



International Expansion Best Practices: Scaling Your Startups to New Markets



Steps to International Expansion

1



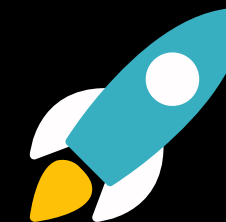
PREPARE: Evaluate potential markets to expand, re-calibrate your model to and prepare your organization

2



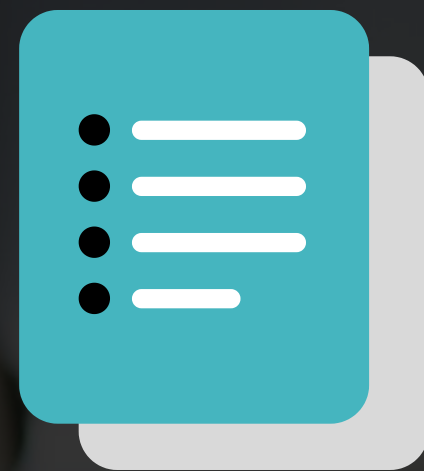
IGNITE: Validate the market through testing and stakeholder building

3



EXPAND: Liftoff, adapt and manage your new markets from afar

PREPARE.



Why Everything Has Changed

1. In a post COVID world...
2. Virtual is the new norm!
3. This creates global opportunities and lowers barriers to entry (if you need to operate virtually, why not expand your scope)
4. Tools exist to support your expansion



Where Do I Go?

Determining which countries to expand to (framework for evaluating attractiveness of various countries and regions)

1. Evaluate Market Size
2. Evaluate Delivery Infrastructure (ex: Internet bandwidth, adoption of technologies)
3. Evaluate Cultural Differences
4. Evaluate Competitive Landscape
5. Evaluate Stage of Industry (Early Adoption vs. Maturity)



Building Your Case

Getting buy-in and fund allocation for your expansion

1. Preparing Your Analysis, including determining resources needed
2. Stakeholder Buy-In
3. Co-Founders
4. Company Executives
5. Investors
6. Setting milestones

A teal speech bubble containing text.

It's a billion dollar opportunity expanding our business to Silicon Valley!!



Cultural Differences

It's more than just knowing how to handle business cards

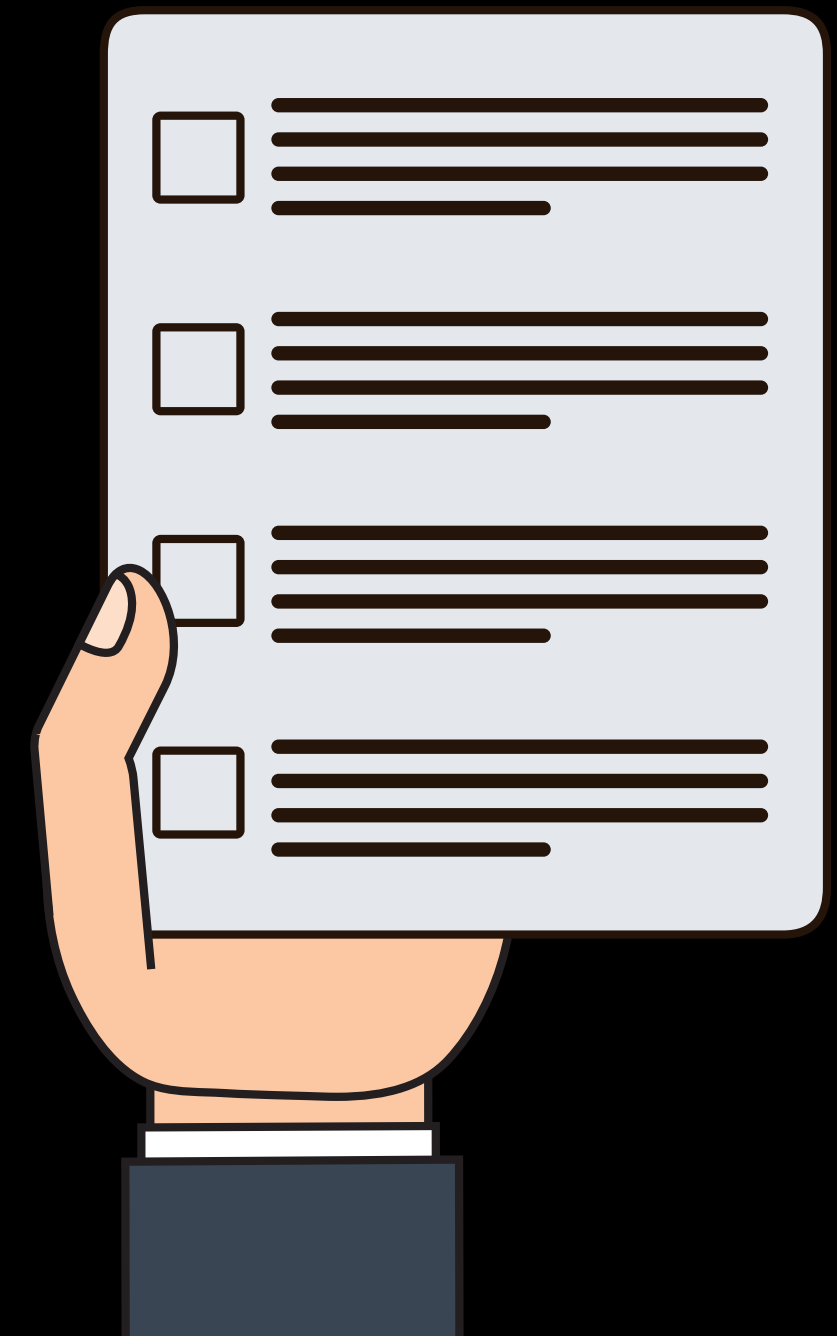
1. Customer purchasing habits
2. Customer Journey - From discovery to decision making, steps will differ
3. Cultural Taboos



I Didn't Know I Couldn't Do That

Navigating legal and regulatory differences in target countries

1. Entity Ownership Structure
2. Licensing
3. Regulatory Approval



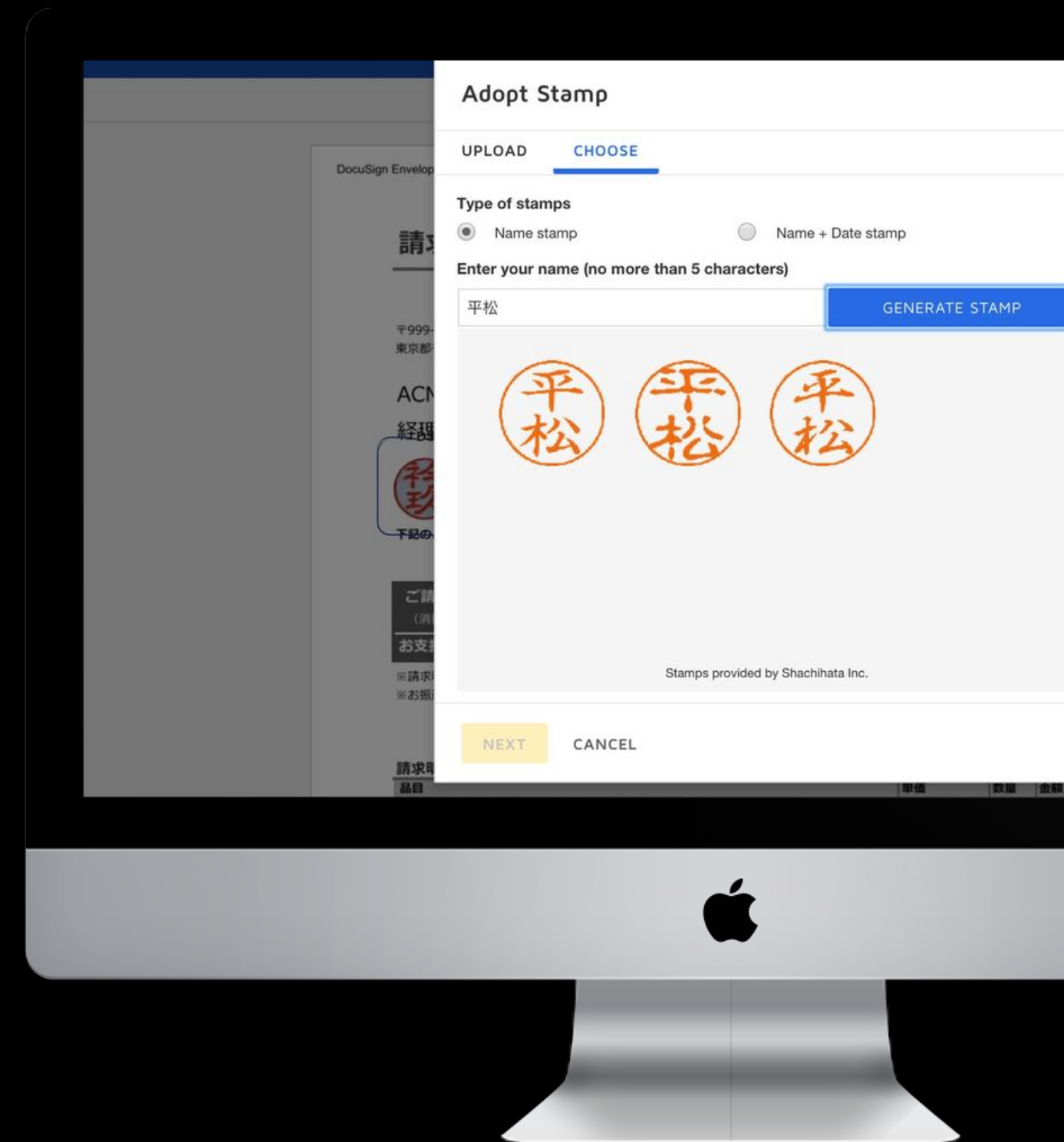
Product/Market Re-Calibration

Revisiting Your Product/Market Fit in International Markets

1. Questions to Answer:

- a. Do customers have the problem you are solving?
- b. Do customers believe your solutions solves this problem?
- c. Are you able to operate at scale?
- d. Are you able to operate profitably?

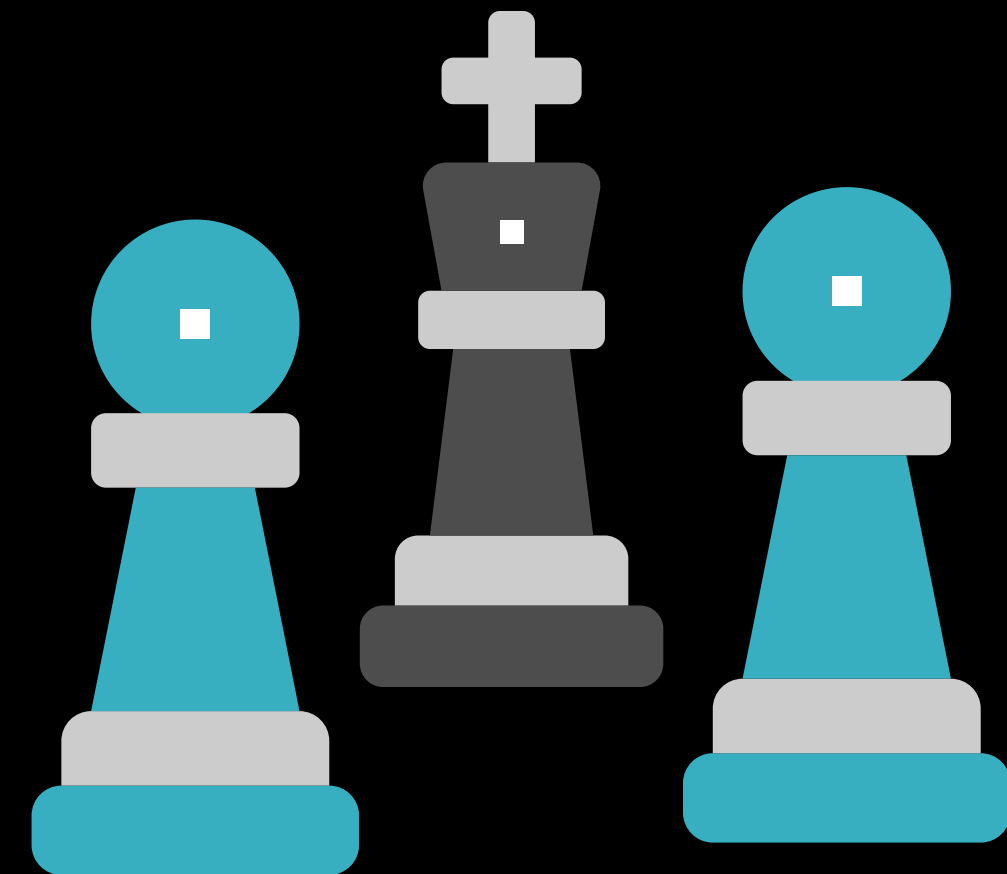
2. Reference/case study of DocuSign's expansion into Japan, Customer Development Model references



International Chess & Checkers

Understanding the competitive landscape and competitive response

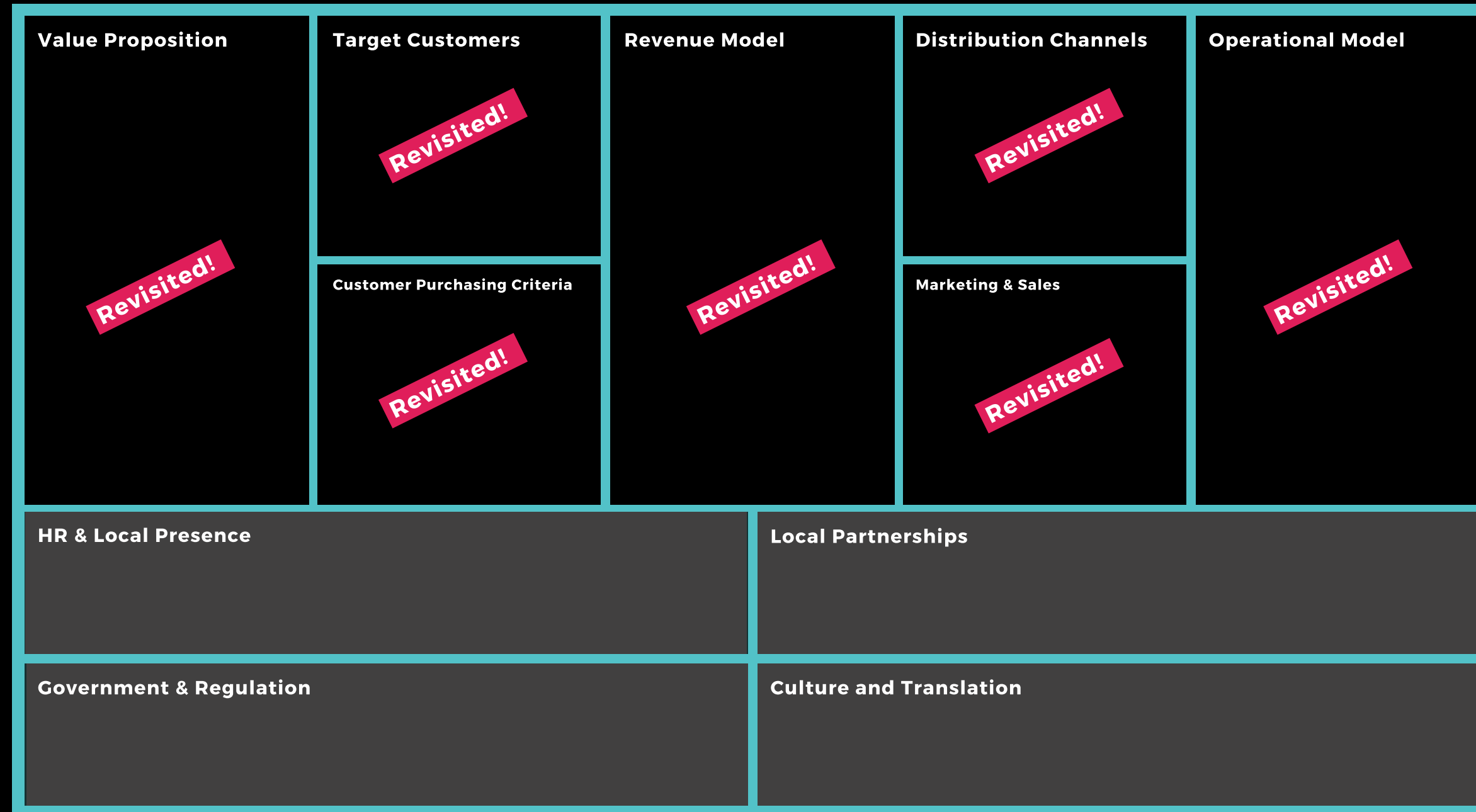
1. Competitors leveraging government relationships
2. Competitors operating at a loss to stop adoption
3. Competitors imitating your product or operating model
4. New entrants following your lead
5. Competitors changing customer decision-making criteria
(reframing)



IGNITE.



Global Market Validation Framework



First Steps

What to do at the Beginning of Your International Expansion Journey

- a. Understand your value proposition
- b. Understand who your current customers are
- c. Understand where they “hang out”...

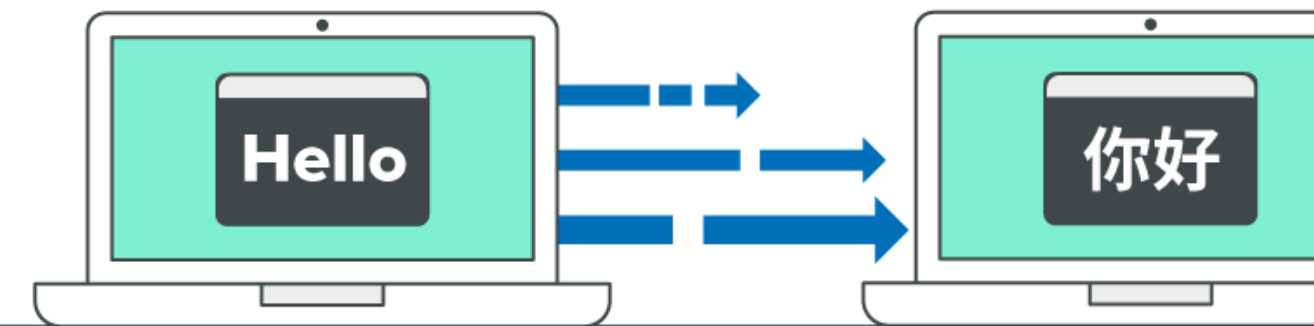


Making Dollars and Sense

Translating your business into your customer's native tongue and collecting payment in their currency

1. Translate website
2. Account for cultural differences
3. Translate marketing materials
4. Understand currency differences and use transfer pricing to your advantage

5 Methods to Translate a Website



Virtual Testing

Hiring & Team-building in new markets

1. Anchor employees in local market
2. Local Universities and Companies who use Agile practices
3. Understand Cultural Differences in Recruiting
4. How to identify the right people



Partners as Catalysts

How to effectively identify, cultivate a relationship with and leverage local partners to grow your business in new markets

1. Why finding a local partner is important
2. Pitfalls to avoid
3. Setting proper expectations and agreements
4. Ex: EverNote's international expansion partnering with Telcos

Translating Culture

How to adapt your company culture to fit your employee-base in new markets, but still maintain your cores

1. Enforcing Core Values & Establishing Local Ones
2. Adapting Company Culture in New Markets
3. Maintaining Regular Contact - Use tools like Slack












EXPAND.



Pivoting

Course Corrections to Fit Your New Market, When to Change and When Not to

Customer Need Pivot	Same target customer, same problem	Antiques	
Customer Segment Pivot	Same product, different target customer	Luxury	
Engine Growth Pivot	Virtual (Word of Mouth), Sticky (Retention), Paid growth	Viral to Paid	
Channel Pivot	How a product is distributed	White Labeling	
Value Capture Pivot	Revenue or Monetization Model	Licensing, then User Paid, then Ads	
Zoom-In Pivot	Single feature becomes whole product	Game w/Photo Sharing	
Zoom-Out Pivot	Original product becomes part of a broader product/solution	Email Recs to Reviews	
Technology Pivot	Same value prop with different technology	Adobe Flash Retirement	
Platform Pivot	Application to Platform or visa versa	End-to-End to App Store	
Business Architecture Pivot	High Marging/Low Volume or Low Marging/High Volume	High End to Mass Market	BANANA REPUBLIC

Reaching Your End Customer

Developing new Distribution Channels

1. How to identify distribution channels
2. How to test distribution channels
3. How to scale distribution channels



Managing From Afar

Creating and Maintaining Momentum of Your Virtual Team

1. Monitoring Productivity, Progress & Results
2. Motivation to Empowerment
3. Allowing for Cultural Differences

Shifting Your Model

Adapting your Business Model, Pricing and Operating Model to
Optimize the Success of Your Expansion

1. Deciding whether to optimize

- a. Test Results
- b. MVP Adoption
- c. Cultural & Regulatory Differences
- d. Partnership and Local Resource Model

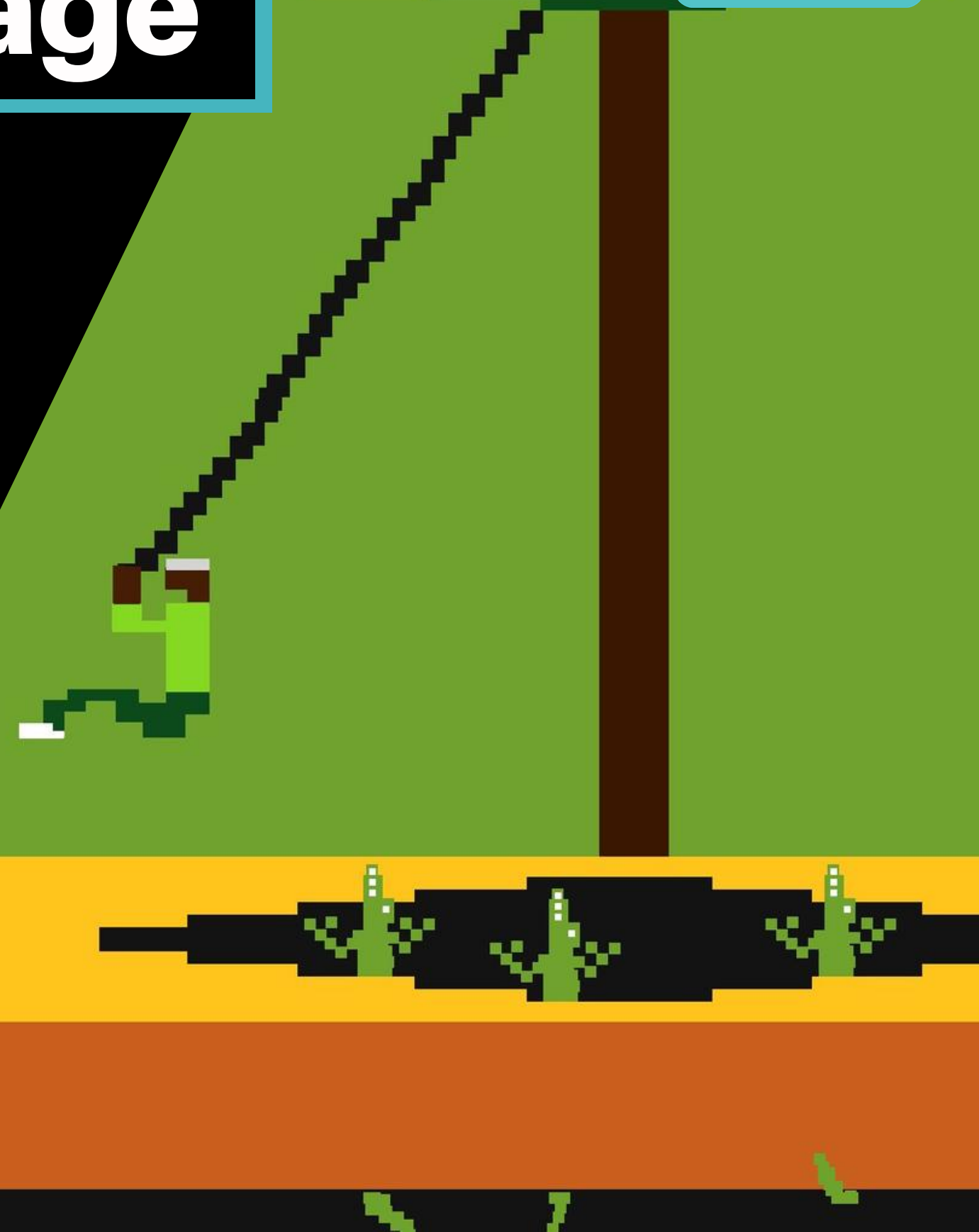
2. Limited Resource & Market Opportunity Considerations

That's Bad in Any Language

What NOT to do When Expanding Internationally

1. Pitfalls to Avoid

- a. Government restrictions
- b. Strong competitive response
- c. Adhering too closely to home country model
- d. Changing your core values and DNA for new market
- e. Loss of control of local presence
- f. Imbalanced Partnerships



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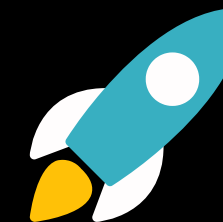
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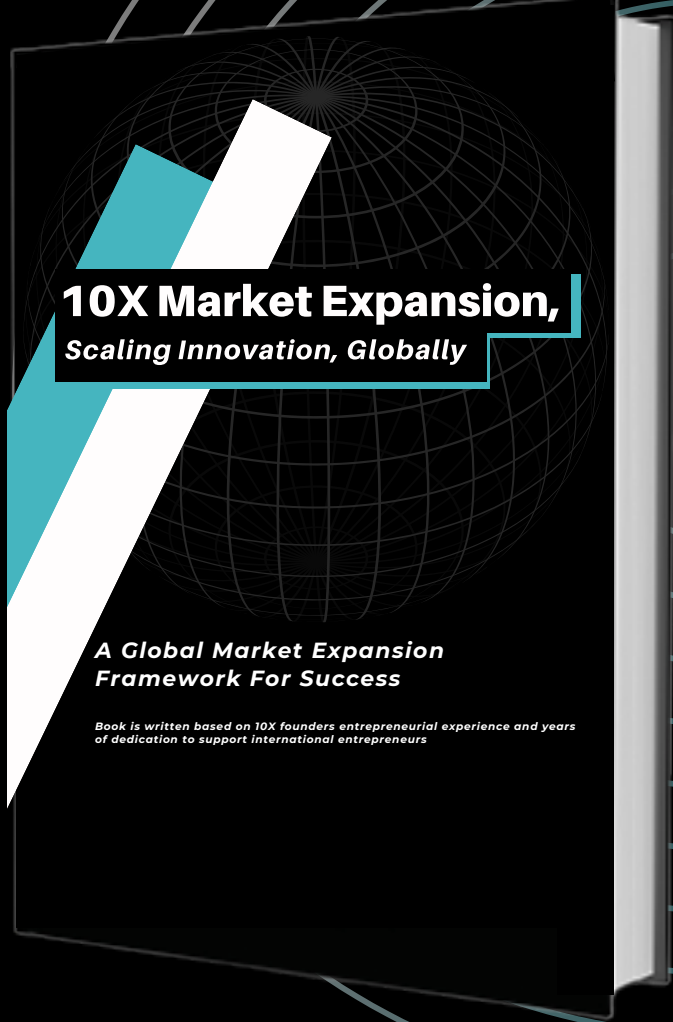
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New Book!



GET ON WAITLIST NOW!

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Questions?



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