Salaff, 2003), knowledge city, and knowledge spillovers (Audretsch & Maryann, 2004; Bosma & Sternberg, 2014; Chatterji, Glaeser & Kerr, 2013; Florida, 2002b) has been extensible addressed in the extant literature, this paper provides an original view on its connection and integration within the city spatial context.

The broader definition of the spatial context concerning entrepreneurship and the city outlined in this study (see chapter 2.1.1.) could lead to a better conceptualization of how the city can provide the proper conditions to enable a diversity of human skills, variety of stakeholders and diversity of knowledge (Beaudry & Schiffauerova, 2009; Bosma & Sternberg, 2014; Florida, 2002b; Jacobs, 1969). Thus, recognizing, with apparent differences between NEs, NBOs and EBOs (see chapter 4.2.), that the access to scalable networks and ease of movement has been found a significant factor affecting the choice of location of entrepreneurs.

5.1.3. City Entrepreneurial Culture

With the city's physical dimension and connectivity, city culture is also relevant for promoting entrepreneurship in the urban context (Gehl, 2013; Stephens, 2020). Although its relevance is not as crucial as city infrastructure and access to networks, city culture can also contribute to the city's spatial context. This approach to entrepreneurial culture can be supported by the theoretical contribution of (Aoyama, 2009; Sarasvathy & Dew, 2005; Sine & David, 2003), cited by Stephens (2020).

The way that the city entrepreneurial culture can mediate the choice of entrepreneurs' location does not take a direct action-reaction form but connects with the cognitive capacities of the entrepreneur to take advantage of the spatial context to reconnect opportunities and develop their business. This contribution was inspired by Freksa, Klippel & Winter (2007), for whom perceptual and cognitive processes should be considered part of the spatial context, as they have a direct effect in which it influences a specific situation. Furthermore and cited by Muller & Korsgaard (2018), Swidler (1986, pp.273) understands culture as a "tool kit of habits, skills, and styles from which people construct strategies of action" where culture, in this case, entrepreneurial culture, clearly affect the actions of entrepreneurs. Finally, and understanding that entrepreneurs' motivations can be intrinsic and extrinsic (Van Lange, Kruglanski & Higgins, 2012), we can see how the city's entrepreneurial culture affects the latter, leveraging the willingness of entrepreneurs to discover and exploit opportunities.

Finally, according to Iftikhar, Justice & Audretsch (2020) and Stephens (2020), this paper found an evident spatial relation between the city and its business culture. NEs, NBOs and EBOs recognised that business culture could change from one city to another. It plays a fundamental role in attracting or reluctant to develop their business in one certain location. Once again, the contribution of this study is to understand that the city's role is limited to generating or transforming the local business culture (Madureira, 2014a; Olsson, Westlund & Larsson, 2020). Thus, the city should focus, on a close relationship with the private sector, to provide the best spatial context for it to occur. This statement, although it partially aligns with the CCT and HCT, respectively. Florida (2002b) and Glaeser, Saiz & Albert Saiz (2003) differs on the direct role of the city promoting entrepreneurship, not just by delighting individual's quality of life but building a fundamental entrepreneurial framework from which firms can benefit from.

5.1.4. City People

Whereas the physical dimension, city connectivity and city culture can be found theoretically grounded on prior scholarly contributions (Adler et al., 2019; Biddulph, 2011; Bosma & Sternberg, 2014; Iftikhar, Justice & Audretsch, 2020; Stephens, 2020); from the knowledge of the authors, a gap is found on existing research in on the understanding city demographics as an integrated part of the city spatial context. Identified as city people and inducted from direct data received from the interviewees, this fourth dimension relates to how the people who live and work in the city affect the choice of entrepreneurs' choice of location.

Entrepreneurial clustering is highly dependent, not only on the interaction among firms (Beaudry & Schiffauerova, 2009; Bosma & Sternberg, 2014; Chatterji, Glaeser & Kerr, 2013) but also, as this study shows, on the demographics of a certain urban area. NEs and NBOs seem to be aware of demographic segregation based on the various nationalities represented in the city and how it affects the entrepreneurial clustering in Malmö. EBOs see only the positive aspects of it, which might be caused by Malmö being polarised to the extent of causing myopia and groups operating in entirely different social spaces from one another (Butler, 2003). This concept shall be further investigated in terms of stage entrepreneurs are at their journey.

Another main factor on how city people can affect the choice of location is its education. We found that firms specially owned by NBOs and EBOs are willing to locate in urban areas with full access to potential skilled future employees or co-workers. This study recognises the limits of the CCT and HCT (Andersen et al., 2010; Asheim & Hansen, 2009) and highlights the relevance of providing a supporting spatial context, not for entertainment or creative individual's pleasures, but for the development of knowledge spillovers that lead to the recognition of EO and the development of new firms.

Due to the limited number of interviews, it was difficult to establish a typical pattern on how city people, as part of the spatial context, can affect entrepreneurs to choose a specific location to operate. However, due to the empirical data received, the interest of further research in this regard will be pointed at point 6.3.

5.2. Types of entrepreneurs by choice of location

Inspired by Müller & Korsgaard (2018), it was decided to adapt the way of presenting findings and the already discussed dimensions of the spatial context of the entrepreneurial city, focusing on how entrepreneurs in different stages of their career-related to this mentioned spatial context. As it has been presented, not every entrepreneur embeds equally with its spatial context. But it greatly depends on the career stage in which the individuals were at the moment of the interviews. This proposition, which directly derives from the empirical data gathered, finds theoretical support of the works of Baron (2006); Gabrielsson & Politis (2011); Shane & Venkataraman (2000), who from different perspectives prove the relatedness between the recognition and exploitation of EO and the experience and knowledge that the entrepreneurs accumulate. Thus, this thesis introduces an innovative understanding of the city's role in promoting entrepreneurship, not from a generalist view, but focusing on the different relationships that entrepreneurs establish with the spatial context based on their experience.

The text presents six typologies of entrepreneurs and their choice of location based on the spatial embeddedness in the city and their entrepreneurial experience. Due to the small sample, four typologies were developed, whereas, regarding the other two, some notions will be introduced in the importance of further research and elaboration of the framework presented (see subchapter 6.3.). Following each typology, a figure shows the spatial relatedness of the entrepreneur in each category. These figures are based on the authors' qualitative analysis of the data, identifying entrepreneurs as high, medium or low embedded into their spatial context.

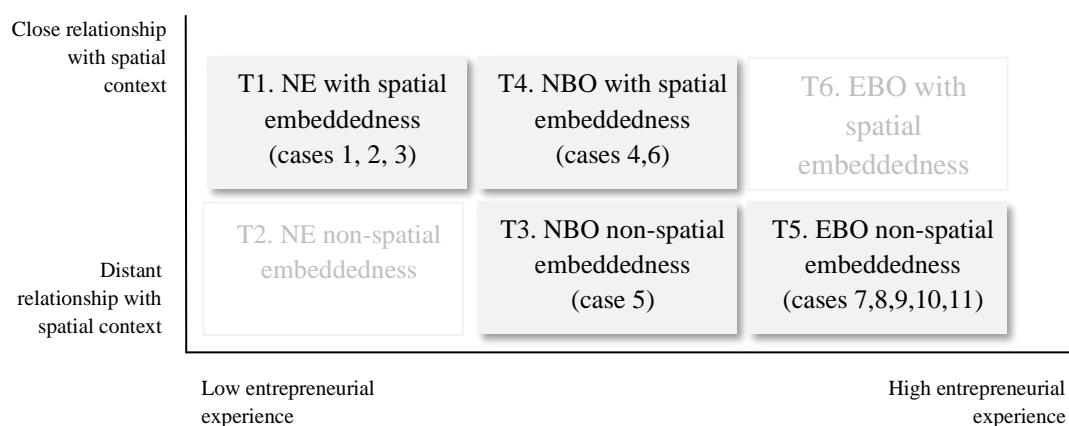| Close relationship with spatial context	T1. NE with spatial embeddedness (cases 1, 2, 3)	T4. NBO with spatial embeddedness (cases 4,6)	T6. EBO with spatial embeddedness
Distant relationship with spatial context	T2. NE non-spatial embeddedness	T3. NBO non-spatial embeddedness (case 5)	T5. EBO non-spatial embeddedness (cases 7,8,9,10,11)
	Low entrepreneurial experience		High entrepreneurial experience

Figure 3. Typology of entrepreneurs based on the choice of location at the city level.

Typology 1. NEs with spatial embeddedness

Generally, NEs can be assumed to benefit from knowledge spillovers, diverse business environment and urbanization economies. The access to regional and local networks, incubators, and co-working spaces affected by the city's configuration makes NEs look for a mix of efficiency and non-strictly business activities in day-to-day work. In the case of Malmö, start-up events, competitions, the Fika culture and the city's entrepreneurial vibe are well-regarded by NEs as ways to meet new people and share ideas. They also value the proximity to other entrepreneurial hubs. NEs stated that the proximity of universities to the young community helps create an entrepreneurship-friendly environment from which NEs benefit. Study cases 1, 2 and 3 show a kind of entrepreneur who is very early in the process of developing growth-driven start-ups in different industries, without employees, fixed working space and a clear firm structure. They seem to drive their choice of location in terms of the spatial embeddedness that the access to local networks demands. Thus, this typology of entrepreneurs seems to prioritize connectivity above city image, culture and people; on some occasions accepting even higher working spaces or living rents.
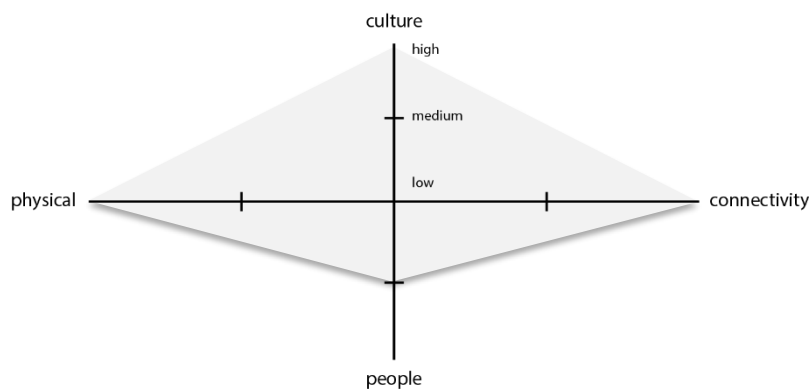
Figure 4. Visual diagram spatial embeddedness entrepreneurs T1

Typology 3. NBOs with spatial embeddedness

Despite the relevance of the city's physical context, connectivity, entrepreneurial vibe and in some cases, city people, NBOs such as cases 4 and 6 believe that their companies are semi-independent on the city's spatial context. Based on CCT (Florida, 2002b) and the knowledge spillovers produce among firms at the city level (Bosma & Sternberg, 2014), NBOs see sharing ideas with fellow entrepreneurs as beneficial since they are aware of the way it

impacts the recognition of opportunities (Baron, 2006; Shane, 2000). Similarly, NBOs with enough resources to choose their business location regardless of the rent valued how the character of a specific location can be integrated into their business. NBOs embedded in the city spatial context thrive from co-operating with people and actively search opportunities via networking and taking part in networking events. Such activity also enables them to find freelancers and potential employees within the city. Thus for NBOs with defined spatial embeddedness, the choice of location can be conditioned by the city spatial context but not driven by it, as in the case of NEs. NBOs value how the city image and infrastructure benefit their business with already developed networks and the capacity to find co-workers or collaborators locally.
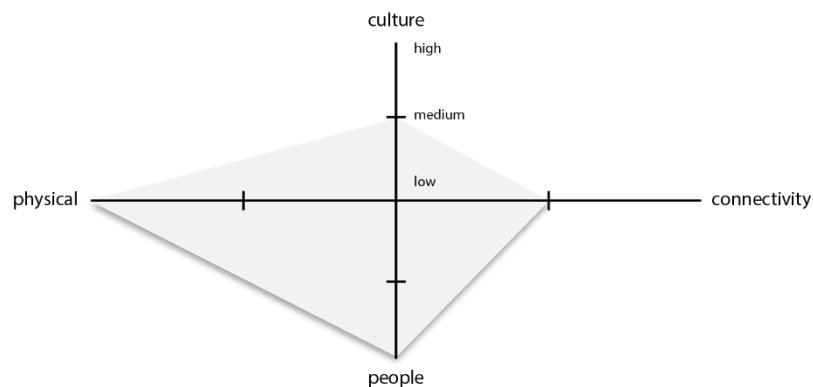
Figure 5. Visual diagram spatial embeddedness entrepreneurs T1

Typology 4. NBOs with non-spatial embeddedness

Only study case 5 is included in this category. NBOs with a distant relationship with the spatial context of the city showed a view on entrepreneurship as a phenomenon that depends more on the individual in its external context. In that regard, this kind of entrepreneurs tends to be selective of their networks, using digital and online communities and not benefiting from knowledge spillovers in the city. For them, the choice of location is mostly entirely related to convenience or the relation it has with their personal quality of life, not recognising a relevant role in the development of their firm. In study case 5, personal preferences of living in a quiet area can be seen as a reason for their low embeddedness with the city entrepreneurial culture. This typology should be further explored with a larger sample in future research.
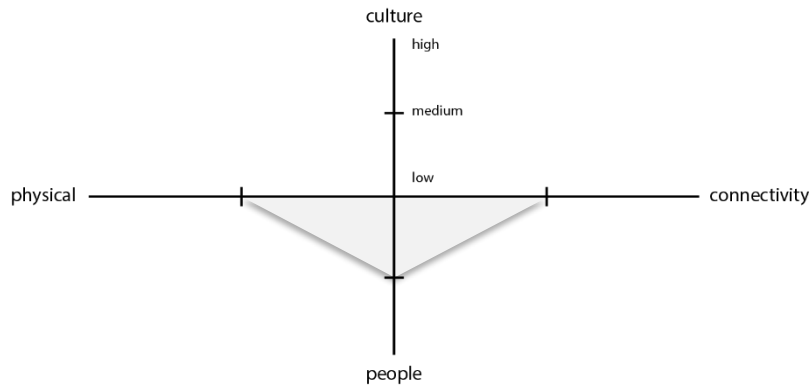
Figure 6. Visual diagram spatial embeddedness entrepreneurs T1

Typology 5. EBOs with non-spatial embeddedness

Regarding the relationship between a business' location, the city's spatial context, or the city's vibe, EBOs did not believe it was that important. According to them, the spatial context is related to the personal quality of life, making business location decisions based on convenience. Despite their preference for global networks, EBOs choose exclusive networks because the more established an entrepreneur is, the more they value close relationships within their chosen network. They also understand clustering in terms of co-locating prominent market players in the same industries. Entrepreneurs in study cases 7 to 11 fit in different degrees in this category. Individuals for whom the choice of location do not depend on the spatial context, but inconvenience, personal, economic and legal reasons. Due to the interdependency of firms in the city, EBOs realised the importance of a supportive spatial context for NEs and NBOs.
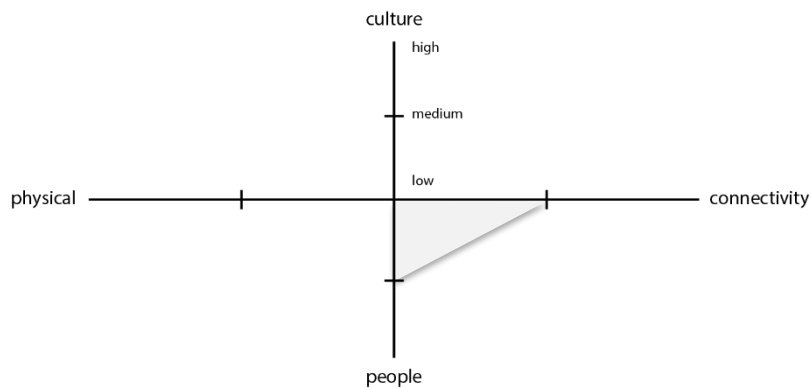

Figure 7. Visual diagram spatial embeddedness entrepreneurs T1

The primary data received from the interviews evidenced the existence of entrepreneurs or firms that could be defined within typologies 2 and 5. However, due to the limited data sample's limitations, any of the study cases were included in any mentioned typologies.

Chapter 6: Conclusion

6.1 Research aims and objectives

This study aimed to explore why entrepreneurs decide to concentrate and perform their entrepreneurial activities from specific locations. For that, the relevance of the spatial context of the city, as an umbrella of city physicality, connectivity, city entrepreneurial culture and city people, was explored via the lens of the interviewees characterised in section 3.3. In addition, the distinct manner in which entrepreneurs in different career stages relate with their spatial context is also studied. Thus, the main research question of why entrepreneurs choose certain locations to operate their business is explored through the role that the spatial context of the city and entrepreneurs' career stage have in their choice of location.

Overall, this study supports that the choice of location of firms depend on the relation entrepreneurs establish with the spatial context of the city, with their experience and prior knowledge as mediators in the way they prioritize some dimensions over the others (see the four aggregated dimensions discussed in chapter 5). This equation of spatial embeddedness and entrepreneurial experience offers six different typologies of entrepreneurs based on their choice of location at the city level. Finally, this relation of concepts is grounded by the original initiative of the authors of merging two different streams of literature – entrepreneurial spatial dimensions (Biddulph, 2011; Florida, 2002b; Iftikhar, Justice & Audretsch, 2020; Müller & Korsgaard, 2018; Stephens, 2020) and the role of prior knowledge in opportunity recognition (Baron, 2006; Gabrielsson & Politis, 2011; Shane, 2000). Thus, understanding that the spatial context of the city is an enabler of opportunity recognition and the creation and development of firms.

In terms of the spatial context of the city, four different dimensions that, to a different degree, support entrepreneurship at the city level are presented based on the findings gathered. As it has been presented, we recognise the relevance of the spatial dimension of entrepreneurship; therefore, understanding that the phenomenon of entrepreneurship always concerns an external spatial context, which affects one another. In this paper, the spatial context takes a broader

meaning, including the city's physical dimension, connectivity, culture (Biddulph, 2011; Stephens, 2020) and people. This spatial context can also be understood from the perspective of EE research as the supportive environment that enables the EE at the city level (Audretsch & Belitski, 2017; Cavallo, Ghezzi & Balocco, 2019). Spatial dimensions should not be confused with physical dimensions; the former alludes to the whole concept of spatial context mentioned before, the latter refers only to the tangible and built dimension of the city, such as its urban form, its buildings, public spaces and even natural places (Parr, 2007; Stephens, 2020). This physical dimension is conceptualised in this study as the base which, in combination with connectivity, culture and people, construct the concept of spatial context and host the city.

Although city connectivity, which provides access to scalable networks and ease of movement to entrepreneurs, is the most relevant spatial dimension for entrepreneurs, the effects of the different spatial dimensions in entrepreneurs' choice of location greatly depend on their moment in their careers. Nascent Entrepreneurs, New Business Owners and Established Business Owners (Global Entrepreneurship Monitor, 2019-2020, 2019) relate in very different ways with their spatial context. Thus, the way the spatial context affect their choice of location differs notably among them. For instance, as shown in typology 1, NEs tend to be highly embedded in the city spatial context as the main channel to access local networks. In contrast, EBOs in typology five tend to be disconnected from the local entrepreneurial environment, indicating that the spatial context does not play a relevant role in their choice of location. NBOs, represented in typologies 3 and 4, found the spatial context-relevant or non-relevant based on crucial factors for their ventures, as in the case of NEs, but more complementary, as a location-based choice on the city image.

Finally, it is relevant to address that despite the different degree of importance that the spatial context plays in the choice of location of entrepreneurs, it was not perceived as a structural factor in their choice of location. As the entrepreneurs interviewed mainly operate through digital business models (see details of data sample in 3.3.) not dependent on a specific location to operate, entrepreneurs showed to be relatively flexible and accessible when deciding where to locate their business.

6.2 Theoretical Implications

The theoretical contribution of this work is valuable for the two streams of literature presented - the spatial context in entrepreneurship and prior entrepreneurial knowledge.

In terms of the spatial dimension of entrepreneurship, this study contributes to a collection of literature that have previously studied the geographical relatedness of entrepreneurship from macroscale and quantitative perspectives (Audretsch, Belitski & Desai, 2015; Bosma & Sternberg, 2014; Florida et al., 2020; Glaeser, 2005). Despite their meaningful contributions, these studies are based on secondary data without insights provided directly from entrepreneurs. The explorative endeavour taken in this study can be supported by the changing dynamics on how entrepreneurs operate their business due to the acceleration of digitalization; and the need for a microscale approach to the topic. Thus, a closer look at the relationship between entrepreneurship and the city aims to contribute to the gap of knowledge in this field highlighted by previous scholars (Biddulph, 2011; ed. Iftikhar, Justice & Audretsch, 2020; Pereyra, 2019; Stephens, 2020, 2020). Finally, this study leads to reconsider the relevance of the role of the spatial dimension of the city in the attraction of entrepreneurs, which has been found limited by previous scholars (Andersen et al., 2010; Asheim & Hansen, 2009; Madureira, 2014a).

In terms of contributions to the role of prior entrepreneurial knowledge and work experience in the way entrepreneurs recognize and exploit opportunities, this study suggests an original approach to previous research. In that sense, understanding that the different relationships that entrepreneurs established with the spatial context depend on their experience and stage in their entrepreneurial careers. Neither all entrepreneurs have the same capabilities in seizing EO (Baron, 2006; Gabrielsson & Politis, 2011; Shane, 2000), nor they have in the way they relate with the spatial context of the city in benefit of the competitive advantage of their firms.

Finally, by exploring the choice of entrepreneurs' location, this study pursues to contribute to the theoretical understanding of the entrepreneurial city (Audretsch & Belitski, 2017; Jessop, 2019) from an inside-out perspective. In other words, by analysing the interactions between entrepreneurs and their spatial context on a microscale, we pursue to understand how a city can become more entrepreneurial. Finally, by exploring the choice of entrepreneurs' location, this study pursues to contribute to the theoretical understanding of the entrepreneurial

city (Audretsch & Belitski, 2017; Jessop, 2019) from an inside-out perspective. In other words, by analysing the interactions between entrepreneurs and their spatial context on a microscale, we pursue to understand how a city can become more entrepreneurial.

6.3 Practical Implications

The practical implications of this thesis are valuable for policymakers, urban planners and private entities involved in the provision of urban infrastructure interested in attracting entrepreneurship to their city. Thus, adding to the work of Biddulph (2011); Florida et al. (2020); ed. Iftikhar, Justice & Audretsch (2020); Stephens (2020), or even from a different perspective, adding to the contributions of Gehl (2013), on providing a series of suggestions on how to design a more entrepreneurial city that fosters the recognition of opportunities and the development and attraction of firms, leading to the potential economic growth of the city. Furthermore, this study can also help entrepreneurs in their decision process while choosing a certain location to establish their firms.

Cities should focus their actions on alignment with the specific needs of NEs, NBOs and EBOs, except for those groups having tightened the bond with the spatial environment. Therefore, to foster entrepreneurship and influx of human capital in different stages of their careers, cities should analyse their current entrepreneurial scene, find the gaps and weaknesses and design a plan that understands the different spatial relatedness of different entrepreneurs. In alignment with Bosma & Sternberg (2014), Florida (2002b), Jacobs (1969, 1984), the presence of the six typologies of entrepreneurs presented are needed to generate a superior entrepreneurial city. As firms in different development stages are interrelated, the global entrepreneurial scene can benefit from the diversity of knowledge spillovers that urbanization economics generate (Beaudry & Schiffauerova, 2009; Bosma & Sternberg, 2014).

In the case of entrepreneurs, we provide a framework with which individuals can strategically plan their business location, not by convenience, but to build a competitive advantage. The relation with the spatial context is relevant even when the business operations do not depend on the proximity to specific resources or markets. NEs and NBOs can benefit more from that, as they have more limited resources than EBOs.

6.4 Future Research

The conclusion and discussion of the findings of this study generate four different recommendations for further research. First, following the relevance that cities are gaining as economic engines (Florida, Adler & Mellander, 2017), we encourage further analysis on entrepreneurship at the city level. In that regard, we suggest future scholars avoid research niches and benefit from the merge of multidisciplinary literature streams, as Iftikhar, Justice & Audretsch (2020) do use research on urban studies. Finally, it could be from the interest of urban studies (i.e. Gehl, 2013) to consider the design of the city to host the entrepreneurial and economic drive of the city, which ultimately will lead to a better urban quality of life.

Second, future research could widen the methodological approach and develop the theoretical scheme that this study offers concerning entrepreneurs and their choice of location at the city level. As it was presented, due to the limitations of research, only four of the six typologies of entrepreneurs were elaborated. We encourage to perform a second empirical study with a broader data sample, comparing cases from different similar cities. Finally, future research can use the suggested entrepreneur-focus approach for elaborating guidelines for policymakers and the private sector to design a more entrepreneurial city.

Third, the suggested aggregated dimension of city people needs further elaboration. In this study, city demographics are considered part of the city's spatial context that supports entrepreneurship and the city's physical dimension, city connectivity, and city entrepreneurial culture (Biddulph, 2011; Parr, 2007; Stephens, 2020). We encourage further research on how city people can affect the other spatial context's other aggregated dimensions.

Fourth, this study opens an opportunity to extend the theoretical and practical implications of extant studies on the role of prior knowledge or working experience in recognizing and exploiting EO in exploring the spatial relatedness of entrepreneurship.

Overall, future entrepreneurial research should consider the spatial dimension of entrepreneurship central to developing new theoretical frameworks. Adding on that, existing entrepreneurial theories (i.e. opportunity recognition, EEs, entrepreneurial teams, entrepreneurial finance) might need to be reviewed in terms of the mentioned relation between entrepreneurship and its spatial context, especially at the city level.

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Appendix

Appendix 1. Interview script

Questions	Sub questions
Intro – the individual	
What is your age?	
For how long you have been an entrepreneur?	
Very briefly, what was your motivation to become an entrepreneur?	
Do you live in Malmö?	What district? How long have you been living in Malmö?
As an entrepreneur, why did you choose to move to Malmö?	
Apart from that, can you please give us a short introduction about yourself and your background?	
Intro – the venture	
Is … the firm you are currently working on?	
What industry do you operate in?	
When did you start the business?	
Did you start it in Malmö?	Which district of Malmö is your business located in?
Can your business operate 100% remotely? Why? Why not?	
Do you consider it a growth-driven firm, or do you aim for a stable customer base?	

Apart from that, can you please give us a short introduction to your firm?

Malmö, as an Entrepreneurial City (15 min)	
Do you perceive Malmö as an Entrepreneurial City?	In what sense, why Malmö is a good place for entrepreneurs? Do you perceive Malmö as a growing Entrepreneurial hub? Do you perceive that the recent urban development of the city provides the infrastructure needed to the EE lead to more EA? How? What aspects of the EE were you aware of before moving to Malmö? Why? Did they shape your decision? Why?
Do you see any specific areas or neighbourhoods in Malmö that are more entrepreneurial than others? Why?	
RQ 2. Do you see any urban space, infrastructure or building that actively promotes entrepreneurship in the city?	How do you think it affects start-ups and entrepreneurs? And your venture? And negatively? Why?
What do you need in a city for your business to thrive?	
What does the city of Malmö lack to attract or retain more entrepreneurs?	
How do you think the city enables connections, networks and idea-sharing among you and your stakeholders?	How does it affect your firm?
Do you know any other Mid-size city that is better for Entrepreneurs than Malmö? Why?	

Digital cluster	
RQ 1. Why do you think digital entrepreneurs decide to cluster in Malmö? How it benefits their business activities?	Do you have relations with other firms? How? Where? Do you think your firm is affected by the concentration of other tech/digital firms in the same area? How? Why?

The urban context and your venture (15 min)	
Does your firm depend on been located in Malmö to operate? Why? How?	
From where do you work? (Co-working, own office, etc.)	Do you often work outside of your office in Malmö? Why? Do you have any other working meeting spots in the city? Why
Where do you meet your business' stakeholders (ex. suppliers, clients etc.)?	
Are there any specific areas/places in Malmö that awaken your entrepreneurial spirit? Why?	Do you often go to any specific area to conduct entrepreneurial or entrepreneurship-related activities because of the atmosphere of the place (e.g., gaining inspiration, recharging batteries, hanging out with co-workers)? Why?
Experiment: drawing the venture's EE	

Appendix 2. Findings tables

1. City physical dimension

	Image and urban form	Working and meeting	Making	Living
NE	**Concept: The city's size, density, and mix make it feel like a global city on a small scale.** *Quote: Malmö is a perfect size city from the start. If you go to certain places, you can be sure that you will meet some people that you already know. Malmö feels like a global city but on a small scale.*	**Concept: Incubators spaces provide access to local networks.** *Quote: I'm a start-up. I will always prefer to sit in an incubator where I can have friendly meetups and discussion rounds with other entrepreneurs compared to renting my own office in some block, you know, all along with my partner all day.*	**Concept: Digital and physical maker and production spaces can attract specific industries.** *Quote: There are limited, limited things you can do from a computer. We also have maker spaces, and that's unusual for such a small city to have. In GOTO 10, you can record podcasts, you have 3d printers or stream a pitch or a project release.*	**Concept: Co-living for entrepreneurs working on their start-ups.** *Quote: there is a project at around (…) to rebuild and make temporary housing for entrepreneurs. You rent a flat for 6 months for a reasonable price, and you also start your start-up or go through an incubator programme. Also, a place for investors to be able to stay here, with their own offices to be close to the start-ups.*
NBO	**Concept: There are micro-entrepreneurial clusters in the city hosting a different kind of firms.** *Quote: Lots of the entrepreneurial ecosystem is here, next to Malmö University. I am looking to base in this area. Is the networking area. It is a neighbourhood full of small business, which is also entrepreneurial, depending on your definition of Entrepreneurship.* **Concept: Integrating the architecture of the city as part of the firm's branding.** Quote: I understand clients find it very fascinating to come to our industrial studio because they find it kind of cool to see the brick walls and kind of rough feeling.	**Concept: Alternative working and meeting spaces (cafes, lounges, etc.) are actively used by entrepreneurs.** *Quote: I'm usually working in a cafe, in my studio or whatever. I get new perspectives. It just feels so different. And I think that's also like, you really need new perspectives on things. And you don't get that by sitting at home or your home office. You need to meet people and talk to them.* **Concept: Affordable working space is a priority mainly for nascent entrepreneurs.** Quote: The fact that the rents are more expensive there is the reason for what people decided to locate in other neighbourhoods		**Concept: Home-office is the new normal but houses are not prepared for work efficiently** *Quote: I am working for home; however, I need different rules, I need deadlines. With people, I network I am very relaxed and unstructured. At home, I have to structure.* I've got a three-year-old son, so when he's home, there's impossible for me to work.

EBO	Concept: Location convenience	Concept: Industrial and high-tech manufacturing infrastructure.
	Quote: Before, I had offices in the city, but then my supplier asked me if I wanted to share offices with them. And it sounds like a good idea. Because, you know, it's very close to the highways here. People come by car; it's very beneficial to be in this location.	Quote: (Regarding Norra Hamnen, the new Malmö Industrial Park) Malmö should focus a lot on green tech. We have the good spaces to build like, the future of factories for the once who need to develop or manufacture new high-tech products.

2. City connectivity

	ACCESIBLE & SCALABLE NETWORKS	EASE OF MOVEMENT	KNOWLEDGE SPILLOVERS
NE	Concept: interrelated networks at a local and regional level *Quote: I did not know Malmö was trying to be the Silicon Valley of Nordic countries until I got involved in the start-up community. Even though communities are separated and have different operations, they are interconnected, like a spider web. They help and lift each other up. When entrepreneurs realise that if you are involved with MINC, you can automatically be involved in other communities, which help you out of nowhere on different occasions promoting you.* *As a start-up, you must collaborate with other start-ups, but also with the existing companies. The problem with Malmö is that every decision in the existing company must refer back to headquarters in either Goteborg or Stockholm.*	Concept: proximity to other entrepreneurial hubs within the region (Copenhagen, Helsingborg, Lund) *Quote: Oresund region is easily connected. It is so easy to take the train from Copenhagen to Malmö. It takes 36 minutes. It is super-fast. If I were to say something bad about it, it is the price. (...) The train is very convenient, but by car it is expensive.* Concept: transportation is accessible on a macroscale but not always on the microscale. *Quote: Malmö has many places, which are not reachable by bus, so unless you have a bike, you are in a disadvantaged position.*	Concept: international context *The market is not too big, so investors tend to turn around and have their investment somewhere else because the return on investment is better because of the market size. They realise that there are many start-ups, which can be scaled up from Nordic countries, especially from Malmö. American companies just started looking at the models in the Nordic countries and started focusing and investing in these areas.* Concept: business agglomeration generates information-sharing network building while working *Quote: I would work from co-working spaces, where I could meet other entrepreneurs. Those spaces are inspirational. You can play games, talk to other people, have Fika, sit down in the meeting rooms etc. Regardless of where I work, I would book a simple office space*
NBO	Concept: co-dependency between nascent and established entrepreneurs in the eco-system *Quote: I mainly get clients from incubators. It is like a full circle. If there are no start-ups in Malmö, then there is no work for me. Even though I can work digitally from anywhere, I prefer to work with*	Concept: Great future transport infrastructural development *Quote: The Council of Malmö figured out the potential for connectivity of the Oresund region. We can see that from different developments happening in Malmö and the entire region, like greater Copenhagen, such as a metro from*	Concept: Importance of access to entrepreneurial education, since a young age Quote: If you are an entrepreneur, it is because someone taught you. Who teaches you that? Schools. If you live in a suburb where teachers hate their jobs, you are not as well off as somebody who studies in the city

tangible customers, such as start-ups.

Helsingborg, to Denmark, the tunnel between Hamburg and Denmark aiming to enlarge the region and make entrepreneurs will thrive. All we need is just a connection. I think it is the main key to being an entrepreneur, making connections and building on top of each other. I am strong in something. She is strong in something. Let us work together and do something unique. It is all about connections. Malmö and the entire region realised that.

centre and has a good teacher and parents, who can help them. I do not believe people have the same ease of use for entrepreneurial incubators and entrepreneurial ecosystem.

EBO

Concept: specialised networks among established entrepreneurs

Quote: I would not say that I am very attached to those kinds of things. I always go my own way in life, you know, so for me, it is not a must to have meeting and mingling places for entrepreneurs. When I come up with something, I share it with a closed group, and we get to work. Everybody is different. When you start a company, you need it for inspiration etc., but it does not matter for me, but if I were to start a company, it would be a benefit.

Concept: recognition of business incubators being a common practice

Quote: I am sure other places have business incubators, networks or investing corners. I do not believe that Malmö is any better, maybe than the rest, but I have never tried applying to incubator myself.

Concept: the importance of the feeling of space and having possibilities at hand.

Quote: A city that is integrated and has the infrastructure of physical places has been very important for me to live in Malmö. So, when the bridge shut down due to COVID-19, I felt trapped in a way that I have never had while living in Malmö, even though I did not go abroad or to Copenhagen much. So, I do not miss going to Copenhagen, as much as I miss the opportunity to be able to do it when I want to, which means freedom, potential and opportunities to me.

Concept: co-dependency of the place and customer group/ place location branding

Quote: To attract people, successful entrepreneurs running companies in Malmö are in the city centre.

Concept: Awareness of possibilities for nascent entrepreneurs.

Quote: Based on my knowledge, there are so many start-up opportunities for nascent entrepreneurs in incubators, which I did not see before. I mean, I am sure they are coming, but I was not aware of them.

Concept: agglomeration and clustering of industries

Quote: Auditor's company like KPMG are clustered in Malmö. They are next to each other in a radius of 200 meters. Depending on the industry, Malmö is clustered, sometimes arranging 20 companies from the same industry next.

3. City culture

	ENTREPRENEURIAL VIBE	CITY BUSINESS CULTURE	INNOVATIVENESS & INSPIRATION
NE	**Concept: The "entrepreneurial vibe" of the city drives entrepreneurs to perceive the city as a good place to launch their ventures.** *Quote: it's clear that there is an entrepreneurial culture and an entrepreneurial vibe in the city. The whole thing about getting inspired is seeing other people doing the kind of projects that also motivates you.* **Concept: Start-ups events are opportunities to know what others do and extend your network.** *Quote: (Regarding the importance of start-ups events). It's not as much as events themselves. It's more about getting connections with people that have bigger networks than you. Most of us are social creatures. We want to be where things happen. I can dream about living in the countryside and just being on my own. But I would miss both the people and the things happening in a city.*	**Concept: Business relationships change from one city to the other** *Quote: I haven't been working in Copenhagen because I think in Denmark, they have a totally different business culture. I've chosen not to do business with them for now.* *How you do business in Sweden, you have a handshake, and then you're on you can trust each other. In Denmark, you really need solid contracts. You don't start the work without having a signed signature and 100 pages contract stating everything.* **Concept: Supportive environment** *Quote: The government promotes trying new things. It's not like you'll end up on the streets. We have a lot of safety nets for people. You can afford to do something and then failed. And I think Mamo, in terms of like, just the city in general, it just feels like people have embraced that.* *(Regarding the entrepreneurial community) They are connected, interconnected, like a spider web, and they are helping each other out. They lift each other up, and that goes to the entrepreneur as well.*	**Concept: Being part of the creative ecosystem leads to open your own creative potential.** *Quote: It is a creative city where you meet other creative people, and I'm not talking about the design, but more like the creative mindset, then it's easier to feel that you can do whatever you like, you know, follow through on your business plans.* **Concept: The agglomeration of successful start-ups brings the creation and attraction of more start-ups.** *Quote: (Regarding Minc) I think it's the only place in Malmö that I've been that when you step into the door, suddenly, everyone is super confident that they are the next big thing. I love it in so many ways, because why shouldn't you, but if you go out again into the streets, there is more of an average thing going on. So, I like that people are there to make things happen, crazy or not, and most of them won't succeed them, even us may not succeed, but some will.*
NBO	**Concept: Food and Fika culture** *Quote: There are so many different nice restaurants and whatever so that people actually can meet and interact with each other. Food culture made a huge difference from what the city centre used to be. More and more start-ups are coming.*	**Concept: The culture and history of the place** *Quote: Malmö doesn't have this cultural history in the past to be a very entrepreneurial city. It's coming more and more so in 20 years. I'm sure it's going to be very famous for it. It has a lot to do with culture and history.*	
EBO		**Concept: Positioning in one specific industry can leverage the attraction of start-ups in that industry.** *Quote: Helsingborg has positioned itself as a shopping/e-commerce friendly city. So yeah, some other cities trying to position themselves.*	

4. City people

	SEGREGATION (FOREIGNERS)	SKILLED WORKFORCE	DIVERSITY VS SEGREGATION
NE	**Concept: declusterisation practices in the city** *I am aware of experiences of segregation. The good thing about the city is housing initiatives to promote diversity. Focus on the female investment in female start-ups and female owners, female founders etc. I think it is a very positive move since it brings more diversity and innovation.*	**Concept: the importance of the local context** *I think it will make great sense to have ambassadors or influences representing me since it is vital to, you know, have a Swedish face and voice on representing the business in its location, not a Danish guy going out and talking here but rather a local.*	**Concept: necessity driven entrepreneurship** *There is a lot of the problem in Sweden. Many immigrant entrepreneurs' entrepreneurs start their small businesses out of necessity, which applied to me. If you ask if Malmö supports foreign entrepreneurs, my answer is "not really".*
NBO	**Concept: the shift in the focus on the place location branding** *I think even before the pandemics, a lot of "big stores "moved out. There are many small independent studios moving into small or medium-sized places like the city centre doing their own thing. It could be screen printing or building a new app or else. From a city perspective city centre and Hamnen spark entrepreneurship.* **Concept: Importance of provision of the same level of infrastructure for all** *Quote: Sweden has a tricky problem with segregation, where people from other nationalities are put into suburbs, and then they can live there, while we do our own thing in the city centre.* *Malmö has a bad reputation for segregation and immigration.* *Policies making the city stigmatised, and infrastructure is part of the issue when visually you see the difference between the city and the suburbs.*	**Concept: prompt growth in nascent entrepreneurship** *We have many incubators in Malmö, which help start-ups to get across their ideas to other people. And that is like a new thing that has recently happened in the last 10 years when Malmö has become a start-up scene. I believe it is due to Copenhagen.* *And students from top universities in Skane joined it, making the EE grow naturally.* **Concept: Importance of the resolution of housing pricing issue** *It has two sides to one coin. It is not an infrastructural problem. It is more of a regulation problem. Suppose we want to talk about the infrastructure Malmö has. They have embraced renting out new places to small businesses as we can see in the city centre. Shopping facilities are not rented out to big companies but to medium or small-sized businesses. It is kind of a shift in the mentality.*	**Concept: Small city, with big cities' vibe** *I would say the closeness to Copenhagen impacts diversity. Malmö feels like a global city but on a small scale. So, there is a lot of different people here, a lot of different nationalities, which you usually find in big cities like Stockholm, Berlin, or Copenhagen.*
EBO	**Concept: Negative reputation** *Quote: I would not say it is a violent city, but it has a reputation in Sweden to has been violent, and that does businesses to locate, for example, in Lund, instead of Malmö, because of the safety of their employees and co-workers etc.*	**Concept: Importance of the resolution of housing pricing issue** *Quote: Malmö is also a good place for people from Malmö University to stay because of the upcoming opportunities.* **Concept: the importance of information sharing network building while working** *Quote: The freelancers that I hire like to sit in co-working spaces like that.*	**Concept: Learnings from the international context of Malmö** *Quote: A mix of cultures and heritage has given me a lot in thinking differently about my context. I grew up in Gothenburg, which is Swedish. And then I moved to a smaller city, which was even more Swedish. And when I came to Malmö, I said, it is not Swedish in a great way.*

Appendix 3. Consent form

The present document comprises a Consent Form. The interviewee consent to participate in the Master Thesis conducted by Alvaro Itarte and Nicole Agnieszka Rydz as part of the MSc in Entrepreneurship and Innovation 2020/2021 at Lund University. I will be asked to give the researcher approximately 60 minutes of my time participating in the research project. I understand that my participation in this research is voluntary, I am free to refuse to participate, and I am free to withdraw from the research.

I, the undersigned, confirm that (please tick the appropriate box):

1.	I understand the information about the project.	☐
2.	I have been allowed to ask questions about the project and my participation.	☐
3.	I voluntarily agree to participate in the project.	☐
4.	I understand I can withdraw at any time without giving reasons and that I will not be penalised for withdrawing, nor will I be questioned on why I have withdrawn.	☐
5.	The procedures regarding confidentiality have been clearly explained (e.g. use of names, pseudonyms, anonymisation of data, etc.) to me. Note: the names of the interviewees will not be published.	☐
6.	If applicable, separate terms of consent for interviews, audio, video or other forms of data collection have been explained and provided. Note: the interview needs to be recorded.	☐
7.	The use of the data in research, publications, sharing and archiving has been explained to me. Note: the following data will be included in the final publication: age, industry, firm location.	☐
8.	I understand that other researchers will have access to this data only if they agree to preserve the confidentiality of the data and if they agree to the terms I have specified in this form.	☐
9.	Select only **one** of the following: • I would like the name of my firm to be used and understand what I have said or written as part of this study will be used in reports, publications and other research output so that anything I have contributed to this project can be recognised.	☐
	• I do not want the name of my firm used in this project.	☐
10.	I, along with the Researcher, agree to sign and date this informed consent form.	☐

Participant:

_____   _____   _____
Name of Participant   Signature   Date

Researcher:

Alvaro Itarte
Nicole Agnieszka Rydz

_____   _____   _____
Name of Researcher   Signature   Date