

# The Ultimate Guide to Global Expansion

Everything You Need to  
Succeed in the Global Market

THOUGHT LEADERSHIP

**GLOBAL  
EXPANSION**

A hand holding a pen pointing at a glowing globe with various business icons like gears, lightbulb, handshake, people, and charts.



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## INTRODUCTION

Going global opens up a world of opportunities for investment and partnerships that you can't access locally. But entering global markets can be overwhelming.

Information and support are vital to avoid failure in this venture, which can be expensive financially and in terms of time. This guide offers essential tips and a roadmap for successful global expansion.

**The following are some questions you should already be asking yourself as you read this guide:**

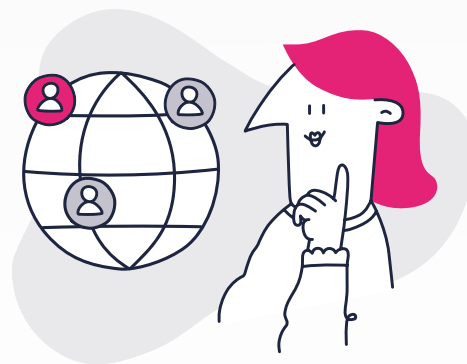
- ▶ How will you protect your company's intellectual property in other countries?
- ▶ Are you prepared for the requirements of doing business in another country?
- ▶ Do you have a budgeted timeline for what it's going to cost to go global?
- ▶ How will you maintain your compliance in multiple countries?
- ▶ How do you know which global expansion option is right for your company?

The good news is, that many new solutions, research, and real-life examples have made global expansion easier. You can now enter new markets successfully while staying compliant and productive.

It's crucial to stay adaptable, focused on your goals, and efficient. You don't have to invest all your money and time to expand abroad successfully.

Start by sending a small team to test the market and see if it's worth committing long-term. This way, you can quickly build a global network and access new talent, boosting your company's success.

By adopting modern business approaches, you'll thrive in global expansion. Let's examine the specifics of growing globally and how to prepare your business.



# 02

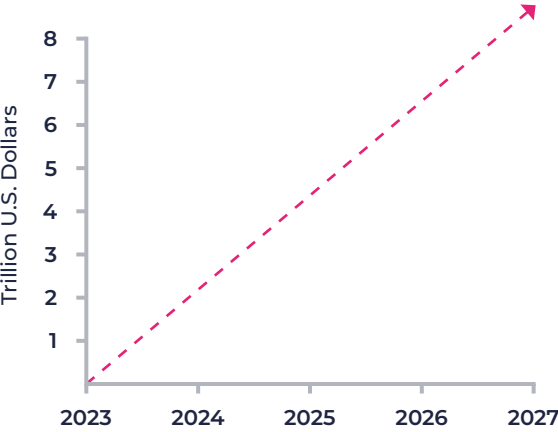
## THE IMPORTANCE OF GLOBAL EXPANSION

Today, everything happens globally. With online shopping, social media, and video calls, we're all connected.

Local and national boundaries no longer limit us. Globalization is here to stay, and every company, big or small, must embrace it.

It's crucial to embrace this global shift instead of resisting it. Why? Because your competitors are already embracing it, exploring new markets and talent pools while you stick to local thinking.

According to Statista, the [global e-commerce market](#) reached an estimated 5.8 trillion U.S. dollars in 2023. Projections indicate a 39 percent growth in this figure over the coming years, with expectations to surpass eight trillion dollars by 2027.



## 1. Expanded Revenue Streams



If your business is thriving locally, there's potential for even greater success internationally. Your local market has limits, but the global market is vast and waiting for your products or services. Diversifying into global markets gives you access to new customers with different needs, expanding your revenue sources.

According to the [U.S. Small Business Administration](#), 96% of the world's consumers are outside of America. Major companies like Nike and IBM base their operations in places like the Netherlands to tap into vast European markets.

For instance, UPS invested heavily in Eindhoven, Netherlands, to access millions of potential customers. These businesses recognize the value of global expansion in finding new revenue streams.

## 2. Staying Ahead of Your Competitors



Complacency can spell disaster for any company. Thinking you've outpaced your competitors is risky and lazy. While you sit still, others are pushing ahead, leaving you behind. Take Facebook, Google, and Apple, for example.

Do you think they believe they've won the tech race?  
And look at Uber - always expanding globally to stay ahead of rivals like Lyft.

Expanding your customer base not only brings more opportunities but also keeps you ahead of the competition, securing customer loyalty before others do.

## 3. Expanded Talent Access



Talented workers, managers, and executives exist worldwide, not just in the United States or the United Kingdom. They offer diverse perspectives, unique skills, and insight into local cultures. Hiring such talent helps you understand international markets and meet their needs effectively. This is why one of the latest trends in recruitment is a focus on global not local talent.

#### 4. Increased International Perception and Respect



Building credibility is crucial for attracting investors, partners, and top talent. Going global expands your audience and portrays your company as a successful global player.

Being seen as a multinational brand enhances your reputation, making consumers trust your reliability and quality. People are naturally drawn to strength, so projecting a strong image will attract more customers.

#### 5. Protecting Bottom Lines Against Unforeseen Events



In business, being ready for the unexpected is key. While it can add excitement, it can also cause major disruptions. That's why it's crucial to diversify and protect your assets.

Companies with international operations can balance out losses in one market by focusing on another. They can also use different markets to introduce new products, ensuring a steady income.

#### 6. Foreign Investment Opportunities



Expanding globally opens up new investment opportunities. Operating in foreign markets allows for partnerships and informed investment decisions.

You can also access lucrative opportunities unavailable in your home country. Governments often offer incentives for foreign companies to invest in their economy and workforce.

Waiting to expand globally means risking falling behind your competitors. While you hesitate, they're capturing new consumers, talent, and investment opportunities. Although it may seem daunting, success lies in preparation and strategy.



# 03

## HOW TO DEVELOP A SUCCESSFUL EXPANSION STRATEGY

Moving into foreign markets without a plan is a recipe for failure. Like in everyday business, global expansion requires careful planning. You need a strategy tailored to your company and niche market.

Traditional expansion methods may not work anymore. It's crucial to adopt a modern, agile approach that minimizes risks.

**Before diving into global expansion, ask yourself: Why is my company considering this?**

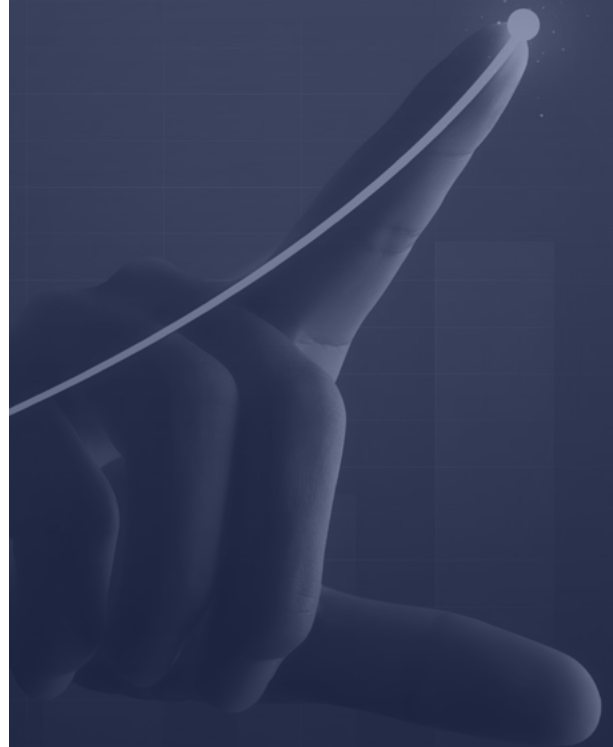
Your strategy should align with your business vision and goals. Make sure your team and stakeholders are on board with the plan.

Although there is no one-size-fits-all solution to expanding globally given the different attributes and details specific to companies, there are some common denominators in the world of sustainable global growth.



“ Traditional market-focused models of multinational strategy may be inadequate to represent the activities of the firm in the global arena.

*California Review Management, Internationalization, Globalization, and Capability-Based Strategy.*



Below are key tips for your successful global expansion:



## 1. Think with Small, Agile Steps

When setting goals, like waking up earlier or losing weight, we need a solid plan to succeed. Losing weight means watching what you eat, working out more, and staying hydrated.

An agile global expansion strategy takes small steps toward a big goal. Before committing to a country, test the market to ensure long-term success is possible. Expansion is costly, so be smart about it.

Consider partnering with an [Employer of Record \(EOR\)](#). A Global EOR manages everything from payroll to compliance in your new country. This allows you to focus on your core operations rather than expansion challenges.

Companies with an agile approach see faster returns. It's like studying before a test—preparation ensures success. The test is what counts, so strive for excellence.

## 2. Plan Your Entry and Exit Strategies

Before selecting a new market, understand how to enter and exit it effectively.

- ▶ What's needed to comply with regulations?
- ▶ How can you enter or exit without excessive costs?

With a solid entry plan, you can quickly establish a profitable presence in a new market.

Exiting a market can be time-consuming and expensive. For instance, closing a Chinese subsidiary typically takes two years in compliance with government regulations. Knowing this in advance allows you to start the process early, avoiding financial setbacks. Diligence upfront prevents major surprises down the line.



### 3. Embrace Local Talent

Human capital is the most important asset any company manages today. It can also be a company's best resource in a new foreign market.

Local employees are valuable for several reasons, including working at your company, helping identify untapped opportunities that you might not otherwise know, evaluating market penetration plans on a day-to-day basis, and communicating cultural norms that are foreign to you and your managers.

Local talent can also provide third-party perspectives you had never considered before that will assist in other unrelated management requirements.

“ Nothing we do is more important than hiring and developing people. At the end of the day, you bet on people, not on strategies.

*Lawrence Bossidy,  
Former COO of General Electric.*



### 4. Don't Be Afraid to Partner Off

Expanding globally requires considering a lot of information, like employment laws and government regulations. Ignoring these can lead to costly liabilities.

For instance, Target had to close 133 stores and lay off 17,000 employees when it withdrew from Canada due to various issues.

Before expanding globally, protect your business by partnering with experienced companies that understand risks and compliance. Respect other countries' business customs to avoid problems.



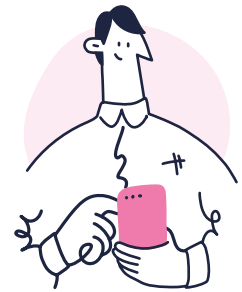
## 5. Always Spend Time Testing the Market

Whether you like to do background research or not, always test the cultural dynamics and specifics in your target market so you can mold your outreach, marketing, and hiring process in adherence to these expectations.

This can include creating marketing campaigns that resonate with local preferences, changing your brand message to match the local sentiment, adjusting your products to meet consumer demand, and all in adherence with cultural differences (creating Facebook ads in their language, etc.).

You can do all of this without building any facilities in the new country. Simply work with an in-country partner, or send a few team members, to conduct this research on your behalf.

They will evaluate how the product or service did with local consumers, and based on that information, you can then decide if expanding into that specific market makes sense for your company.



## 6. Pick a Global Hiring Method That Is Right for You

A major part of your expansion strategy is deciding how you are going to hire talent in this new foreign market. Your international team is a primary aspect of your potential success, which is why the right hiring method is key for maxing out your global potential.

**You have 4 different international employment methods at your disposal today:**

- ▶ Foreign independent contractors
- ▶ Nonresident employers (NRE)
- ▶ Foreign subsidiary establishments
- ▶ International EOR (Employer of Record.)

The next section will talk more about how these 4 new employment methods can impact your hiring options in a global expansion scenario, as well as which ones are right for your operation.



## Which Hiring Option Is Right for My Company?

**To reiterate:** depending on your global expansion goals and expectations, certain international hiring options will make more sense for you than others.

### **You will need to consider:**

- ▶ Employment liability
- ▶ Tax implications
- ▶ IP protection
- ▶ Asset holding
- ▶ Budgeting
- ▶ Time commitments

### **Let's evaluate the benefits and risks associated with each of the 4 hiring options:**

- 1 Foreign independent contractors
- 2 Nonresident employers (NRE)
- 3 Foreign subsidiary establishments
- 4 International EOR  
(Employer of Record.)



## Foreign Independent Contractors

This approach works best for one-time tasks, project work, and research projects. However, be cautious of noncompliance issues due to misclassifying contractors.

With the rise of the gig economy, questions arise about whether workers like Uber drivers should receive employee benefits. For example, California's AB5 Law limits freelance writers' projects per year to combat exploitation but also restricts their earning potential.

A foreign independent contractor is someone in a different country working for a company abroad under a contract without employee benefits. They set their own hours and work remotely, saving on commuting and office costs.

However, they don't get employee benefits like health insurance. As the hiring company, you must understand noncompliance risks and international contract confusion.

To avoid problems, clearly define the contractor's independence with a signed agreement and avoid setting a fixed schedule. Ensure contracts comply with local laws to prevent legal issues.

## Non-Resident Employer (NRE)

An NRE is a local registration that gives companies an in-country Tax ID, which enables them to legally hire employees in their new country of obligation.

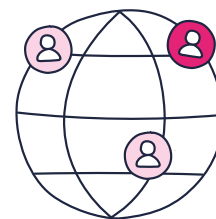
These arrangements are only available in certain countries and can go by different names depending on where you are.

### The benefits of an NRE include:

- ▶ Having a Tax ID
- ▶ Fewer regulatory requirements
- ▶ Cost-effectiveness  
(since NREs are typically less expensive when compared to setting up a legal entity)

### The downsides of NREs include:

- ▶ Limited functionality, as NREs are primarily focused on market development.
- ▶ Compliance risks in the form of tax avoidance
- ▶ Timelines of only 6 months at a time



### Foreign Subsidiary Establishment

This legal entity is based in a different country and controlled by a parent company through more than 50% of the voting stock.

In this arrangement, there is a high level of compliance going the extra mile to set up an entity that can cover a big portion of risk and a true market presence that allows you to directly contribute to the local economy.

A foreign subsidiary establishment also comes with legal recognition for your company by local governments.

On the downside, these arrangements come with a costly initial set-up fee of somewhere in the \$15,000 to USD 20,000 range, and significant maintenance fees that can cost around USD 40,000 per year.

It is, therefore, difficult to dissolve and stop operations once the foreign entity is established, which means if you were counting on a quick exit strategy, this is not the business formation option for you.



### Global EOR (Employer of Record)

An Employer of Record (EOR) is a modern solution designed for global expansion. It enables companies to hire employees worldwide quickly and compliantly, without the need to establish a foreign legal entity.

Major companies like Airbnb and Uber utilize this approach to onboard employees in days, compared to the months required by traditional methods.

Essentially, the EOR acts as an extension of your HR department, handling tasks such as tax withholdings, payroll, and social security programs for employees in foreign countries.

#### Key benefits include:

- ▶ Rapid market entry
- ▶ Cost savings of up to 60% compared to establishing foreign subsidiaries
- ▶ Time efficiency
- ▶ Risk mitigation through in-country expertise

However, this model does not allow for acquiring fixed assets in the target country and requires a thorough review of tax codes to ensure compliance.

# 04

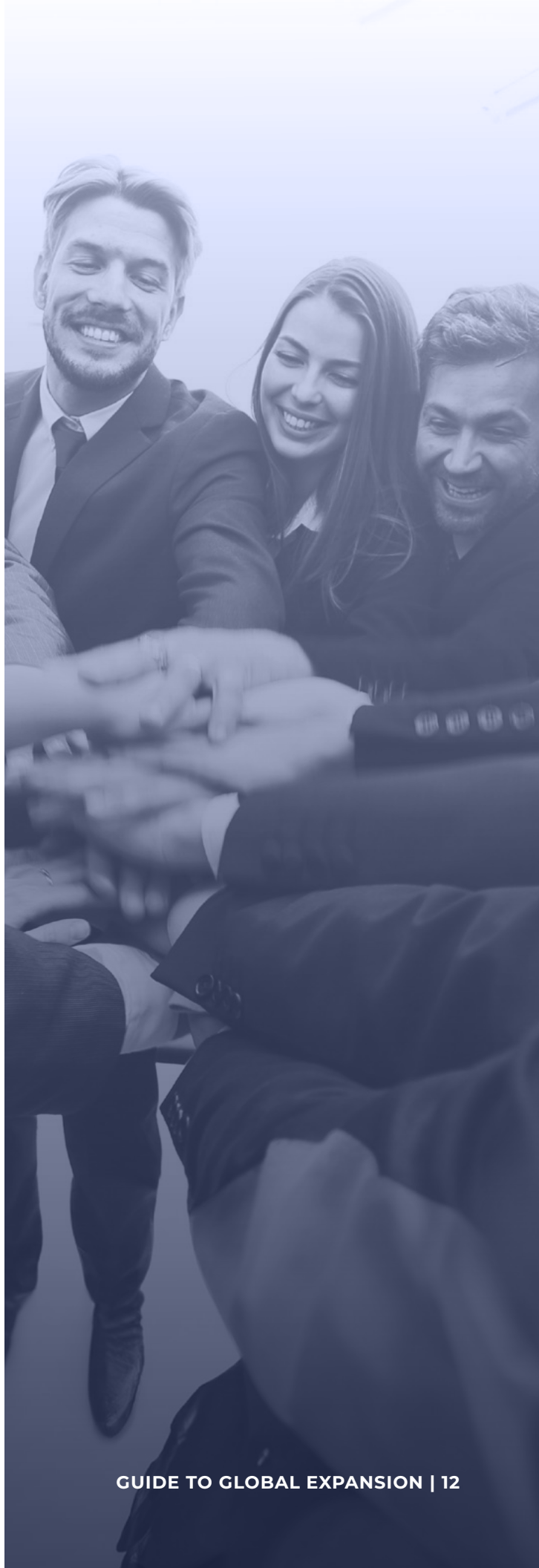
## 4 WAYS TO FOSTER A GLOBAL MINDSET AT YOUR OPERATION

Your mindset shapes your actions, words, and approach to life. A positive mindset sees the glass half full, while a negative one sees it half empty.

When it comes to global expansion, your company needs a team prepared for the challenge. Expanding internationally is one thing, but avoiding cross-cultural mishaps is crucial for maximizing revenue and keeping your team motivated.

Adding new languages, supporting new offices, working with people from foreign backgrounds, supporting new currencies, etc. is only the tip of the iceberg. You need to also ensure your company is ready with a global mindset that will fuel future growth.

It's not going to be easy or simple, which is why you need absolutely everyone onboard with this decision. But, if you include people in this decision and make it feel like a team activity, they are going to be more likely to view global expansionism with positivity. Successfully get your company ready for this kind of worldwide thinking.





Here are our 4 tips to consider:



## 1. Make it an Internal Discussion

No one likes feeling left out or in the dark. Research shows that to succeed in major business changes, you must consider your employees' opinions. It's a mistake to assume your current product will be well-received in new markets. Every country has its preferences and needs.

Encourage your team to think about designing campaigns and features tailored to new markets, not just replicating what works at home. Create a sense of excitement about global expansion by organizing task forces and conferences focused on "global readiness."

Make your employees feel like "global champions" and show them how this move benefits their happiness. For example, it could lead to more opportunities for promotion or even working abroad.

### Did you know:

71% of people want to work outside their home country at some point in their careers?



## 2. Gain More International Expertise without Going International—Yet

One of the best ways to get your company ready for going global is to bring the global into the heart of your company.

How is that possible? For starters, begin with hiring people with international experience.

People who have already worked around the world or across borders can share their experience with your current workforce, put on presentations, and include special pointers and tips you might not otherwise know.

You can start hiring people by saying "international experience desired" to ensure you are working with candidates who know what it's like to speak other languages, adapt to new communities, eat new foods, etc.

Before you go through with new hires, be sure to ask those who already work for you if they fit the bill.

You might be surprised that some of your workforce has already worked abroad; even more shocking, you may discover some of them are immigrants without accents. They could represent a major asset that oftentimes goes largely ignored.

### 3. Encourage Your Workforce to Gain International Experience

If possible, send your current workforce to foreign countries on assignments so they can learn first-hand from employees, partners, and customers. If you already have an office in another country, take turns rotating those working out of the office so they will be groomed to manage a newer office you have planned in the future.



You can also invest in international mobility expertise via an immigration attorney to help in your facilitation of sending employees around the world. Even short trips of just 2–4 weeks can be enough to embed someone in a different culture and open their eyes up to the world around them.

### 4. Be Willing to Change Your Organizational Design

Don't hesitate to shake things up to give more people international experience. Consider placing key hires in overseas offices to train them in international business before going global.

Create global roles to offer more opportunities within your company. This restructuring prepares you for the changes when you expand globally.

By doing this, you show your commitment to global growth and provide your employees with valuable experiences. They'll appreciate your efforts, and more people will request international assignments.

Lastly, don't be afraid to upgrade software designed for domestic use. Let your employees know about the changes in advance and provide thorough training. Invest in their success on a global scale by preparing them for software updates well in advance.



## What Does Your Company Stand for?

If we were to walk around your company office place today and ask your employees to describe what your company stands for in three words, would they be able to answer us?

Have you taken the time to go over company culture with employees, communicating to them what you believe in and what you hope to solve in the world with your product or service?

Taking the time to get everyone up-to-speed on your brand and united around your values can be integral to them remaining happy and content working for you abroad. It's much easier to rally behind a common cause than it is to simply wake up in the morning and collect a paycheck.

One example of a company that understands this is HubSpot, the digital marketing management platform. They created a local version of their "Culture Code," which clearly articulates their guiding principles for the business.

They also created a Buddy Program, called Tomodachi (friend in Japanese), which matches hundreds of buddies up every month for an informal chat with someone in another office. The employee feedback has been so positive that they are considering bi-weekly buddy chat meet ups.

### Mindset Over Matter

With all these cultural shifts and commitments in your company, your employees should be feeling confident and prepared for a global expansion. Human capital is the most important capital at your disposal, which is why supporting positive mindsets is something you absolutely want to concern yourself with in the face of global expansion.

In the second half of this guide, we're going to look at global expansion roadmap points, risk mitigation tools, what to consider when foraying into a new market, and lastly, a global expansion checklist that will help you tie together all the loose ends before you make the big decision.

# 05

## RISK MITIGATION WHEN GOING GLOBAL

In big business decisions, risk is inevitable. Managing a corporation involves taking calculated risks, from investing in ideas to hiring employees. With proper awareness, embracing the risk of global expansion is feasible.

Mitigating risk requires more than crossing your fingers. Responsible planning helps minimize potential risks before establishing your international presence.

Operating internationally exposes you to higher risks compared to domestic businesses. Navigating laws, customs, and geopolitical contexts requires careful consideration, regardless of the region. Planning for the unexpected ensures preparedness.

As Winston Churchill said:

**“ He who fails to plan  
is planning to fail.**



**Avoid reactive measures by planning ahead. Here are five steps to help your company mitigate risks as you enter the international market:**

## **1. Take Time Going Over the Business and Political Climate**

Consider Brexit, which took effect at the end of January 2020. The UK's decision to leave the EU created uncertainty, impacting import and export strategies and the economy. Political turmoil surrounding Brexit led to leadership changes and a lack of consensus, worrying economists and discouraging foreign investment.

To navigate such risks, research your target market thoroughly. Avoid regions with significant ongoing issues. Develop a business plan that accounts for both political factors and the local business environment.

Calculate all expenses, including legal compliance, taxes, and employee compensation. Evaluate the country's transportation infrastructure to ensure it meets your needs.



Look for business-friendly countries like Luxembourg, Switzerland, Canada, Denmark, Singapore, the Netherlands, and Sweden.

## **2. Choose an Experienced Business Partner That Can Help**

As we have mentioned earlier, there are international business partners with the experience you haven't yet acquired that can keep you from making costly mistakes.

Experienced local professionals can help guide you through the regulations and cultural expectations of that region.

For example, did you know that bribery is legal in some countries, although incredibly illegal in the United States? Consider testing the waters with a strategic alliance or a joint venture that enables you to get a feel for customs and changes before you dive all the way in.





### 3. Hire Experienced Talent

Beyond hiring local talent, ensure you are hiring talent with relevant experience. These people need to be able to adapt to your company's vision, strategy, and goals, as they will be the face of your new business launch and opening in that country.

Do not rush this process or cut corners, but rather take time to conduct due diligence on all applicants. This can take the form of:

- ▶ Background checks
- ▶ Work history checks
- ▶ Speaking to previous employers
- ▶ Interviewing carefully

Additionally, some countries may require additional security checks or certification as part of anti-terrorism efforts. Ensure that your new hires meet these requirements.

In general, it costs close to \$50,000 for every employee that you lose/puts you in a position to have to refill their role. After the training, the time investment, and the benefits provided to that employee, you do not want to lose them. **Get the hiring process right the first time.**

### 4. Create a Business Model That Is Compatible with the Market

Your business model needs to fit the country and demographics in question. In a country that is massive with tons of ethnic factions, like India, you might need a multi-part model that includes strategies for each specific region and language. Additionally, take the time to assign a New Product Introduction (NPI) team to determine the correct operating models before they enter the market.

These can vary based on cultural and social differences. This team should also design a product to meet the needs of the local customers.

NPI models account for all direct and indirect costs associated with international trade. When it comes to international trade, shipping methods, tariffs, duty calculations, and protectionist laws need to be considered. Mistakes can be massively costly, which is why you want a business model that is already set up for the target market.



## 5. Be Pragmatic About Expansion



Although being optimistic is important for business growth, you also want to be pragmatic about trying this new market. Even the most successful companies in the world have had massive expansion failures.

For example, Walmart failed to take in cultural nuances when it opened in Germany in 1997. They invested in 85 stores, hoping to win over Germans and their frugal lifestyles. However, intricate labor laws, including how long it could remain open, restricted Walmart. Also, the overly “happy” greeters were found distasteful by the Germans. In 2006, they pulled out of the country, which cost them about \$1 billion in total.

Factor downside mitigation into the model by asking yourself:

- ▶ How much you could stand to lose if expansion fails?
- ▶ What is the number you are staring at?
- ▶ Can you afford it in case it happens?

Develop an exit strategy and decide how can you save money and cut corners during the exit. Place some safety nets so that you can sleep at night.

Risk is an inevitable side effect of doing business. Successful companies recognize that with careful management, preparation, and the right intentions, no amount of risk will sideline their operation. And, even if it does, they will be able to shoulder the costs and continue operating into the future.

# 06

## 6 THINGS TO CONSIDER WHEN ENTERING A NEW MARKET

Global expansion is a challenging process, which is why many companies:

**1 Won't attempt it**

**2 Will fail at it**

An analysis is pivotally important when accessing a new, foreign market. It can be the difference between success and failure. What's amazing is that you can do all this research without spending any money or opening any physical business locations.

Why doesn't every business do its due diligence? Sometimes, when you're so busy and making so much money, you can feel invincible.

Surely, another market will welcome your product or service with open arms. Other times, business owners simply don't want to do the work. They feel like they don't have the time.

Don't let this be you. If you've made it this far in the guide, then it's clear you care a lot about doing your homework before expanding globally.



## 1. Think Practically About Expansion

When expanding internationally, you're faced with over 200 diverse countries, each with its own economy and consumer demands. Careful consideration is key to finding markets receptive to your product.

Assess the growth potential of each market, recognizing differences between emerging economies and established powers like Japan and Germany. Understanding the market's capacity is crucial if you aim to grow your empire significantly.

Examine recent market trends and seek local perspectives from organizations like government investment agencies. They offer valuable insights into market conditions.

**Remember, no market is flawless; each has its drawbacks.**

As part of your analysis, adapt your products or services to meet local preferences and spending habits. For instance, food preferences vary greatly between regions. Consider the potential costs of these adaptations compared to the market's earning potential. If the costs outweigh the benefits, it's wise to reconsider your strategy.

## 2. Financing

A well-thought-out financial plan is crucial for successful global expansion. Consider funding options, such as financing from your home country or the new market, along with factors like finance costs, tax rates, and local regulations. Look into government incentives and tax breaks to support your expansion.

Choosing the right financial institutions is also vital. An international bank with expertise in various markets can be beneficial, providing access to local knowledge.

Expanding globally will require adjustments to your company's organization and management. Consider supply chain challenges, especially for perishable goods. However, expansion can also bring operational benefits, such as economies of scale and increased margins.

Interestingly, global expansion can provide valuable insights for your home business. You may discover new operational strategies, product packaging ideas, or marketing approaches that can enhance your business's performance in its original market.



### 3. Sales and Marketing

No matter where you choose to set up shop, you are going to need to sell something to someone to stay afloat there. Regardless of whether you're a B2B or a B2C operation, either a business or a consumer needs to spend their money for you to continue your success.

To forge these new networks, significant resources and partnerships are going to be required as well as a sales and marketing strategy that is local in its approach.

Language and tone will be incredibly important in this scenario. Certain sayings and phrases in your own language may be different in others. Humor and what people find funny change dramatically over cultures.

Even what's permitted in advertisements changes. For example, in the Netherlands, they are much more relaxed with sex and LGBT imagery in their ads than in the United States.

#### **You will need to think to yourself:**

- ▶ Does the product name, slogan, or concept relate meaningfully to those viewing it?
- ▶ Or could I potentially insult the consumers in this nation and their customs?

### 4. People

Every business relies on dozens of layers of employees every day to oversee operations.

There are specialty staff, staffing requirements, high-skilled workers, independent contractors, etc. that all work together in one operation. You should look for a market where this kind of labor force is available to you.

You will also need to invest in training to prepare your current staff for working with international talent and onboarding international employees into your current work culture.

Pursuing a balanced mix of local and expatriate talent will also be vital for your operation. Local workers have new market insights that you can't find anywhere else, whereas expats will have a clearer view of the overall objectives of the business.

#### **It is generally broken down as follows:**

- ▶ Expats are better suited for product, technology, control, and operation management
- ▶ Local staff excel in the local language, established relationships, and market knowledge.

Utilize both to their fullest extent.

## 5. Taxes and Regulations

The dreaded "T" word. It's not a favorite topic among business owners, but it's crucial for profitability and compliance.

Taxes, customs laws, import restrictions, corporate structure, and liability regulations can pose significant barriers to entry. Consider factors like legal systems, resolution timelines with local partners, and intellectual property laws. Don't forget about currency risk and market volatility.

On the bright side, many countries offer tax incentives and breaks for foreign investments.

## 6. Further Expansion Plans

Any business owner that is foraying into an international market probably has the drive to continue expanding.

Why stop in 2 markets when you can be in 14? You should be looking for a business-friendly climate, and a country with overall business-receptive policies that will support you should decide to offer your product and service in other locations.

As we have listed previously in this guide, consider doing business in notoriously business-friendly nations before you consider navigating trickier waters.



## Choosing the RIGHT Way to Make a Market Entry

Before you can earn millions in a foreign market, hire new talent, and consider an exit strategy, you need to first concern yourself with the entry strategy.

**How a business enters a market will depend upon a variety of things, including:**

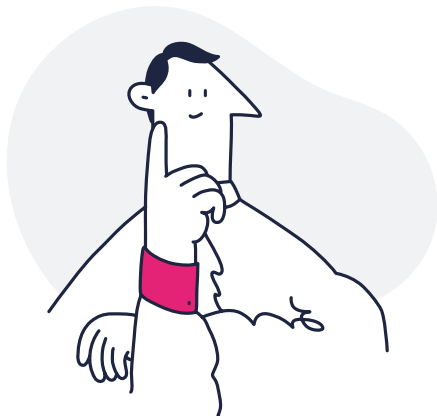
- ▶ Local regulations and environment
- ▶ Resources
- ▶ Risk appetite
- ▶ Personal expertise

And the list goes on.

**Do you hire your team and build your business there?**

**Do you find someone with a similar business that you can partner with?**

Let's consider your options...





## 1. Build It Out

This option is a more expensive and committed one than partnering or buying something already in existence.

Since it's more expensive, it's also riskier and will require more resources on your end. However, you will retain total control over the company. This option may not be available in some markets where regulations require you to already have a local partner.

## 2. Buy Another Brand

One way to accelerate internationalization is to buy a company that has a ready-made brand at your disposal. But in this scenario, the merger details can get complex and require extensive due diligence and strong management to ensure that it's an effective integration. You should spend considerable time weighing the pros and cons of buying a brand as a way to launch your global takeover.

## 3. Partner with a Brand

Lastly, you have the option of partnering with a brand, which ensures someone else is shouldering the risk and the reward, of your expansion plan. It can provide you with access to infrastructure that is already in place, and the expertise of a brand that is already established in the region. This is your best option if you want to avoid any compliance problems or mishaps.

The good news is you have options when it comes to market entry. You don't have to do it alone, and you certainly don't have to shoulder the costs and compliance questions alone. As we like to put it: **Accept the risk but do the homework.**

It isn't a risk-free exercise, but it's one with tremendous payoff if you do the homework ahead of time.

# 07

## YOUR GLOBAL EXPANSION ROADMAP TO SUCCESS

**What does this mean in practice?**

**When you piece everything together,  
what roadmap do you have?**

We've covered a lot, and it might feel overwhelming, but that's progress. You're on your way to mastering expansion!

Every company's path to global success is different. While we can't predict every detail of your market or product, we've provided a general overview and some final tips to help you piece it all together.



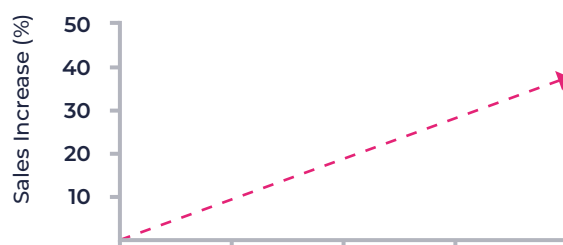
## Step 1: Identify Your Objectives with Key Stakeholders, Executives

Goal setting is the foundational principle of any kind of roadmap.

- ▶ What are your goals with this expansion?
- ▶ Why are you expanding?
- ▶ Are you prepared for everything that comes with global expansion?
- ▶ Is your team ready for such an expansion?
- ▶ Do you have the capital to fund expansion should things go wrong?

Goal setting will define where you are, where you are looking to go, and how you are going to get there. Sitting down and doing this will ensure everyone at every level in your operation is briefed on the forthcoming plan so there is no miscommunication or confusion.

As part of your goal setting, make each objective specific and measurable. If you want to increase sales, get specific. Give a timeline and commit to a percentage by the end of the year.



Goal setting is not a time to get hard on yourself, either. The goals need to be attainable, not impossible. If you keep missing the mark on attainable goals, you will start to feel discouraged.

This first step in expansion should take place at the executive level. Next, refine the goals and plans of action you come up with into a PDF or something you can email to your workforce.

Share it with your employees so they are part of the conversation and up-to-speed on all expansion requirements. Be sure to cover timelines of one month, one year, five- years, etc. Get it all out on the table so all questions are addressed proactively.

## Step 2: Plan How You Will Achieve These Goals

Now that you have the end goal mapped out, it's time to create the actual plan of action for reaching it. It's up to you to create a series of tasks that will guide your teams, step by step.



### Start with the smaller goals and their deadlines:

- ▶ Who specifically will handle each step? When are the milestones due?
- ▶ Who will proof these items and by when?
- ▶ Is there a content calendar in place?
- ▶ Is the content team working with the marketing team to meet their objectives within the same timelines?

### While you're planning for your expansion, there are other, more general things you will want to plan for specifically through the lens of global expansion:

- ▶ What kind of message do you wish to convey?
- ▶ Is your brand going to change on an international scale?
- ▶ Will there be linguistic differences?
- ▶ Are you moving to a country that doesn't speak your language?
- ▶ Do you have a translator lined up to help you with the linguistic differences?
- ▶ Do you have a schedule for communicating with your translator? Maybe you need more than one translator since the role is critical.
- ▶ Do you have a list of colloquialisms in this new language that everyone on your team needs to learn?
- ▶ Will you be hiring new people?
- ▶ Are your goals and steps laid out enough for anyone to hop right into the conversation?



### Step 3: Execute the Plans

Some of us are better at writing down goals and tasks as opposed to actually carrying them out. We can visualize what needs to happen, but when it comes down to it, we don't want to put in the work to ensure it happens.

You will need a specific timeframe in which everyone will carry out the plans that have been set forth for them. This is known as a "sprint." It's common for sprints to take 2 to 4 weeks.

### Step 4: Evaluate the Execution

Make sure you set aside time every day, every week, and every month to take a step back and analyze if you are on track to meet your goal deadlines amidst the move. Is everyone doing what they promised they would do?

If not, it might be a sign that your organization is not fully prepared for global expansion and requires more time to be brought up to speed. Meet with other executives, managers, and employees to ensure the execution is occurring according to plan.

### Step 5: Make Real-Time Changes

Goals are going to change, timelines are going to be missed, and small, action steps are going to be forgotten. Don't just stop at identifying the issues. Use the lesson you have learned to improve upon your execution in the future.

In a very global world, many companies feel the challenge of establishing a comprehensive, standard practice that reaches across teams. You don't have to accept this as reality for yourself. You can correct differences, communicate universal guidelines, and track team education to make real-time changes.

React to the issues as they arise. If you pair all the information provided thus far in this e-book with this general roadmap to success, your company is going to be positioned for surefire global expansion success.

# 08

## YOUR 10-POINT GLOBAL EXPANSION CHECKLIST

Before we finish, let's go through a 10-point global expansion checklist. This will help address any remaining questions you have about this business growth opportunity. Approach this change with a positive yet realistic mindset.

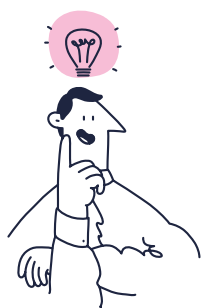
Exaggerating the potential of a foreign market can lead to trouble, as highlighted in a recent Harvard Business Review publication titled "Distance Still Matters."

A rational approach to evaluating global opportunities is your best bet here.

- 1 Don't bet everything you own on this
- 2 Don't allow yourself to become distracted
- 3 Always do your homework
- 4 Don't underestimate cultural nuances
- 5 Don't forget about tax and regulatory compliance
- 6 Don't assume your product will succeed there
- 7 Don't forget about your workforce
- 8 Heed advice from local experts
- 9 Create a governance structure fit for purpose
- 10 Update everyone on global expansion progress







**Don't Bet Everything You Own on This:** As the saying goes, "Don't bet the farm." Have a clear Plan B as a backup if your expansion plan fails. Many global variables are out of your control, and it should be acceptable should they come into play. Ensure you have limited the risk associated with launching the business globally so that your entire operation doesn't come crashing down.

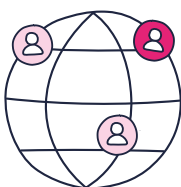


**Don't Allow Yourself to Become Distracted:** Choose your market based on the parameters we have laid out in this book. Don't get distracted by things like picking a market because it's a beautiful country where you want to travel or someone you love lives there. Be pragmatic and look at everything rationally.



**Always Do Your Homework:**

Even after you've done the first round of analysis and research into your new market, don't stop there. Global factors change every day. Customer preferences follow trends. You need to constantly research your market so that you don't get left behind.



**Don't Underestimate Cultural Nuances:** Take counsel from advisors with expertise in the market's cultural norms. Many times, these are the norms that can take down huge companies, like Target in Canada or Walmart in Germany. No one is immune.



**Don't Forget About Tax and Regulatory Compliance:**

The country in which you are doing business is going to have unique rules in the areas of reporting, accounting, and tax requirements. They will differ from where you live, which is why you will need support in ensuring you are compliant.



### **Don't Assume Your Product Will Succeed There:**

Walmart failed to identify the greeting component of their business directly clashed with German norms. Do not assume your product will be warmly received wherever you go. Be sure to do a test run ahead of time.



### **Don't Forget About Your Workforce:**

Asking your employees to deal with global expansion is a tall order. Don't forget to thank them for their receptiveness and willingness to be agile in their work. A little appreciation goes a long way.



### **Heed Advice from Local Experts:**

Create a network of local counselors, advisors, and business experts in your new country of operation. Take advice on market conditions and listen to their warnings. Share with them your data forecasts and listen to their feedback.



### **Create a Governance Structure Fit for Purpose:**

You can't micromanage an entire office from halfway around the world. That's why you need a clear decision-making process that empowers the local managers to step into day-to-day operations without you.



### **Update Everyone on Global Expansion Progress:**

Lastly, please be transparent with the people working for you and with you. Tell partners, stakeholders, and employees everything about the expansion. Keep them in the know so they're less likely to leave you. There's no need to make this a backdoor operation.

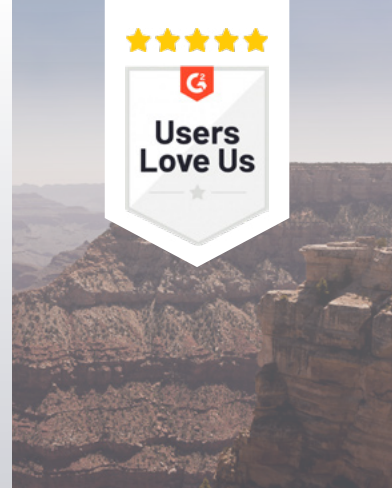
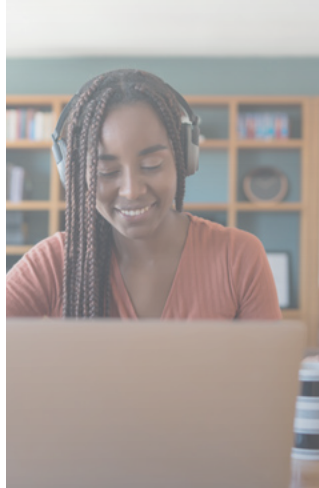
# 09

## LET US SUPPORT YOUR INTERNATIONAL EXPANSION

[Global Expansion](#) offers unrivaled global employment solutions for businesses expanding overseas, offering the most human-centered EOR solutions in the world.

Our solutions enable businesses to quickly and compliantly hire in 214 different countries and territories with all the remote work benefits for the employees and none of the hassle—without setting up an entity.

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