

Making the U.S.

A Third Market Presence

for Your Business



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1

ARTICULATING YOUR UNIQUE VALUE AS TECH FIRM

for U.S. Market Expansion

Tech firm expansion in the current U.S. market holds immense opportunity for those that are willing to approach it with an open mind. At Kettering, we offer a clear-eyed vision of how to effectively launch and where to restructure expectations to avoid potential pitfalls. When helping clients map market expansion, we bring vetted business development and personalized architecture to the forefront.

It is important to understand your unique value propositions in each of your markets, current and proposed, and how they differ. Embracing these differentials allows you to see how to position yourself to thrive in a new U.S. market as you have at home. Read on to learn more about how to do just that.

The Truth About U.S. Market Expansion

It's not uncommon for successful CEOs to make multiple attempts to break into the U.S. market with little to no success. Many clients approach Kettering for solutions with a few unsuccessful U.S. ventures behind them. Now that we've said the uncomfortable truth, we can start to work at getting underneath why this occurs and how you can change your perspective so it doesn't sabotage your expansion.

When you first take the reins of a company, you have an expansive vision and an engaged outlook. You are reading the numbers, observing team interactions, and scanning this new terrain with hopeful yet vigilant eyes. This is the approach that has led you to successfully scale your business in your home market, and possibly a secondary U.K., European or Asian market.

With your sights now set on a U.S. presence, it's tempting to make decisions based on the similarities you've noted between, say, the Australian and U.K. markets, but your previous experiences cannot be assumed for the U.S. market. In fact, this is what causes many failed launches. Instead of seeing expansion as another office, leadership would benefit from viewing the U.S. market as an entirely new endeavor with new perspectives. This is a necessary attitude for a successful U.S. market expansion, but unfortunately, many CEOs don't have it.

Getting the Right Information

CEOs and founders aren't always primed to provide the support needed for a successful U.S. expansion. If the only lens you see your market data through is from your home market's best practices and communications — it's not enough. You cannot assume that the messaging will translate the same value proposition in a new market. The wiser view doesn't take anything for granted, and instead will leverage expert insight and market analysis for ways to be aligned with the new target market.

This is especially true for optimal conversion in the U.S. market. Even genuine market opportunities can't be interpreted as a guarantee that your U.S. endeavors will meet with success. For example, the U.S. tech enterprise market is keen on new solutions, but hesitant to sign contracts with firms that don't have an established foothold on American soil. One might think all the chatter translates to sales, but it doesn't — not without the right value proposition.

Creating The Right Deployment Team

A CEO may adopt an “outsourcing mindset” to handle U.S. expansion and appoint a sales director — but putting that person out into the new market and expecting them to sell without the proper support won't work. The key is understanding why it won't work (and we say this from hearing countless stories of it failing).

Let's back our perspective out a bit: If you had a serious service problem in your home, would you sign the contract for repairs with the guy who has a great sales pitch, but all of his workers are two time zones away — or would you sign with the informed expert who works internationally and has a home office right around the corner and can recommend a good coffee shop to boot?

It's not that different for U.S. market expansion. Hiring a sales director to gather a wealth of initial sales, with no backing and no clear support framework, is setting your team up for failure. It takes tremendous effort to break into a new market. This effort is wasted if your contacts are not developed into sustainable customer relationships because sales overtures were made without the proper infrastructure to see them through.

That's where Kettering can help: Proactively managing expectations with the comfort of in-house market knowledge and same time-zone scheduling makes a tremendous difference in trust building and client management. You can offer cutting-edge global solutions with the warmth of local support when you work *with* Kettering.



The Kettering Advantage

Kettering provides this much-needed strategic infrastructure for set-to-sail market expansion. Our own network of U.S.-based resources fortifies and builds on companies' initial lighthouse clients, setting them up for success through the waters of expansion. We work with clients to create a performance framework to give each business a better chance of success. We look for cracks in the foundation, home-market assumptions of sales, and more to make certain you are clear on your value, so your soon-to-be U.S. clients are, too.

Don't wait, and don't guess. Contact Kettering International for more information. In our next article, we'll explore how to strategically overcome hurdles associated with U.S. market entry.

2

A CEO'S GUIDE TO OVERCOMING THE MOST CHALLENGING

Hurdles to U.S. Market Entry

In our last article of this deep-dive on U.S. market expansion challenges and opportunities, we explained the strategic importance of knowing your tech firm's unique value. Understanding the core of your differential helps translate that value to your customers. It helps, that is, if you know how to convert across markets and honor the subtleties of cultural differences that may not seem apparent to a less discerning eye.

Success gives us insight, but ironically, it can also create blind spots. One of the most challenging hurdles to overcome for a successful U.S. market entry is the tendency to rely solely on knowledge garnered from past or even current experience in your home market. Plainly said, market performance in Australia or the U.K. is not enough to develop a full or fully accurate indicator of what will work in the U.S. market. In this article, we'll delve into some of the surprising blinders that may keep CEOs from seeing this until it is too late.

Home Field Advantage Is Real

A business that has done well in its home country — and perhaps even has a successful expansion to another European market or two under its belt — has clearly made intelligent decisions to get to a point of growth and self-reliance that their whole team can be proud of. And they should be proud! However, these feelings of success can also become a trap.

And it's a trap that many CEOs fall into despite their best efforts. When your product positioning and marketing strategies have yielded a high ROI, the natural inclination is to do more of the same as you expand. This leads many businesses that have set their sights on lucrative U.S. shores to hire and task a sales director with creating a replica of existing practices to plug in to the American market. It's all too easy to assume that because a product or service is successful at home and perhaps in a second European market, it will be immediately understood by the U.S. market. But this is a faulty — and potentially costly — assumption.

A Perspective Change Can Open Market Doors

The open-minded CEO's advantage is knowing that anything is possible and that there is more than one way to achieve a target. This broad perspective relies on assembling a team around them to point out possible opportunities but also potential pitfalls. If a leader is willing to trade assumptions for curiosity, assembling and utilizing a team to fill in the gaps, market expansion becomes a much different experience.

You have already built success. You know you can do it again, and so do we. But CEOs looking to expand to the U.S. need more specific research and guidance to make the company's original marketing strategy understandable and palatable to these new audiences. At Kettering, we walk alongside our clients, offering them the grounded knowledge necessary to roll out thriving and locally connected market-based offices.

Cultural Intelligence is Key to Market Expansion

Ignoring or missing the cultural intelligence piece is often the undoing of a U.S. market expansion. There is a common misconception that the business cultures of western markets are all similar enough that expansion can be successful from one to another without much thought about cultural differences. It was this lack of cultural intelligence that created a costly mistake for the behemoth Starbucks in 2018 when they attempted an Australian roll-out without considering the flavor profile of the intended market. They assumed their existing product line could simply be transplanted to the new market, but were met with a lukewarm reception that left them with no other option but to retreat and revamp. It's a cautionary tale for all market expansion, including tech firms. Localization is a critical aspect of successful expansion to the U.S. market.

There is a school of thought out there as well that you cannot teach cultural intelligence – that it simply comes with the experience of doing international market entry. While we would never want to undervalue this essential experiential learning, there is much that can be taught and done in the preparatory phase, prior to executing on an international market project, that can mitigate against the investment in the new market going poorly.



How does Kettering Help?

With boots on the ground in the U.S. and a clear understanding of cultural intelligence challenges, Kettering works as your “eyes and ears” for a truly comprehensive integration into the U.S. market. Leveraging rich practical experience and networks of connections in specific industry sectors — technology, financial services, insurance, education, and more— Kettering extends the value of these inroads to help kick off your market entry campaign.

We also gather feedback from different industry expansions in the U.S. regarding pain points, client demands, and more. Our experts then use that feedback as a guide to help clients retool or rethink how they position their products in the current U.S. market. With Kettering, CEOs gain a seasoned vantage point to create a clear vision, avoid potential pitfalls, and establish an authentic and profitable U.S. presence.

Contact Kettering

Let’s talk about how we can uplevel your previous success and translate it into the U.S. market. Contact Kettering International for more information and an honest conversation about your market plan. And stay tuned for our next article, where we’ll explore what recession means for enterprise tech firms considering U.S. market entry.

3

SHOULD YOU PURSUE U.S. MARKET EXPANSION IN A RECESSION?

A Guide for Tech Firms

No business wants to navigate a recession. In fact, according to Zapier, “1 in 5 technology companies report that they do not feel prepared to weather a long-term recession.” However, while the challenges posed by recession may rock the boat for some companies, others may find market expansion success — but only if they make informed, value-based decisions in opportune markets. The bottom line is that recession is tricky, but it can represent opportunities for firms who know how to validate their data.

This is our third article in a series on the challenges and opportunities of tech companies looking to capitalize on the benefits of U.S. market entry. Here we will specifically address the concerns and potential wins that can accompany the changing tides of the economy.

The U.S. Tech Market and the Recession

Across the board, financial institutions are not recommending a wait-and-see approach to this recession. At Kettering International, the high note of this conversation is the same as all client conversations we have: your strategy, whether crafted for execution during recession or boom times – hinges upon your company’s data, position, and planning. That said, let’s talk about what we can expect.

The devaluation of inflated pricing is ushering in a back-to-basics approach across virtually all industries. Investments will be leaner and more calculated as the market traverses unknown waters. In some ways, this paradoxically levels the playing field, where the entry levels of acquisition become accessible again for any company with the acumen and resources to capitalize on the opportunity, rather than odds being stacked in favor of larger conglomerates.

All companies, institutions, and start-ups will need to utilize enterprise technology to upkeep market versatility and client satisfaction. Gartner predicted that global IT spending would increase by 3% to \$4.6 trillion in 2023, indicating that even with the current constriction, the IT market is still robust. While hardware spending is down, software and IT services have increased by 9.6%

and 6.2%, respectively. Additionally, enterprise technology can be cost-reductive and value-positive. This can be an advantageous sign for your market expansion plan.

Allocating funds for technology purchases and services is a necessary investment in the future, sheltering enterprise tech in a potentially recession-proof position. Investors in the U.S. tech market are most optimistic about the software industry, trading close to its 3-year average PE ratio of 55.8x. The tech industry is forecasted to maintain growth; some approximate 16% annually. This calls for discernment and shifting into creative solutions to meet the market's needs, which are still climbing. The opportunities for expansion will be specific to verticals and regions. To pivot or profit, vetted on-the-ground observations are key to navigating market changes and validating lucrative launch timing.

Making It to the Other Side of a Recession in the Tech Industry

Most experts agree that the U.S. market will make it to the other side of this global recession first. For this reason, tech companies looking to explore international market entry can view the recession as an opportunity and take this slow-down as prime time to plan. Uncertainty is destabilizing, yet it allows for the reconsidering of possibilities. Launching during an approaching upward market swing with a strategic framework and planning can be incredibly lucrative. While some companies will choose to batten down the hatches and hold off on expansion, some will harness market exploration to plan an effective move into a market updraft.



If your tech firm's native U.S. competition is struggling through the recession, as many are, you can take the initiative to set up operations and lay the groundwork for U.S. entry now. Evaluating where and why the competition is struggling can provide key insights for your own market entry analysis. If the data indicates a favorable expansion for your business, your positioning could potentially absorb and capture growth opportunities from businesses that did not make it through the recession.

Of course, the question of whether or not firms within a specific technology sector will do well to begin expanding to the U.S. during the recession is only answered by insider knowledge of how their local competitors are faring. A recession requires making plans, not assumptions. And a successful rollout is only possible when a firm commits to developing a comprehensive strategy rooted in region-based performance assessments and incisive data investigation.

Kettering excels at substantiating your metrics so you can thoroughly vet a proposed market launch. When the right timing arrives for an official launch, you are primed for success while your competitors are still rebounding and reorienting from the very economic challenges you've turned into opportunities.

How does Kettering Help?

With an expansive network of resources in many technology sectors, Kettering leverages in-depth local market knowledge to analyze the statistical data for each client's competitors and their performances during the recession. Kettering also provides the guidance and support necessary for tech firms to take advantage of a potentially game-changing opportunity for U.S. market entry.

Call Kettering today for more information on how this international market-based moment can best be leveraged for your company's recession-resistant planning. In our next article, we will explore the key considerations of tech firms considering U.S. market entry expansion.

4

PLANNING TO EXPAND YOUR TECH FIRM TO THE U.S. MARKET?

Don't Overlook These Key Considerations

The potential for success or failure – always present in business – is heightened by the variable risks and opportunities of a changing market. Businesses that thrive do so because they continue to assess the pros and cons of every change, then research and quantify the market data accordingly, rather than assuming that what once worked will work again. The principle of ongoing evolution shapes market conditions and should also inform the decisions of business leaders seeking to expand operations amid those ever-shifting tides.

When walking our clients through an international rollout assessment, Kettering has found that a few key in-market considerations consistently rise to the top in helping businesses achieve maximum leverage of deployment. This article is the fourth in a series focusing on these challenges and opportunities for tech companies expanding to the U.S. market. With a bit of guidance, your business can better navigate these considerations, especially when coupled with Kettering's unique positioning and sound support.

Key Point #1: Understand How Tech Firms Can Find Success in the Crowded U.S. Market

The technology sector in the U.S. is significantly more crowded than other, smaller marketplaces. Many expanding tech firms are used to enjoying first-mover or first-follower advantage in their home countries, which might not translate in the enormous yet saturated U.S. market. Australia has only five major cities and a population of about 25 million – a much smaller pool compared to the U.S.'s nearly 332 million. It can be difficult to truly grasp how that size simultaneously expands opportunity and creates a crowded environment unless you have experienced the nuance firsthand.

At Kettering, we educate our clients to take on a fresh perspective and not err on the side of assumption. It is helpful to have vetted information on where cross-sections are most suited for growth and organically overlap with your market advantage. Clients who can reframe their mindset and create new tactics and strategies for specific market expansion will meet viable opportunities and capture the growth opportunities embedded in the U.S. business landscape.

Key Point #2: Understand Who Your Client's Client Is

In home market forecasting, strategy meetings may only focus on your desired client base, because there is an understanding of the local business ecosystem. However, to understand the U.S. environment and the symbiotic relationship between business verticals, it is advantageous to investigate who it is that your client serves. Think of it as reverse engineering, so you can more fully understand the nuances of the U.S. market landscape. You can begin with market research online, yet the differential is having on-the-ground experience for context and successful execution.

That's why Kettering walks clients through important markers like:

- Learning the geographic areas of the U.S., which vary greatly in composition and culture.
- Understanding sub stratoms of geographical culture which businesses are expected to abide by and honor.
- Learning buyer affiliations and buyer personas throughout the U.S. industry sectors to communicate effectively in networking, negotiating, and sales planning.

An acute awareness of your client's clients will help you to build a genuine understanding of the business vertical and geographical terrain that is inherent in home base operations. Often, it takes intimate knowledge and in-market understanding – the kind Kettering offers thanks to their established network – to internalize the diverse unspoken realities that comprise the U.S. market.



Key Point #3: Understand the Art of U.S. Business Conversations

Each business sits on a spectrum of competency-based and relationship-based conversational norms, ways of cultural interaction, and expectation. For example, one person on a team may be more attuned to the mechanics of a contract, whereas another employee is leaning into the personal dynamics that will make the team run — both are needed. Teams have this diversity. Individual companies have an ethos that falls somewhere along this spectrum, too, as do geographies. European executives are more likely to be competency-based and purely tech-specific, while American executives are more likely to be relationship-based. To effectively enter a U.S. market takes the art of conversation, so your value can be heard and your team can be easily incorporated.

How Does Kettering Successfully Position Companies Within Client Context?

Kettering helps prepare business leaders, on a case-by-case basis, to meet U.S. executives with a common language so each meeting can be a success in clarity and not squandered by confusion. We have even gone as far as to suggest which team members should lead meetings based on their personalities and areas of expertise. Aligning personalities amplifies your favor, spotlighting your business expertise through common purpose and understanding. With all of the opportunity in the U.S. market, it is still interpersonal relationships that allow businesses to succeed and not get lost in the crowd.

Kettering provides this experiential vision and know-how. Desk research about a market is incomplete without on-the-ground knowledge. By exploring and expanding a business's possible positioning — both in strategy and network connections — Kettering sets up our clients for sustainable, long-term success.

Contact Kettering Today

Call Kettering International for more insight into the benefits of U.S. market entry and how your business will profit from researching these key components for your international market launch. And stay tuned for our next article, which will explore the current opportunities that await tech firms considering U.S. market entry.

5

HOW TECH FIRMS CAN CAPITALIZE ON TODAY'S OPPORTUNITIES

for U.S. Market Entry

Well-nurtured business relationships open doors in the U.S. market. Indeed there is tremendous technological curiosity in the American market; however, establishing connections — business to business and person to person — is what creates conversations that convert to partnerships with long-term profit and gains.

These expansion-enabling relationships must be rooted both in an understanding of market topography and the strategic development of a presence within the community you are looking to serve. Kettering International offers a turn-key in-market presence for tech firms looking to expand. With years of experience helping clients navigate U.S. market entry, Kettering International has seen IT tech firms' success distilled down to two main factors: value-driven decisions and viable in-market networks.

In this article, we'll delve deep into these opportunities and the know-how Kettering brings to connecting tech firms with key clients, satellite office establishment, and support for enterprise business processes for long-term client cultivation. At Kettering, we roll up our sleeves and make ourselves part of your tech firm's successful international market growth.



Successful Mindset for U.S. Market Launch

There is a reason so many aim to benefit from U.S. market entry — because it affords ample opportunity. A tech firm with a data-driven focus that reframes its mindset to understand the U.S. market and formulate culturally-informed strategies will be able to capture the great growth opportunities found in the U.S.

Instead of seeing the U.S. market as one great monolith, a tech firm needs to work uniquely with the subtleties in each local target market and vertical of business. There are many brand strategy focus areas an open-minded firm can explore in the U.S. tech market. Kettering helps clients brand themselves in line with their U.S. competitors and choose a viable target audience within a tech sector.

In such a fast-paced industry many companies, including American-based ones, are vying for the same contracts. Willingness to put effort into clarifying branding and speaking the market language are key switches that can pay off in dividends, both in closing contracts and establishing market merit.

The Value Of Networks for International Market Entry

On the ground in the target markets, Kettering cultivates and nourishes business relationships for long-term success, building upon an ecosystem of opportunities as an end-to-end stakeholder engagement solution provider.

U.S. businesses are more comfortable getting to know a tech firm from the inside out — through relationship-based business conversations and building connections while discussing commerce. This is one motivation for Kettering's high-touch approach to setting up business meetings, considering core values as well as the personal dynamics of the meeting attendees themselves. Often, the extra effort of ensuring personality match-ups for network marketing increases both parties' success, improving their ability to hear and understand each other.

We help you build the business relationships that will serve as a viable starting point for your U.S. outreach, and that will continue to grow with you for long-term success. Incidentally, this also increases word-of-mouth referrals and opportunities that only come when you are already top of the client's mind.

Setting the Stage for New Solutions

The tech industry thrives on cultivating new solutions and being on the cutting edge of innovation. It stands to reason, then, that the openness to breaking new ground is one aspect that makes the U.S. market so appealing to tech firms looking to expand. Culturally, Americans tend to experience more FOMO (fear of missing out) than their European or Australian counterparts — especially when it comes to technology. With that comes a greater willingness to indulge a concept, an idea, or a new solution than you may find in Australia, the U.K., or other European countries. Expanding businesses that are situated within a network can take this opportunity to market innovative solutions that may be a harder sell at home.

Using their superior market knowledge and U.S. presence, Kettering helps clients create a strategic framework to operate successfully within the cultural expectations of U.S. audiences. Navigating nuances prepares for effective expansions — building necessary foundations of communication while aligning your company's core values with viable market opportunities. Kettering guides IT tech firms through the entire lifecycle of U.S. market entry, from possibility to long-standing, prosperous business relationships.

Contact Kettering

Contact Kettering International for more information about your successful U.S. launch. In our next article, we will explore the story of a tech firm that achieved successful U.S. market entry with Kettering's expertise and end-to-end support.



6

INTERNATIONAL MARKET ENTRY CAN BE BETTER THE SECOND TIME

Around – Here's How

Company Profile: Meet nTrustus

Based in Sydney, Australia, nTrustus is the first and only regulatory tech platform to hone in on Internal Dispute Resolution (IDR) as a new key area of regulatory compliance. The necessity for understanding and resolving digital conflict is growing. Many opt for synchronous communication, but CEO and Founder Ron Paull explains that nTrustus separates people from the problem, which de-escalates tensions, giving space for solutions and creating an atmosphere for all voices to be heard.

Finding a problem before it festers is the key to maintaining open and productive communication, which nTrustus strives for in its platform. In 2022 they were named The Red Tech start-up of the year for developing an easy-to-use, industry agnostic, “Plug and Play” SaaS offering seamless escalation and scalability. The Commonwealth Government recently contracted nTrustus to customize and pilot the platform for the National Disability Insurance Agency (NDIS).

Challenges With First U.S. Market Launch

Before building their current success, Ross Paull brought his organization, then known as The Guided Resolution, to the U.S. market for the regulation technology's first roll out, and partnered up with an American team to gain market access. Paull struggled to make the connections he needed through his stateside partner, losing precious travel time on filler meetings and chasing opportunities.

However, through the engagement team, Paull met John Crozier-Durham, founder and CEO of Kettering International. They connected immediately over their shared Australian background, and Paull quickly realized that Kettering International was doing a much better job teaming up value-add and aligning 1:1 meetings. Kettering's strategic business development, analysis of market segmentations, and cultivation of networks impressed Paull. It was evident that Kettering took a personal and invested approach to client success.

Paull parted ways with the American team, recognizing that the “old school” approach to selling features and benefits without having a clear focus or client archetype was not working. He headed back to his home market but kept an ongoing connection with Kettering International.

Pivoting to Align with Market Needs

Paull returned to the Australian market to pivot and clarify where to best place the company’s future efforts, and the firm shifted its platform from serving the financial sector to regulatory compliance.

Embarking on this new focus as nTrustus, they dropped the “old school” approach of selling benefits and features without knowing where they landed and dug deep. The company invested heavily in sales coaching and research for a better understanding of buyer motives, learning not only what the market wanted, but where best to place the value they knew they had.

This redefined business strategy, which moved their focus from the financial sector to the services sector, evolved into serving the NDIS. Although the federal government is not a direct client, they are invested in nTrustus successfully resolving the Commonwealth’s overwhelming caseload, which was clogging up the system and impairing their ability to support those in need.

“You really need to test your product or service in your home market, or you are basically exporting your mistakes,” says Paull. “Iron out issues on branding and mission, and it will be a lot easier the second time around. You also need someone on the ground, in the right timezone, to follow that lead, a trusted advisor with skin in the game, like Kettering.”

nTrustus Success Skyrockets: Key Takeaways for B2B Market Expansion

The company learned from their first U.S. launch the benefit of building success in their home market rather than repackaging and relaunching in an international market without clarity of intent and value translation. Working with Kettering International showcased the importance of due diligence, understanding market segmentation, cultural communication, and the necessity of having someone that is engaged as a partner in the process of your success.

With Kettering, there is a personal connection element that both the tech firm and the U.S. market client base have come to know and trust, making key meetings fruitful rather than rote activities to fulfill contractual obligations. Kettering leverages the Pareto principle of finding the 20% that will give B2B tech firms established in their home base the lift needed to enter the U.S. market successfully.

Pivoting to Align with Market Needs

nTrustus enjoys immense success in the Australian marketplace now with the endorsement of the Australian Federal Government and their work with the National Disability Sector to help those in need use their funding for care services. Their RegTech platform helps keep the lines of communication clear and open between 550,000 clients and 25,000 service providers, and has the potential to be duplicated for an aged care roll out and other Commonwealth services.

With this expanded calling card of excellence, nTrustus looks forward to a timely relaunch in the U.S. market. After coming to their core value and clarity in pivoting from the financial sector to the governmental sector, they now lead the market in unparalleled success. They are confident that partnering with Kettering in this clarity will ensure a better entry the second time around.





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