



Analysis

Breaking Barriers: How Businesses Can Build Thriving International Growth Plans

Thanim Islam



Thanim Islam
Head of FX Analysis
Equals Money

Biography

Thanim Islam is Head of FX Analysis at Equals Money (<https://equalsmoney.com/payments/international-payments>). With over ten years of experience in FX, Thanim provides knowledge to clients on price action in markets.

Whilst monitoring daily changes in the currency exchange market, he is able to provide clients with trading strategies and payment solutions that will enable them to maximise profits with little risk.

Thanim blogs at: <https://equalsmoney.com/blog>

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Abstract

Expanding a business internationally is one of the most promising paths to growth, allowing companies to access new markets, diversify their customer base, and seize fresh opportunities. However, as any seasoned leader can attest, this journey is not without its challenges. Research at Equals Money has identified key barriers that businesses must overcome to successfully expand their operations across borders. From navigating geopolitical shifts to managing complex payment infrastructures, the road to international growth is fraught with obstacles. Yet, with the right strategies and partnerships, these challenges can be transformed into opportunities for success explains the author of this article.

Introduction – embracing stability amid global uncertainty

Recent years have been a period of upheaval for UK businesses, with political and economic instability leading to uncertainty in domestic and international markets. However, the outcome of the recent UK election has provided a much-needed sense of stability, which is crucial for businesses planning their next moves. While we are still awaiting the full implementation of Labour policies, the party's manifesto has already offered a reassuring outlook for the future. This new era of stability presents an ideal moment for UK businesses to lay the groundwork for international expansion.



Analysis

That said, while the UK may be enjoying a period of relative calm, the global landscape remains unpredictable. The unexpected election results in France, ongoing volatility in the US due to upcoming elections, and geopolitical tensions in the Middle East all contribute to an uncertain international environment. Our research, that surveyed 400 financial decision makers at UK businesses, found that 61% of businesses view economic stability as the most important factor when deciding which markets to enter, with 40% also emphasizing the importance of the regulatory environment.

There is certainly more for businesses to consider than ever before, but it will not stop them from expanding. These challenges are simply another jigsaw piece to fit into the puzzle, however careful planning will be key. I provide a daily currency news report¹ covering the worldwide currency movements, which can act as a starting resource on staying updated.

To navigate these complexities, business leaders must adopt a well-prepared and flexible approach. Understanding the nuances of target markets, being equipped with the right resources, and maintaining an open mindset are essential for success in today's global economy.



Understanding your target market

One of the most significant hurdles in international expansion is understanding the cultural, economic, and legal landscape of new markets. Nearly a third (31%) of businesses surveyed by Equals Money cited existing competition as a major challenge, while 27% pointed to a lack of brand awareness in foreign markets. This highlights the importance of in-depth market research and a strong local presence.



Successful international expansion requires more than just exporting a domestic product overseas. Businesses must invest time and resources into understanding the unique needs and preferences of their target customers. This often means putting “boots on the ground” – having local representatives who can provide insights into market regulations and consumer behaviour.

Having a local perspective is invaluable. It allows businesses to tailor their offerings to better suit the new market and build a local sales force that can drive growth. However, this process demands dedication and a willingness to adapt.



Overcoming currency hurdles

Payments are another critical, yet often underestimated, aspect of international expansion. Many businesses rely on banks and in-country providers, leading to the use of multiple systems to manually build their international payments infrastructure. This is not the most efficient process, but it is often the default due to a lack of awareness of alternative solutions.

Relying on multiple partners, particularly large banks dealing with a variety of products, can cause friction for businesses needing to make quick payments across several currencies. Unexpected fees, foreign exchange rate fluctuations, and changes in local banking regulations add to the complexity and cost of international transactions.

Our research shows that payment issues are a recurring theme for businesses expanding internationally, with one in three citing the costs associated with foreign currency as their biggest challenge, and 27% naming slow cross-border payments



Analysis

as a significant hurdle. To overcome these barriers, businesses should seek agile partners with a deep understanding of foreign exchange and access to local knowledge. These partners can guide businesses in real-time, helping them navigate the complexities of international payments.



The importance of trusted partnerships

Working with a trusted partner is crucial for businesses looking to expand internationally. More than half of the business leaders we surveyed agree that a reliable partner is the most important factor in feeling confident about their international growth plans. This is followed by the need for guidance on international compliance and a cost-effective FX provider.

At Equals Money, our platform and multi-currency accounts allow businesses to receive payments in up to 38 currencies in one place. This not only simplifies the payments process but also provides businesses with the local expertise they need to navigate international markets. Expanding internationally is an exciting time, but it's important not to be bogged down by payment complexities. With the right partner, businesses can focus on other aspects of their expansion journey, knowing that their payments are in safe hands.



Looking ahead

With the UK entering a period of domestic stability, now is the time for business leaders to reconsider their international expansion strategies. By addressing the barriers of competition, brand awareness, and payment complexities, and by working with trusted partners, businesses can turn challenges into opportunities and achieve sustainable growth in new markets.

Reference

- ¹ Equals Money, Currency News. Available at: <https://equalsmoney.com/currency-news>
- ² International payments, expertly done. Available: <https://equalsmoney.com/payments/international-payments>