

Expanding Into a New Market? Credico Highlights 3 Common Mistakes to Avoid

Businesses looking to scale have experienced success. However, replicating marketing in new markets may not always play out as planned when looking to expand.



CHICAGO, ILLINOIS, US, August 9, 2022

[/EINPresswire.com/](https://www.einpresswire.com/) -- Here at Credico,

we have experience working across

global markets with a variety of clients. While each brand is different in its services or products, they often encounter similar challenges when trying to expand.

Here are the three biggest mistakes we see businesses make:

Lack of market knowledge

Lack of market knowledge is probably the most crucial factor in scaling and where many companies go wrong. Typically, businesses have relied on their own (and possibly local) network to date, but when expanding to the other side of the country or into a foreign market, they need to start from scratch. When designing a market entry strategy without the necessary market knowledge, scale-ups often run into trouble in the execution stage. Some common issues include social, political, or legislative factors such as labor laws that are very market-specific. There may also be knowledge gaps around the local or regional competition and how those factors may impact the positioning in this new market. If your business lacks a fundamental awareness of the local market specifics, it may not comprehensively understand the required product modifications.

Incorrect budgeting

Expanding internationally can be expensive. Often, a company's budgeting is far too optimistic, and start-ups tend to run out of funds during market penetration. Before committing to new office space, employees, or manufacturers, businesses must ensure they are financially prepared for expansion. A few important budgeting questions include:

- Is your business profitable?

- Is there any outstanding business debt?
- What is your current cash flow like? Does the business struggle with inconsistent cash flow?
- If taking on investment, what KPIs, returns, and timelines must be adhered to?

You can de-risk by considering the actual income and costs of your anticipated business growth by being very realistic about what you expect to spend per month on expansion based on your current finances.

About Credico: <https://www.credico.com/>

Staffing issues

There are a few challenges we observe in staffing for expansion. Some businesses may have hired people from their own country or sent some of their salespeople into the new market without the knowledge of the local landscape or even (depending on the market) the local language.

Similarly, it can be challenging to evaluate the competence levels of new staff if hiring locally due to the same disconnect.

Investment in training and development is required. When you seek to operate in a new international market, considerations need to be made around managing the business from overseas and ensuring your new recruits also understand the intricacies and relationship with the company at home. Communication is crucial here and must be very transparent to ensure complete alignment.

Expanding your business to a new market comes with many risks, but with that also comes the potential for huge rewards. At Credico, we support Fortune 500 brands with expanding into new markets and territories. Utilizing our 30+ years of experience in sales, customer acquisition, and retention, we support businesses in avoiding these pitfalls and can de-risk expansion.

Get in touch to learn how we can help you build or extend your business in the USA, UK, Canadian, or South African markets.

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