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Navigating the World: Challenges within the Relocation Process - An Empirical Investigation

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Abstract

The complete relocation of the centre of life to a foreign country is a plan increasingly chosen by specific people, especially for entrepreneurial reasons. The digital nomads or expat-preneurs often emphasized in this context exhibit a particular structure of fundamental personality dimensions and can also be described as unique in the perception of specific challenges in the relocation process. In the present study, which is based on both a literature-based and quantitative approach, n = 196 subjects participated in an online survey that included scales and self-constructed items on personality structure, the possible choice of specific occupational groups as support systems, the perception of specific challenges, and other relevant aspects in the context of relocation. In addition to descriptive results and a brief review of previous scientific findings, multivariate analyses of variance were able to show that the choice of support system exerts a significant influence in the form of a decrease in stress in the context of the perception of specific challenges in the (tax) legal as well as financial areas. It also became clear that the region of origin and the destination region are related to assessing tax-legal aspects and administrative aspects in the economic context. Thus, there are significant differences between the Schengen Area and the U.S. area as the region of origin and these and (South East) Asia and Latin America as the destination region.

Keywords: Relocation, Relocate, Digital Nomadism, Expat-Preneurs, Global Migration

Introduction

Among the many effects of the COVID-19 crisis is the exponential growth of a group of people described by authors such as Richter and Richter (2020) as "digital nomads", who are characterized in the academic context as a related group or subgroup of expats (expatriates; Green, 2020; Lee et al., 2019). Although corresponding developments were evident both before the onset of the pandemic and different authors emphasize that *global relocation* is becoming an increasingly relevant topic area, this seems to be intensified even more by the pandemic and the development of *new work*. Accordingly, increasingly opportunities to engage in such remote work (also from abroad) are not only offered by corporations but are also facilitated by so-called *digital nomad visas* that are introduced by more and more countries (Relocate World, 2021; Chevtaeva & Denizci-Guillet, 2021).

Much more than before, people are offered the opportunity to perform their work remotely and thus independently of their own company location or the restrictions that go along with it: Work and place of residence are becoming increasingly decoupled from one another, a development which Brumma (2016) generally describes as a consequence of teleworking. While there was a general tendency towards centralization during the industrial revolution (people increasingly moved to urban or central areas in order to reduce the distance between their place of work and their place of residence), the digital revolution has now allowed a countermovement for several years or decades (Agba et al., 2021; Dangelmaier et al., 1997).

Thus, a number of specific challenges also become relevant for an increasingly larger group of individuals - this research deals with the typical challenges expats and digital nomads, as described below as two distinct yet similar groups, face in the context of their relocation processes. Using a quantitative-empirical research approach, the following research question will be addressed: What challenges are perceived by expats and digital nomads in the relocation process and in what ways can different resilience factors, such as the use of external resources, help to minimize these challenges? Decidedly, the core focus of the examination within this research paper is shifted towards pragmatic challenges such as the acquisition of visas and work permits (see Hall et al., 2019; Wang et al., 2019) or financial aspects regarding the relocation process (Yavin & Reardon, 2021).

While aspects such as romantic or relationship-focused challenges in the group of expats and nomads or the benefits of an increased feeling of freedom are outside of the scope of this research paper, highly important findings in this field (Lee et al., 2019; Thompson, 2019; Reichenberger, 2018; Cook, 2020). The present study focuses on challenges of the relocation process itself, where especially legal and financial aspects such as the process of visa acquisition are shifted into the focus. Utilizing a

quantitative-empirical approach, the leading research question will be addressed following an in-depth review of relevant scientific literature on the topic.

State of Research on Digital Nomads

Digital nomadism is a relatively recent phenomenon. Scholars have yet to agree on a broadly accepted definition for digital nomadism (Cook 2020; Schlagwein 2018), but the term is generally used to refer to the lifestyle that comes with the instrumentalization of digital technologies by individuals that without attachment to a specific location, perform their work remotely (Hannonen, 2020). As such, there still isn't a robust understanding or conclusive research on the issue.

The recent focus of popular media outlets on digital nomadism, particularly as a trend accelerated by the COVID-19 pandemic, has brought more attention to the issue. However, as a subject with less than a decade of clear presence in academia, its research structure continues to change, driven by the multiplicity of theoretical perspectives approaching it (Hannonen, 2020; Makimoto, 2013; Müller, 2016).

As a new field of research, most studies focus on descriptive analysis of the phenomenon to the detriment of the development of terminological and conceptual perspectives. Recent scholarly work has strengthened the research base. However, the terminology and definition of basic concepts in the field remain problematic as different scholars use the term digital nomad in various ways.

The academic training often defines the approach taken toward research on digital nomads. Consequently, digital nomadism has been studied from diverse perspectives and areas of knowledge. There is research on digital nomadism as a fashionable lifestyle with just cultural implications, an economic issue, or an evolved type of tourism, but its overall challenges and long-term effects are not fully understood yet.

Expats and Digital Nomads - Overview and Distinction

Traditionally, professional opportunities and work-life in general have been approached from a location-centric perspective connected to a fixed notion of home, city, or country. The emergence of digital nomads as a movement, aided by the penetration of mobile technologies in almost every work process, is corroding this antiquated perception of work and physical location rigidity. Digital nomadism also presents implications that transcend work customs, affecting cultural standards on societal labor expectations or family planning (Hannonen, 2020; Yang, 2015).

On the other hand, expats are usually not nomadic. For many reasons, such as a job or marriage, expats have picked a place to call home that isn't their country of origin (Hannonen, 2020). This distinction about nomadism is vital as recent research has covered the term "expat-preneur" a specific expat with substantial similarities to digital nomads.

The term expat-preneur serves to identify people pursuing self-employed entrepreneurial opportunities while temporarily living abroad (Vance et al., 2016; Selmer et al., 2018). The construct is more connected with the shift in modern career expectations. The disruption of what is perceived as a traditional path is viewed as a radical expression of flexibility, fluidity, and newness, while expats are more driven by opportunity or the necessity to relocate.

The academic literature recognizes two different categories of expat-preneurs: pre-departure expat-preneurs and transitioned expat-preneurs. The difference between the two resides in the reason to live abroad and the moment they decide to pursue a new venture. While pre-departure expat-preneurs travel abroad with a clear entrepreneurial intention, transitioned expat-preneurs already live abroad for any reason when they choose to initiate an entrepreneurial project. (Vance et al., 2016).

The growth of digital nomads and expats as particular types of mobility directly connects to the effects of technology, particularly wireless communication and technical advancement in transportation methods, on contemporary life. The globalization of professional services expectations and standards plays a significant role in this trend (Hannonen, 2020).

The main difference in the academic research on the issue of digital nomads vs. expats is the question of freedom. Digital nomads are usually inspired by the idea of freedom to discover the world or have new experiences. Digital nomadism is strongly connected to this notion. They use mobile technologies to perform their jobs remotely, taking advantage of the sustained increase in internet availability worldwide (Nash et al., 2018; Mancinelli, 2020).

The digital nomad phenomenon has had a meaningful and transformative effect on the perception of work as an obligation. The very notion of digital nomadism inserts a fulfilling and motivating element into professional life. While combining the physical and personal freedom to move with stable work opportunities, digital nomadism seeks a more balanced lifestyle, with greater autonomy over life and career decisions (Reichenberger, 2017).

Despite this apparent quest for freedom as a critical motivation for digital nomadism, empiric research shows that successful digital nomads build routines and enforce disciplinary habits on themselves. These practices and behaviour usually develop with time and experience after realizing how working from leisure locations affects productivity and work communication (Cook, 2020). Achieving work-life balance as a digital nomad often requires assuming office hours, even when this seems counterintuitive for this lifestyle (Thompson, 2018).

Typical Challenges of Expats and Nomads

Relocation is said to be one of life's most stressful experiences. Challenges such as language barriers, drastic climate shifts, and other significant lifestyle changes can

push the emotional tension to an extreme level. Moreover, these tensions can increase exponentially when other family members are involved in the transition (Cooper et al., 2012).

In the case of digital nomadism, there isn't considerable research to know if this lifestyle choice is financially sustainable in the long term or what the implications are for retirement, social life, and long-term family plans, while for expats, living in a new cultural environment is bound to present challenges and force them to equally make adjustments in their lifestyles (Tahir & Ismail, 2007).

Work-Life Balance

Even when part of the appeal behind digital nomadism is the quest for work-life balance and the notion of breaking free from traditional career settings in corporate offices, the reality is that achieving said balance is a significant challenge. Travel and new experiences often become an excuse for delays on deliverables. As mentioned previously, developing a discipline is essential for the success of digital nomads.

These seemingly fluid lifestyle practices promote a continual preoccupation with boundaries, as digital nomads try to make sense of work, identity, and newness amid an invisible and intersecting constellation of mobility pathways (Green, 2020). These boundaries are not only physical, but digital nomads also often have to worry about enforcing the distinctions between work and leisure.

A new layer of complications is introduced when considering other family members. Traditionally this is a frequent issue with expats, and there is a substantial body of research on family issues and expat satisfaction (Grant-Vallonea et al., 2001).

The literature distinguishes between two different lines of family-work conflict depending on which element affects or disturbs the other. According to Grant-Vallonea et al. (2001), expats report that work interferes with family life more than the other way around.

For working expats, the family-work balance has a significant impact on the success of their work. Arthur and Bennet (1995) identified family-work conflict as one of the most important reasons behind the expat's experience of failure.

These issues can be mitigated by an organizational solid support, including language classes and relocation assistance to support spouses and families of working expats. On the other hand, digital nomads are often seen as sole individuals without strong family attachments.

Digital nomads usually travel by themselves as this is a lifestyle and career choice often connected to sole, younger individuals. If well digital nomads usually can't count on organizational solid or soft-landing programs to support relocation, at the same time, the fact that they move and operate as individuals facilitates the transition to new locations.

Cross-Cultural Adjustment and Communication

A cross-cultural adjustment has been generally defined as the process of adaptation to living and working in a foreign culture. It is the perceived degree of psychological comfort and familiarity an individual has working with the new culture (Black, 1988; Black et al., 1991; Okparaa & Kabongob, 2011).

Both expats and digital nomads often encounter difficulties assimilating the cultural components and behaviour of their residence. Although it is easier for digital nomads to remain in a bubble with like-minded individuals, they usually don't work in local economies. However, for working expats, cultural clashes in the workplace can be an example of a significant cross-cultural challenge (Tahir & Ismail, 2007).

Gender is another challenging issue. Besides understanding the cultural differences, professional women from western countries should be aware of the gender differences (Tahir & Ismail, 2007).

Men have traditionally dominated expatriates' positions, though the number of women expats has increased mainly due to more highly educated women entering the workforce (Makela & Suutari, 2015). Though there still is significant research space to expand on the details of work-life balance for expats through the lens of gender, the literature already shows that women face specific conflicts (Makela & Vesa-Suutari, 2015; Powell & Greehaus, 2010).

While women face similar conflicts as men, they usually have less access to the vital support from their organizations: demanding workloads and family life combined with new cultural standards while living abroad present significant challenges.

In the case of digital nomadism, this trend has been mainly embraced by a technological-savvy generation that considers digital technologies and infrastructure as inherent to work responsibilities. Digital nomads often require less cross-cultural adjustment to develop their routines outside local cultural norms.

The main communication challenge and adjustment curve for digital nomads resides in their interactions with clients and bosses. For this issue, digital nomads heavily depend on digital tools, which mediate in every work process, particularly communications and productivity, allowing individuals to maintain and expand their work-life (Nash et al., 2018).

Freelance digital nomads are highly dependent on internet connectivity, not only to perform and deliver services and products but to keep themselves aware of possible new opportunities. As digital nomads rely on gig work, accessing third-party platforms and sites that publicize job openings is essential. This is a way to market themselves to possible employers and clients.

Securing Work Permits and Taxation

For expats living abroad under work contracts for established corporations, the issue of taxation may be simplified by double taxation treaties and the legal assistance of their companies. However, existing tax rules based on residence criteria do not suit digital nomads well. Digital nomads are at risk of being tax residents and may not enjoy the same tax regimes as regular settled employees (Tyutyuryukov et al., 2021).

The recent increase in digital nomadism has motivated some jurisdictions to waive tax requirements or set minimum taxation schemes to welcome more temporary residents and digital nomads (Hannonen 2020). But digital nomads not only have to worry about their residence, but their country of origin is also of importance for tax purposes.

For example, the US government taxes its citizens with no distinction for residence status. In this way, US law applies taxation to citizens living in the US and US citizens with residence abroad in the same general manner (Blankarta and Margraf, 2011). Currently, there is an intense debate in the US around the relevance of replacing citizenship-based taxation in favour of residence-based tax.

There might be a distinction for other countries according to the resident or non-resident status but not in the kind of residency. This is the case of Germany, which applies the residence principle and taxes, residents on all their domestic and foreign revenues (Blankarta & Margraf, 2011).

Taxation is even more complicated for digital nomads that work as freelancers and move across various jurisdictions. Individuals in these circumstances often face many moving parts, including their country of origin and residence, but they also need to consider the location of the clients they're invoicing, as this often can complicate their tax requirements.

Work permits and visas for digital nomads and expats have gathered considerable attention. In the case of working expats, usually, their organizations play a role in securing these visas. However, various jurisdictions can understand remote nomadic workers in different ways.

Many countries understand digital nomadism as a more intimate form of tourism, but at the same time, working while using a tourist visa is considered illegal. Though that usually doesn't stop digital nomads from working while traveling as tourists, this practice has an expiration date as tourist visas generally offer limited time.

Since the COVID-19 pandemic, various jurisdictions have promoted special digital nomad visas to take advantage of the wave of emerging remote workers. Traditionally essential tourist destinations such as Costa Rica quickly modified legislation to accommodate these trends. This Central American country, for example, created a

new immigration category to increase tourist arrivals through visas for digital nomads who are willing to stay for more extended periods.

Today dozens of countries have some form of digital nomad visas. Despite this progress, these visas are usually attached to specific minimum monthly income requirements and bank statements. This challenges freelance digital nomads who often don't have fixed salaries or income security.

The more nomadic these individuals continue to move around with tourist visas, switching locations constantly. But it benefits people mainly from Europe, North America, or countries of origin with solid passports. Digital nomads from the global south face more difficulties were maintaining this lifestyle due to broader visa restrictions.

Resilience Factors – The Expat Personality

Academic literature addresses the personality of expatriates. Successful expats tend to share a broad knowledge and understanding of different cultural values, the ability to work and socialize with others, a persistent and broad-minded personality, and excellent skills and educational qualifications (Brewester et al., 2008).

Expats tend to share certain personality traits (Black, 1990): for example, they (a) show openness and receptiveness to learning the norms of a new culture, (b) make contact with citizens of the host country to (c) gather cultural information. Moreover, they do this to (d) cope with the higher stress associated with the ambiguity of their new environment (Black, 1990). Given the adverse cultural circumstances expats face, extraversion, emotional stability, agreeableness, and conscientiousness are essential in adapting to foreign affairs.

Digman (1990) identified specific beneficial factors for classifying the variety of personality traits personality factors include: (1) extroversion, (2) agreeableness, (3) conscientiousness, (4) emotional stability, and (5) openness or intellect. These factors are related to many traits that are consistently associated with expatriate success and, more broadly, success in many activities in the home country and when working in other cultures (Hannonen, 2020).

Materials and Methods

Based on the existing findings on typical challenges expats and nomads are facing both within and following the relocation process, this empirical study used a quantitative strategy to add to the state of research.

Research Material

All participants provided written informed consent before data collection and completed the questionnaires and individual items described in more detail below on the computer. The test battery contained both standardized scales and specially

constructed items on personal experience and behaviour in the relocation process motivated by entrepreneurial aspects.

In addition to a socio-demographic questionnaire, subjects were asked to provide information on their current business status (owner of a business living outside their home country (expat-preneur) vs. entrepreneur exclusively using digital technologies to pursue their work (digital nomad)), their region of origin, and their current host region. In addition, it was recorded whether participants sought help from a specialist lawyer or a tax advisor during their relocation.

The Big Five Inventory with a total of ten items (BFI-10; Gosling et al., 2003) was used to assess the personality structure of the sample. The highly economic short inventory allows the assessment of the personality traits *Extraversion, Neuroticism, Openness to Experience, Conscientiousness,* and *Agreeableness* defined according to the five-factor model (De Raad, 2000; Goldberg, 1990) and contains specific statements that are to be answered on a 5-point Likert scale (from 1: "Strongly Disagree," to 5: "Strongly Agree") concerning the subjects' level of agreement. An example for recording the degree of self-control, accuracy, and purposefulness (Conscientiousness) is "I see myself as someone who does a thorough job." According to Rammstedt and John (2007), the inventory has good psychometric characteristics and can thus be described as a reliable and valid inventory for assessing personality structure.

In addition to these essential personality dispositions, the personality trait Sensation Seeking, postulated primarily in the biopsychological field, was also surveyed. For this purpose, the Brief Sensation Seeking Scale (BSSS) by Hoyle et al. (2002) with a total of eight items was given to the subjects. The scale captures items that measure the construct by capturing the subscales *Thrill and Adventure Seeking (TAS), Experience Seeking (ES), Disinhibition (DIS),* and *Boredom Susceptibility (BS)* with two items each, but also represents the individual's overall propensity to experience varied, new, complex, and intense impressions, experiences, and experiences by calculating a total score of sensation seeking. The BSSS as a self-report instrument presents the items in the form of short statements (e.g., "I prefer friends who are excitingly unpredictable"), which are also to be rated on a five-point Likert scale (from 1: "Strongly Disagree," to 5: "Strongly Agree").

Finally, to capture the subjects' perception and assessment of specific challenges in the relocation process, they were given a specially created scale for this survey: The scale included legal, tax, financial, and insurance items and also focused on communication and private aspects that may arise during the focused relocation process. Subjects were asked to indicate on a 5-point Likert scale (from 1: minimum rating as challenging to 5: maximum rating as challenging) how challenging they considered the aspects presented in short statements to be in their relocation (e.g., "During my relocation, I had difficulties applying for a visa that was sufficient for me."). For each of the seven subscales Legal Aspects (focus on residence law), Legal

Aspects (focus on labor law), Tax Aspects, Administrative Aspects in the Financial Context, More Complex Aspects in the Financial Context, Insurance Aspects, and Communication and Private Factors, five items were given and combined into a total score by calculating mean values.

Sample

The dataset underlying the further analyses included data from a total of 196 participants (146 male (74.49%), 50 female (25.51%)) between the ages of 22 and 46 (M = 33.94, SD = 7.38). 12.8% (N = 25) of participants reported having a college degree. 8.2% (N = 16) subjects had at least nine years of high school education and a teaching degree. In comparison, 79.1% (N = 155) reported having attained a high school diploma as their highest completed level of education.

The descriptive data of the sample concerning the information related to the relocation process (assistance from lawyer or tax advisor, Origin Region, Host Region) are presented in Table 1.

Table 1

Distribution of the sample according to the data concerning relocation

Assistance or Support from specialist Lawyer	Yes	71	36,2%
	No	125	63,8%
Assistance or Support from Tax Attendant	Yes	92	46,9%
	No	104	53,1%
Status	Expat Preneur	107	54,6%
	Digital Nomad	89	45,4%
Origin Region	Schengen	88	44,9%
	US	108	55,1%
Host Region	(South East) Asia	81	41,3%
	Latin America	67	34,2%
	Schengen	22	11,2%
	US	26	13,3%

Note. 19.9% of respondents reported receiving assistance from a lawyer and a tax advisor (*N* = 39). 36.7% of the subjects received support neither from a lawyer nor from a tax advisor (*N* = 72).

Procedure

Participants were recruited through various social media platforms recognized in the entrepreneurial field. The survey was conducted online via a dedicated survey tool. Subjects were presented with a standardized instruction at the outset, after which they were asked to give their informed consent.

Participants in the study were then first given the questionnaire regarding their sociodemographic characteristics and relevant aspects in the relocation process, after which they were presented with the BFI-10 and the BSSS. The final part of the survey was the presentation of the specially constructed scale to capture the perception and evaluation of the specific challenges in the focused process.

The processing of the test battery took about 15-20 minutes.

Data Analysis

In order to uncover possible correlations and interactions in the context of the topic described, multivariate analyses were conducted in addition to the output of descriptive data.

The main focus was on perceptions of the specific challenge areas in the relocation process, the professional group chosen to support the relocation, and entrepreneurial status.

Results

All statistical tests were performed using IBM SPSS 25.0.0.1 with a significance level of.05. Variables were tested for requirements and normal distribution before the actual computation steps. Mean values and standard deviations (inclusive possible range of values) of the information on personality traits and the perception of specific challenges of the overall sample are shown in Table 2.

Table 2

Means, standards deviations, and possible range of values among the study variables (N=196)

	M	*SD*
BFI_O (Openness to Experience)	3.44	0.88

BFI_C (Conscientiousness)	2.78	1.18
BFI_E (Extraversion)	3.36	0.86
BFI_A (Agreeableness)	2.58	0.87
BFI_N (Neuroticism)	2.68	1.14
SSS (Sensation Seeking)	3.35	1.12
LegVisa (Legal Aspects, Focus on Residence Law)	3.02	1.15
LegWork (Legal Aspects, Focus on Labor Law)	3.46	1.05
Taxation (Aspects in the Field of Taxation)	2.74	0.74
FinAdmin (Administrative Aspects in the Financial Context)	3.38	0.88
FinAccessMarket (More Complex Aspects in the Financial Context)	2.85	0.99
Insurance (Aspects in the Field of Insurance)	2.74	0.53
CommPrivate (Communication and Private Factors)	2.75	1.14

Note. Possible Range of Values for all variables is 1-5. Higher values represent a higher level of expression in the personality dimensions or a perceived higher challenge of corresponding aspects.

For a closer understanding of the sample in the chosen entrepreneurial work mode context, corresponding data are again presented in Table 3 depending on the specified status (Expat-Preneur vs. Digital Nomad).

Table 3

Means, standards deviations, and possible range of values among the study variables depending on the specified entrepreneurial status (Expat-Preneur vs. Digital Nomad)

	Expat-Preneurs[a]		Digital Nomads[b]	
	M	*SD*	*M*	*SD*
BFI_O (Openness to Experience)	3.50	0.88	3.37	0.87
BFI_C (Conscientiousness)	2.76	1.18	2.79	1.19
BFI_E (Extraversion)	3.38	0.86	3.33	0.87
BFI_A (Agreeableness)	2.60	0.90	2.56	0.84
BFI_N (Neuroticism)	2.64	1.16	2.72	1.13
SSS (Sensation Seeking)	3.45	1.13	3.22	1.10
LegVisa (Legal Aspects, Focus on Residence Law)	2.93	1.12	1.13	1.19
LegWork (Legal Aspects, Focus on Labor Law)	3.48	1.08	3.44	1.02
Taxation (Aspects in the Field of Taxation)	2.63	0.70	2.87	0.78
FinAdmin (Administrative Aspects in the Financial Context)	3.46	0.89	3.30	0.87
FinAccessMarket (More Complex Aspects in the Financial Context)	2.81	0.98	2.89	1.00
Insurance (Aspects in the Field of Insurance)	2.78	0.54	2.68	0.51
CommPrivate (Communication and Private Factors)	2.68	1.22	2.82	1.04

[a]*N* = 107 (54.6%). [b]*N* = 89 (45.4%).

Support and Assistance (Lawyer vs. Tax Attendant)

A multivariate analysis of variance (MANOVA) was conducted to compare the subject's perceptions of the specific challenges depending on the professional group chosen as an assistance or support system in the relocation process. The analysis revealed an overall significant difference between individuals who received assistance from a specialized lawyer (F (7, 168) = 18.25, p < .001, partial η^2 = .407, Wilk's Lambda = 593) or a tax advisor (F(7, 168) = 39.50, p < .001, partial η^2 = .598, Wilk's Lambda = .402). Univariate analyses of variance (ANOVAs) as follow-up analyses were conducted separately for each of the occupational groups (choice of occupational group (Yes, No) x Specific Challenges (LegVisa, LegWork, Taxation, FinAdmin, FinAccessMarket, Insurance, CommPrivate)).

The results are presented in Tables 4 and 5.

Table 4

Results of the one-factor analysis of variance in the context of the (lack of) lawyer support in the relocation process and the perception of the specifically defined challenges

	Support from Lawyer				F (1, 192)	Partial η^2
	Yes[a]		No[b]			
	M	*SD*	*M*	*SD*		
LegVisa	2.11	1.09	3.53	0.82	101.79***	.346
LegWork	2.80	1.05	3.83	0.85	53.55***	.218
Taxation	2.53	0.63	2.85	0.78	6.77*	.034
FinAdmin	3.71	0.51	3.19	0.99	16.79***	.080
FinAccessMarket	2.97	0.94	2.77	1.01	1.41	.007
Insurance	2.78	0.54	2.71	0.52	0.60	.003
CommPrivate	2.67	1.11	2.79	1.16	0.77	.004

[a]*N* = 71 (36.2%). [b]*N* = 125 (63.8%).
*$p < .05$. ***$p < .001$.

Table 5

Results of the one-factor analysis of variance in the context of the (lack of) tax support in the relocation process and the perception of the specifically defined challenges

	Support from Tax Attendant				F (1, 192)	Partial η^2
	Yes[a]		No[b]			
	M	*SD*	*M*	*SD*		
Leg_Visa	2.78	1.12	3.23	1.14	3.74	.019
Leg_Work	3.39	1.06	3.52	1.04	0.00	.000
Taxation	2.12	0.29	3.29	0.57	270.79***	.585
Fin_Admin	3.44	0.90	3.33	0.87	0.43	.002
Fin_AccessMarket	2.97	0.79	2.73	1.12	2.63	.013
Insurance	2.76	0.54	2.72	0.52	0.45	.002
CommPrivate	2.84	1.13	2.66	1.14	1.14	.006

[a]*N* = 92 (46.9%). [b]*N* = 104 (53.1%).
***$p < .001$.

ANOVA on the choice of a specialized lawyer to support in the relocation process revealed a significant interaction effect in the context of perceptions of the challenges LegVisa (F (1, 192) = 101. 79, $p < .001$, partial $\eta^2 = .346$), LegWork (F (1, 192) = 53.55, $p < .001$, partial $\eta^2 = .218$), Taxation (F (1, 192) = 6.77, $p = .010$, partial $\eta^2 = .034$), and FinAdmin (F (1, 192) = 16.79, $p < .001$, partial $\eta^2 = = .080$). Individuals who sought assistance from a specialist lawyer in the relocation process reported lower levels of challenge burden in legal aspects with a focus on residence law ($M_{\text{LegVisa(Lawyer)}} = 2.11$, $SD_{\text{LegVisa(Lawyer)}} = 1.09$), in legal aspects with a focus on labor law ($M_{\text{LegWork(Lawyer)}} = 2.80$, $SD_{\text{LegWork(Lawyer)}} = 1.05$), in tax aspects ($M_{\text{Taxation(Lawyer)}} = 2.53$, $SD_{\text{Taxation(Lawyer)}} = 0.63$), and in administrative aspects in the financial context ($M_{\text{FinAdmin(Lawyer)}}$ = 3.71,

$SD_{FinAdmin(Lawyer)}$ = 0.51 than individuals who did not seek assistance from a specialist lawyer ($M_{LegVisa(NoLawyer)}$ = 3. 53, $SD_{LegVisa(NoLawyer)}$ = 0.82, $M_{LegWork(NoLawyer)}$ = 3.83, $SD_{LegWork(NoLawyer)}$ = 0.85, $M_{Taxation(NoLawyer)}$ = 2.85, $SD_{Taxation(NoLawyer)=}$ 0.78, $M_{FinAdmin(NoLawyer)}$ = 3.19, $SD_{FinAdmin(NoLawyer)}$ = 0.99).

However, the (lack of) choice of a specialized lawyer did not affect perceptions of challenges in the context of more complex aspects of finance (F (1, 192) = 1.41, p = .236, partial η^2 = .007), insurance aspects (F (1, 192) = 0.60, p = .441, partial η^2 = .003), and communication and privacy factors (F (1, 192) = 0.77, p = .381, partial η^2 = .004).

In the context of possible tax assistance in the relocation process, significant results were only evident in the perception of challenges in the tax context (F (1, 192) = 279.79, p < .001, partial η^2 = .585). Individuals who sought support from a tax advisor perceived corresponding challenges as lower ($M_{Taxation(TaxAttendant)}$ = 2.12, $SD_{Tax(TaxAttendant)}$ = .029) than individuals without corresponding assistance ($M_{Taxation(NoTaxAttendant)}$ = 3.29, $SD_{Taxation(NoTaxAttendant)}$ = 0.57).

Status: Expat Preneurs vs. Digital Nomads

Another MANOVA conducted with a focus on considering stated status in the context of type of current occupation (expat-preneur vs. digital nomad) showed no statistically significant differences in the context of perceptions of the specific challenges (F (7, 188) = 1.70, p = .111, partial η^2 = .060, Wilk's Lambda = .940).

The means and standard deviations in the context of the specific challenges are presented in Table 3 despite the lack of significant differences in the course of the descriptive statistics.

Origin Region: Schengen vs. US

In the course of further exploratory research, a MANOVA revealed a statistically significant difference in the context of perception of specific challenges depending on the subjects' region of origin (F (7, 188) = 20.46, p < .001, partial η^2 = .432, Wilk's Lambda = .568). The subsequent post hoc analysis using one-factor analyses of variance (Origin Region (Schengen, US) x Specific Challenges (LegVisa, LegWork, Taxation, FinAdmin, FinAccessMarket, Insurance, CommPrivate) were able to show that subjects who originated from the U.S. rated challenges in the taxation domain as more challenging ($M_{Taxation(OriginUS)}$ = 3.12, $SD_{Taxation(OriginUS)}$ = 0.70) than individuals originally from the Schengen area (F(1, 192) = 98.20, p < . 001, partial η^2 = .336; $M_{Taxation(OriginSchengen)}$ = 2.26, $SD_{Taxation(OriginSchengen)}$ = 0.48). Original U.S. residents also rated administrative aspects in the financial context as more challenging than did individuals with a Schengen region of origin (F (1, 192) = 6.32, p = .013, η^2 = .032; $M_{FinAdmin(OriginSchengen)}$ = 3.21, $SD_{FinAdmin(OriginSchengen)}$ = 1.00; $M_{FinAdmin(OriginUS)}$ = 3.52, $SD_{FinAdmin(OriginUS)}$ = 0.74).

In the context of legal aspects with a focus on residence law (F (1, 192) = .295, p = .588, η^2 = .002) and labor law (F (1, 192) = .308, p = .580, η^2 = .002), more complex aspects in the financial context (F (1, 192) = 2.36, p = .126, η^2 = .012), insurance (F (1, 192) =. 004, p = .949, η^2 = .000), and the communication and private factors domain (F (1, 192) = .971, p = .326, η^2 = .005) these aspects showed no significant effects with respect to the perception of corresponding domains depending on the subjects' region of origin.

The results, including descriptive statistics, are presented in Table 6.

Table 6

Results of single-factor analysis of variance in the context of the region of origin and perceptions of specifically defined challenges of individuals who have relocated

	Region of Origin				F (1, 192)	Partial η^2
	Schengen[a]		US[b]			
	M	*SD*	*M*	*SD*		
Leg_Visa	3.07	1.15	2.98	1.16	.295	.002
Leg_Work	3.50	1.03	3.42	1.07	.308	.002
Taxation	2.26	0.48	3.12	0.70	98.20***	.336
Fin_Admin	3.21	1.00	3.52	0.74	6.32*	.032
Fin_AccessMarket	2.96	0.88	2.75	1.06	2.36	.012
Insurance	2.74	0.52	2.73	0.53	.004	.000
CommPrivate	2.66	1.16	2.82	1.12	.971	.005

[a]N = 88 (44.9%). [b]N = 108 (55.1%).
***p < .001. *p < .05.

Host Region ((South East) Asia vs. Latin America vs. Schengen vs. US)

Finally, the multivariate procedures in the context of the perception of specific challenges were also conducted with a special focus on the destination region targeted of the subjects. Statistically significant differences were found (F (21, 535) = 2.76, $p < .001$, $\eta^2 = .094$, Wilk's Lambda = .744).

The results of the post-host analyses conducted (Host Region ((South East) Asia, Latin America, Schengen, US) x Specific Challenges (LegVisa, LegWork, Taxation, FinAdmin, FinAccessMarket, Insurance, CommPrivate) are presented in Table 7.

Table 7

Results of single-factor analysis of variance in the context of the host region and perceptions of specifically defined challenges of individuals who have relocated

	Host Region								F (1, 192)	Partial η^2
	(South East) Asia[a]		Latin America[b]		Schengen[c]		US[d]			
	M	*SD*	*M*	*SD*	*M*	*SD*	*M*	*SD*		
Leg_Visa	3.03	1.15	2.96	1.14	2.91	1.41	3.25	0.97	0.48	.007
Leg_Work	3.44	0.98	3.48	1.12	3.14	1.13	3.73	0.99	1.27	.019
Taxation	2.58	0.68	2.99	0.78	3.10	0.68	2.24	0.46	10.82***	.145
Fin_Admin	3.41	0.91	3.47	0.79	3.40	0.65	3.08	1.14	1.29	.020
Fin_AccessMarket	2.85	0.94	2.73	1.07	3.20	1.04	2.84	0.83	1.26	.019
Insurance	2.72	0.52	2.82	0.53	2.61	0.53	2.68	0.53	1.13	.017
CommPrivate	2.74	1.08	2.76	1.17	2.89	1.14	2.61	1.27	0.24	.004

[a]N = 81 (41.3%). [b]N = 67 (34.2%). [c]N = 22 (11.2%). [d]N = 26 (13.3%).
***$p < .001$.

It becomes clear that the perception of tax challenges differs significantly depending on the chosen destination region. The Tukey-HSD post-hoc tests conducted show that individuals whose destination region is in Latin America (M_{Diff} = -.41, 95%-CI [-0.71, -0.11], p = .002) or the Schengen Area (M_{Diff} = -.52, 95%-CI [-0.95, -0.08, p =. 012], rate

tax challenges as higher ($M_{\text{LatinAmerica}}$ = 2.99, $SD_{\text{LatinAmerica}}$ = 0.78; M_{Schengen} = 3.10, SD_{Schengen} = 0.68) than individuals whose destination region is in (South East) Asia ($M_{\text{(SouthEast)Asia}}$ = 2.58, $SD_{\text{(SouthEath)Asia}}$ = 0.68). There was also a significant difference between the assessment of tax challenges of individuals who choose their destination in Latin America ($M_{\text{LatinAmerica}}$ = 2.99, $SD_{\text{LatinAmerica}}$ = 0.78) and those who relocate to the U.S. region (M_{Diff} = 0.75, 95%-CI [0.34, 1.17], p < .001; M_{US} = 2.24, SD_{US} = 0.46). However, individuals who choose their destination in the Schengen area (M_{Schengen} = 3.10, SD_{Schengen} = 0.68) rate tax challenges as more severe than do individuals who choose their destination in the U.S. area (M_{Diff} = 0.86, 95%-CI [0.34, 1.38], p <. 001; M_{US} = 2.24, SD_{US} = 0.46).

Discussion

Main Findings and Contribution

This research has been able to show the specific challenges associated with the relocation process in the context of expat and nomad experiences. As shown both from the perspective of the review of the existing state of research and in the study conducted here, there is a complex network of conditions that can lead to different constellations of challenges. It should be noted that this publication decidedly chose a problem-focused approach but does not want to ignore the mention of the different benefits that can result from appropriate living conditions. These are to be considered both from the perspective of expats and nomads themselves, for whom relocation typically represents turning points in life (Brayer-Hess & Lindermann, 2011) and brings with it a series of exciting and formative experiences (Selmer et al., 2018), as well as from the perspective of ecosystems and communities, which are increasingly shaped by the intensifying international exchange. Considering these issues and understanding what challenges there are to consider in the relocation process and examining corresponding resilience factors should thus be understood as a contribution to a smoother process.

The approach chosen here can be described as exploratory throughout, which is primarily due to the novelty of the research topic itself: To date, especially in the context of the changing environment of the ecosystem studied here and with a focus on the challenges chosen here, no comprehensive empirical study has been conducted that addresses the practical challenges of the relocation process. Accordingly, this research represents a central cornerstone in the research environment of expats and nomads but is at the same time characterized by corresponding limitations, which need to be addressed in subsequent research. In particular, the resilience factors and a sharpened understanding of their influence on the perception of different challenges and their relationship to personal life circumstances seem worth mentioning in this regard. Also, a detailed addressing of potential cultural differences and the search for causal explanations for them is a research goal to be strived for in future research activities.

Conclusion

The steadily increasing numbers of people working in distant countries via digital technologies as digital nomads or expats point to the need for research into the factors and interactions that are fundamentally relevant in this context.

Using both a literature-based and quantitative approach, this study examined the findings to date in the context of the groups of people increasingly observed in the entrepreneurial sphere, focusing on personality structure and the existing challenges in the process of relocation chosen for entrepreneurial reasons among others. It became clear that it is not the distinction between the identification as a digital nomad or an expat that makes a difference in assessing specific aspects as challenges in relocation. Instead, it is primarily the choice of specific professional groups as support systems that matters. Thus, especially the choice of a lawyer specializing in emigration is related to a perceived lower level of challenge in tax law aspects, financial aspects, and legal aspects in residence and labor law. In contrast, the use of tax law support affected the perception of tax law challenges and caused a significant difference in this area compared to individuals who did not receive support. In addition to the support system chosen, it became clear that the region from which the digital nomads or expats originated influenced the perception of tax law issues, as did the destination region chosen. For example, individuals from the US American region report higher experienced challenges in this area and the perception of financial aspects than individuals from the Schengen area. In the context of the selected target region, it can be reported that especially in the Schengen area and in the Latin American area, tax aspects are experienced as challenging and, thus, significant differences from the (South East) Asia and America regions can also be reported.

Due to the ever-increasing focus on new forms of work, an in-depth examination of the possibly relevant aspects in the context of experience and behavior in the relocation process is indispensable. To continue to overcome borders in any way, it is recommended to expand the range of support offered to corresponding groups of people.

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