



THE 6 KEY FACTORS
To Consider When Expanding
Your Business Abroad



THE 6 FACTORS:

1. Define your goals and develop a strategy for your global expansion
2. Get to know the legal system
3. Decide what method of global expansion is the best fit for your business
4. Get your business finances global expansion ready
5. Establish a team
6. Gather detailed information for your global expansion

So you're ready to expand your business abroad. You've done your due diligence and carefully selected your country of choice. You've identified an opportunity and a favourable environment to expand your business to. So now what? How do you get the ball rolling?

Before embarking on such a challenge, it's crucial that you establish and understand the key areas your business needs to succeed in. This guide outlines the key factors you should consider before starting your international business expansion. So, let's get going!

1. Define your goals and develop a strategy for your **global expansion**

A. Establish and define your business's goals, both for the long- and short-term future.

This will give you a clear picture of what you are looking to achieve, and whether or not global expansion is the right avenue for your company right now. Your business goals should be able to answer these questions:

What is it exactly that you are trying to achieve through global expansion? Gain access to better infrastructure or business environments? Increasing your customer base? Diversifying your risk?

B. Review the assets you have in-house and identify what is missing.

Where do you lack in-house expertise? Can you find a mentor or a partner to help with this? How are you going to finance the expansion, i.e., do you need to go out and seek funds?

C. Understand the processes involved

What do you know and what do you need to find out to readily embark on this expansion? A simple way to approach this is to start with a list of questions. Some you have the answer to, some you will need to research.



How soon your expansion starts and what avenues you choose to take will be largely influenced by defining a strategy that suits you and your business. The sooner you understand your current position and these targets are set, the sooner you can start your expansion process.

Take a minute to consider your short, medium and long term goals for your business.

Writing these down in a concise way can really help you to visualise your targets!



What is my businesses' short term goal (1-2 years)

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What is my businesses' medium-term goal (3-7 years)

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What is my businesses' long term goal (8+ years)

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2. Get to know the legal system!

Understanding the legal system when expanding your business abroad is crucial. Unsurprisingly, a recent survey showed that legal advice was identified as the most useful form of guidance when it comes to setting up overseas by 46% of respondents.

Ensuring your business is compliant with local law is crucial, as breaching rules can land your business in hot water with avoidable challenges and terrible repercussions.

Use this checklist to ensure you're confident in the relevant legal systems. If you're not familiar with any, it's a good idea to conduct further research. These aren't the only areas to consider but are all crucial in getting the ball rolling.

- Corporate and Employment Law
- Intellectual Property Law
- Data Protection Law
- Immigration Law
- Trading Law
- Tax and Finance Law

Getting any or all of these key elements wrong will not only slow your expansion process, but could halt it altogether. Whilst you may be familiar with these areas within UK law, it's crucial to not be complacent and instead be vigilant to disparities in your chosen country.

Knowing who you can employ and through what means, what intellectual protection you'll need, and how you can set up your data handling systems will streamline and simplify your expansion process.

3. Decide what method of **global expansion** is the best fit for your business

There are various ways in which you can expand your business overseas. Knowing which one suits you best as early as possible is important. Changing avenues once you're up and running can be costly and slow you down.

When it comes to choosing your method of expansion, it'll likely be a reflection of your overall strategy, as mentioned earlier.

Be clear in your mind and tick the following method of expansion you're looking to pursue.

- Setting up an overseas office
- Setting up a franchise
- Direct export
- Licensing a local company
- Buying a local company

Whatever your businesses' next steps are, familiarise yourself with the relevant courses of action and ensure they've been worked into your overarching strategy.



4. Get your business finances **global expansion ready!**

Financing your businesses' expansion is undoubtedly a large part of your process, and one that needs to be established early on in your planning.

With a new country comes new requirements for tax & accounting. Many companies in the UK outsource taxation, payroll and business accounting, which is often a smart move. However, with something as delicate as your finances, you want partners you can trust.

Expanding abroad can be a costly process but, with a good understanding of the country you're expanding to, money can be saved. Many countries offer financial incentives to businesses that are looking to expand or relocate to particular regions.

Ensure that you don't miss out on additional funding if it's on offer!

Below is a list of just a few ways of acquiring funding when expanding abroad. Use this checklist to refine your options, ticking the finance options that are more realistic and beneficial to you.

- Equity Investment
- Debt Funding
- Grants
- Business Loans
- R&D Tax Credits
- Patent Box

5. Establish a team

It's important to weigh up your employment options before expanding to another country. Some business owners opt to bring a UK workforce with them to a new location, while others choose to employ locals from the area.

Both of these options have their pros and cons, meaning deciding what's right for you early on is crucial.

Local employees come with an invaluable understanding of the local culture, methods of doing business and potential connections in the industry.

Using existing employees, whilst they understand your business, involves managing the visa process to ensure that they can legally work in the country you are expanding to - whether that's temporary or long term.

However you choose to proceed with your employment options, staying on the right side of local employment law is a must.

Use the checklist below to tick off areas that you are already aware of, and notice the areas of employment that you may need to research further.

- Employment contracts
- Visa requirements
- Foreign recruitment options
- Minimum wage
- Retirement age
- Holiday requirements
- Sick leave
- HR support

6. Gather detailed information for your global expansion - Sign up to Centuro Connect **TODAY!**

The information above is all well and good when it comes to understanding the process, but actioning it and finding the relevant information is a separate matter.

Centuro Connect is a detailed, centralised business expansion platform, designed specifically to provide you with the tools and know-how when it comes to starting your global expansion journey. Benefit from:

- One-stop shop for global business setup
- Advisory on immigration and country-level information
- Project management tool to manage your scaling journey
- Interact and network with local experts and partners

All of the key areas outlined in this guide have extensive informational web pages on the Centuro Connect platform, with each area tailored to your business/industry and the country that you're looking to expand to.

It is the ultimate tool for understanding market entry options, HR, Immigration, Legal Requirements, Tax & Accounting and much more. With 100 + countries, it has the specific information you need from global expansion experts.

Sign up TODAY at www.centuroglobal.com/centuro-connect-corporates