

# ASK THE COACH

## TACKLING GLOBAL EXPANSION

**Marion Gamel** is a C-level executive with over 20 years of experience. Having started her career as an entrepreneur, she then worked for Google and Eventbrite, and was Chief Marketing Officer of Betsson Group. Marion has been coaching entrepreneurs, founders and C-executives around the world since 2015. In this regular column, she provides advice to business leaders to empower them on issues ranging from improving efficiency to driving transformation and international growth within the company.



Dear Marion,

My company has undergone exciting levels of growth in its home market, and I believe it may be time to take it to the next level by growing internationally. How do I know that I'm not being too premature about my plans for entering a new market? And is there some sort of fail-safe checklist that will ensure that I'm approaching this whole 'global expansion' thing in the right way?

Sincerely,

Ambitious CEO

Dear CEO,

Growing out of one's home country is a normal ambition and a 'great' problem for a company to have. However, international expansion is paved with risks and challenges. There are ways to make international expansion safe and scalable, even for companies of a rather small size. In this column, I will tap into my experiences at Google and Eventbrite, which were going global when I worked there.

Most businesses aspire to expanding internationally. The benefits of international expansion include more customers, more revenue and exponentially growing the value of your company. Yet, going global comprises its share of challenges and risks.

## HOW DO YOU KNOW IF YOUR COMPANY IS READY TO GROW GLOBALLY?

Before you make any move toward international expansion, this question has to be answered with confidence. Being 'global ready' means:

1. Having clarity on how to mitigate the dilution of your effort. While your team adapts your offering to fit the new country requirements, it focuses less on product innovation.
2. Feeling confident about your company culture and corporate identity to the point that it can withstand welcoming faraway teams based in different time zones, people with different backgrounds, who you'll mostly communicate with electronically.
3. Being clear about the budget you are ready to invest. Addressing a new audience is expensive and takes time. It may be a case of 'baby budgets, baby results'. How much are you ready to invest and how long can you afford to wait until it yields returns?

It is also essential to know how strong your company is in its home market: Are you among the leaders? Is your home market very competitive or going through a shift in legislation? Is there a risk that one of your competitors could take over leadership while your company's not paying enough attention to its home market, or a risk of consolidation which you may become the victim of?

If you feel that your position in your home market is strong and secure, let's move on to the five steps to tackle global expansion, safely and efficiently. ➔





## ◀ THE 5 STEPS OF GLOBAL EXPANSION

### STEP 1 – PRIORITISE

Several countries may represent a great opportunity for your business. In order to help you prioritise new markets, you must tap into two sources of data.

The first kind is **internal data**. You probably already have several users from around the world, who've come to you organically. Where is the 'pull' happening? What value do these foreign users represent per head, versus users from your home market? This will tell you where there is already a strong and valuable demand for your offering, and where there may be the most opportunity.

The second kind is **external data**. Eventbrite, in its early stage of global expansion, developed a 'ripeness model' which took into consideration a set of data relevant to its business model – the size of the population, mobile phone penetration, e-commerce adoption, GDP, political stability, competitive landscape, languages and more. This led to a first ranking of countries to be considered. An analyst would then assess how Eventbrite was likely to grow and prosper in the top-ranking foreign markets, should they experience the same pace of growth as its home market did.

This approach empowers you to answer the million dollar question: what would our business look like in five years, if we do as well in the new market as we did at home? It also helps you know which is the lowest-hanging fruit – the country that is already showing interest in your offering, where all the levers are in place, with a solid prediction for the future.

### STEP 2 – PLAN

Now's the time to plan everything in detail. The things you need to consider include:

1. The salient aspects of this country, including taxation and legislation. Do you need a local bank account? Do you need to have a local entity, and therefore, establish an office?
2. Local customs and how business is conducted. Is it a market where customers are happy to conduct business via email and phone? Or is personal contact essential, meaning you need a team on site?
3. The level of effort required to localise your offering to the new market. Localisation is much more than translation. A simple example of this is the difference in the way dates are written in the USA and in Europe. '01/03' in the USA means 3rd January, while in Europe it means 1st March. For an event company like Eventbrite, this is a make-or-break type of detail which – if not localised – means the platform cannot be used in Europe. Localisation work may require engineering work, to be planned within your road map.

At this early stage, there are two audiences you need to address.

The first audience comprises companies that are similar to yours in terms of size and growth pattern. When I worked at Eventbrite, I used to speak to my peers at AirBnB and Etsy. We shared tips, knowledge and experience.

The second audience is made up of local customers. You don't want to make wrong assumptions – send some product and sales people to the market, organise meet ups with local existing and potential customers. Gather their requirements, from 'must-haves', all the way to 'icing on the cake'. →

### ◀ STEP 3 – PARTNER

Something which I learned at Google is that building brand awareness in a completely new market is time- and money-consuming. Yet, creating alliances with strategic local partners will considerably alleviate this hurdle.

A partner could be a non-competing local business that introduces you to their customer base. But you need to know what you're ready to offer in return. This can be a tech edge if your company is innovative, help to the local partner if they want to launch in your home market, or added value in the shape of a unique promotion only available to your partner's users.

“BUILDING BRAND AWARENESS IN A COMPLETELY NEW MARKET IS TIME- AND MONEY-CONSUMING. YET, CREATING ALLIANCES WITH STRATEGIC LOCAL PARTNERS WILL CONSIDERABLY ALLEVIATE THIS HURDLE.”

### STEP 4 – GO!

Now is the time to act fast and act strong. You have to be fast, because local competitors will have noticed the preparation work you've been doing, and you have to be strong, as in, give it all you've got! A local launch, an aggressive PR roadshow with your founder giving interviews to local publications, a team ready to do business on the ground – the sky's the limit here.

Once you've reached this stage, it's time to send in your SWAT team composed of stellar employees, who've grown your home market and who are excited to do it all over again in the new country. While they lift the market off the ground, they'll build a local team. With a SWAT team on the ground, you're operational within days, which gives you plenty of time to recruit the top of crop locally.

### STEP 5 – TESTING AND LEARN TO SCALE

In true start-up style, be scrappy! There will be failures along the way but as long as you learn, it's okay. Test various approaches – pricing structures, marketing campaigns, strategic partners, even a freemium model. Assess them, learn and try again. Entering a new market is about adapting what you already know to local specifications and gathering each of these learnings so the next market you tackle will be less of a challenge. In time, you'll want to build an international expansion toolkit that empowers your company to grow at scale in any region of the world.

This five-step plan has worked for some of the most successful tech companies and it mitigates risks, while empowering your company to take on the world, one country at a time.

Good luck!  
Marion iGC

**Got question for Marion? Email her on [marion.gamel@gmail.com](mailto:marion.gamel@gmail.com)**