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CHAPTER 4

GLOBAL BUSINESS EXPANSION: ANALYZING RISKS AND GRASPING OPPORTUNITIES

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ABSTRACT

This chapter provides a detailed understanding about various dynamics of business expansion. It delves into the risk associated like political, economic, financial and supply chain risks associated with a business and opportunities are explored when business expansion goes beyond boundaries. The strategies to tackle various business environment factors while selecting any appropriate mode of entry in market. Global supply chain management discusses the ways to manage the suppliers globally, selection of suppliers and connect with the potential consumers. The ways to manage and maintain inventory , affordable transportation and logistics, updating of modern technologies , management of risk and ethical considerations that needs to be kept in mind while operating business in a foreign country. The market research and competitive analysis is done on a global scale. Overall, this chapter would be of great help for businesses that want to expand and get into the foreign market as it discusses the entire concept from the initial stage.

4.1 INTRODUCTION TO GLOBAL BUSINESS EXPANSION

When a company takes the decision to expand its business operations across the borders of the country from domestic market to international market then it refers to global business expansion.

The expansion can be in the form of physical presence in the the foreign country by forming an alliances with the international companies, or through acquisition or by exporting the goods and services in the foreign market.

Its main objective is to tap the foreign markets, increase revenue and growth of the company globally. It helps the company to stay competitive and achieve desired growth. The company leverages its strength and expertise to cater the needs of the cross border customers with a broader customer base.

However expanding business globally also gives some challenges & complexities as the company needs to understand the economic, cultural, technological, regulatory differences to operate efficiently. It requires very careful and proper planning of market research to accept the changes.

Global business expansion can lead to increase in revenues, better brand recognition globally, opportunity to tap diverse talents etc. It also promotes innovation & knowledge through exchange of communication, business technologies & business practices

In conclusion it can be said that global business expansion plays an important role to make a market presence globally. Companies can effectively face the challenges associated with the global opportunities and operations to establish themselves strongly in the global economy.

4.2 MARKET ENTRY STRATEGIES FOR GLOBAL EXPANSION

Global business expansion provides both challenges and opportunities for the businesses which are looking to extend their operations in the global market. To successfully navigate these strategies, effective planning and careful consideration of various market entry strategies is required. These strategies are designed to address numerous factors like market demand, regulatory environment, competition, risk tolerance and resource availability.

While choosing a market entry strategy for global expansion, it is necessary for a business to conduct it through appropriate market research, evaluate cultural and consumer differences and also access the regulatory environment.

Here some of the marketing strategies are defined for global business expansion-

4.2.1 EXPORTING

Export is versatile, widely used and straightforward marketing strategies used by businesses for global expansion. Exporting involves selling of products and services from one country or home country to other foreign markets.

It allows businesses to learn, adapt, and test the international markets with lower trade barriers and risk involved compared to other strategies. Exporting can be of two types-

4.2.1.1 DIRECT EXPORTING

Direct Exporting involves direct selling of products and services from the home country to foreign consumers or through intermediaries such as agents or distributors.

4.2.1.2 INDIRECT EXPORTING

Indirect Exporting involves selling of products and services from the home country to foreign consumers using export trading companies or export management companies.

4.2.2 IMPORTING

Importing involves bringing foreign products, goods and services into the domestic market or home country.

Importing allows business to enter/ access the international market without establishing physical presence in the foreign country.

To implement importing as a market entry strategy, any business must have proper market analysis and research, strong logistics and supply chain infrastructure, reliable supplier relationship and understanding of the regulatory environment. Businesses need to be well-versed in the import regulations of both their home country and the exporting country.

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4.2.3 LICENSING AND FRANCHISING

These are two popular terms used in business and are helpful in expansion of business within and outside the country without any commitment required to establish a new company or merger or acquisition.

Licensing gives the other company the right of use of IPR like brand, trade, patent, trademark, copyright, trade secret etc. under some specific conditions for specified period of time for some fee in exchange.

The investor doesn’t need to make all the investment for establishment or running of business in the foreign market. It gives the licensor some fee or royalty in return without being directly involved in the operations of the business. It also gives quick establishment of business to the licensee.

It also faces some challenges as the licensor has less control over the operations of the business. Licensor has the challenge of maintaining the quality standard of goods and services and the success of the new business depends upon the performance of the licensee.

Franchising is a contractual agreement that gives the franchisee the right to use the brand, trademark and business model of the franchisor in exchange for fees or royalty.

It helps in immediate market expansion through penetration because of the local expertise. It maintains the customer experience and image of the brand in various geographical locations and the risk of loss is shared by the both.

It has some disadvantages as the control of day to day working of the business is not in the control of the franchisor, the establishment of a franchise requires a lot of paperwork and compliance of local laws and there may be the conflict of difference in culture or operational standards between franchisor and the franchisee.

The choice of Licensing or Franchising depends upon the nature of business for e.g. if its a technology based business then it is better to prefer licensing, if it requires local expertise then franchising will be beneficial, if it requires strict control over brand image then licensing is suitable, and if the company is ready to take risk outside the boundaries of the country then franchising is a better option. It is better to take legal and financial advice before making such decisions.

4.2.4 JOINT VENTURES AND ALLIANCES

Joint Venture is a strategy of collaboration where companies (two or more) pool and share their resources and expertise such as investment, infrastructure, human resource, strategies etc. to form a new entity of business for a specified period of time with shared ownership, management and control.

The shared resources gives companies the advantage of combined strength and expertise which is helpful in achievement of goals beyond the individual expertise and capabilities. It also has advantage of shared risk and access to local markets of a country which is helpful in gaining insight of customer behavior, laws, regulations and culture,
Apart from advantages, Joint Ventures have disadvantages also such as the challenge of decision making as it is not easy to make decisions without any conflicts which leads to delay in taking decisions. Sharing of profit is also discouraging and differences in management style and strategies also lead to unwanted conflicts.

Alliance is a type of agreement where companies come to work together without forming a new entity such as marketing alliance, strategic partnership etc.

Alliance helps in gaining access to the resources of the other company to fulfil common goals, risk is also distributed between the companies and gives learning opportunities from each other's knowledge and experience.

The disadvantage of this type of collaboration is lack of control over the working of the business due to the alliance partner's conduct, fear of conflict due to difference of opinion and working style and it may be fruitful only for an objective or project and may not cover a wider area.

If a company has to choose between Joint Venture and Alliance then it can take decision on the basis of objectives it has. For long term association and complex projects, Joint Venture is good but for short term association with specific goals, Alliance is beneficial. For more integration of resources and also operations, joint ventures are suitable and for independence of resources and operations. It depends upon the nature of work that a company is doing and also the availability of resources. Risk is also one of the factors in choosing between Joint Venture and Alliance. One has to consider the tolerance of risk before collaborating. The company should take legal advice before collaborating as different countries have different laws and regulations for Joint Venture and Alliance which is important to understand.

In conclusion it can be said that the choice depends upon the risk, objective, resources, planning, communication, agreements, etc.

4.2.5 WHOLLY-OWNED SUBSIDIARIES

A wholly owned subsidiary is a business corporation in which the other company is called as parent company, has the 100% ownership of shares and has full control over the operations of the subsidiary company. It is completely owned by the parent company and the parent company has full authority to make decisions for the subsidiary company.

For global business expansion, the company may choose the strategy of establishing the wholly owned subsidiaries as the parent company can have complete control over the working, strategy, operations and decisions of the subsidiary company. It also helps the parent company to ensure its standards, policies and brand image in the foreign market with consistency. The parent company can also take advantage of flexibility of implementing its own business practice, corporate culture and management style. There can be efficient communication between the parent and subsidiary company as there are no stakeholders from outside. It also gives ease of transfer of some proprietary technology, resources, knowledge, processes etc from parent company to subsidiary company.

Looking at the disadvantageous side, the parent company needs to invest a alot of money to establish a wholly owned subsidiary for setting its infrastructure, operations and hiring people. Also the risk is borne by the parent company for regulatory challenges, cultural challenges, and legal challenges with market entry risk. Also sometimes the parent company may have less knowledge and good relationships as compared to the local partner who already has established itself. A parent company may lack the knowledge of foreign legal framework and regulations as compared to the local partner. It requires a lot of effort and diligence. Also it may divert the attention of the parent company from core operations if it gets indulged in managing the wholly owned subsidiary.

It is advisable to consider a wholly owned subsidiary only if it is strategically important and the parent company wants to have complete control over the operations of the company. Also if the parent company's intellectual property (IP) and proprietary technology is its key competitive advantage. It is also preferable when the parent company needs long term existence in the foreign market and is ready to go for investing the necessary resources. It also wants to maintain the brand consistency and brand reputation for its success. It is suitable for pharmaceutical sectors where IPP and compliance is most important.

In short the decision to have a wholly owned subsidiary in a country outside the borders should be on market risk and assessment, consideration of long term goals etc. It is better to take proper advice on legal and financial aspects to understand the complexities and difficulties of global business expansion.

3. RISK ASSOCIATED WITH GLOBAL BUSINESS EXPANSION

Going global is definitely worth it for any business after establishing a strong customer base in the domestic market but there are several restrictions or risks associated with any business while expanding the business. Some of the risks are defined below-

3.1 POLITICAL AND REGULATORY RISKS

These risks transpire when any country's government unexpectedly changes the regulations and policies related to trade, taxation, labor, environmental standards, and intellectual property. Political instability in any country can disrupt business operations. Changes in government leadership, political conflicts and civil unrest can lead to unpredictability that can disrupt business's operations.

3.2 ECONOMIC AND FINANCIAL RISKS

When any business expands globally, it carries inherent economic and financial risks that can significantly impact a company's operations and profitability. These risks include exchange rate fluctuations, currency convertibility and transfer restrictions, inflation rate, interest rate fluctuations etc.

3.3 SUPPLY CHAIN RISKS

Expanding a business globally includes supply chain risk that can imperil the efficiency and stability of operations. Managing supply chain across the boundary can be a real challenge for a business. Dependency on the global suppliers, logistics and transportation complication including customs delays and fluctuating freight costs can lead to disruption in business operations. To navigate these risks, businesses must build healthy supplier relationships, invest in technology and expertise to enhance supply chain adaptability.

3.4 CULTURAL AND SOCIAL RISKS-

To successfully run a business in a global market, communication is the key. But cultural disparity like differences in languages, management styles, customs, culture,, and consumer behavior can lead to friction and hinder smooth operations. Additionally the social and ethical norms of the countries can differ, that affects the acceptability of product and services. Businesses must overcome these cultural, social and ethical risks to maintain customer relationships and to sustain global business.

3.5 LEGAL AND INTELLECTUAL PROPERTY RISKS

It is very crucial to protect the intellectual property rights while expanding the business globally. There must be risk of infringement with the patents, copyrights, trademarks and trade secrets. In many countries licenses and permits are required to operate a business legally. It can be a significant challenge for a businessman to obtain necessary license and permits from foreign jurisdiction because it can be a complex and time taking process.to mitigate these legal risks, it is necessary to go through various international and local rules and regulations. Additionally building strong relationship with your stakeholders and local partners can also lead to success in global business.

3.6 COMPLIANCE AND ETHICAL RISKS

Expanding a business globally also involves compliance and ethical risks. Ethical risk involves labour practices, where ensuring fair wages, safe working conditions, health, and welfare related measures are necessary to prevent exploitation. Compliance risks are related to bribery laws, data protection and privacy laws, anti-corruption laws, export control laws, trade sanctions etc. so it is essential for a business to establish robust compliance programmes before expanding business globally.

4. GLOBAL SUPPLY CHAIN MANAGEMENT

It plays an important role. It includes planning the product and service, finding out its sources, manufacturing it and then delivering it to different countries. The important considerations and key strategies for effective and global expansion of supply chain management are:

4.1 DESIGN OF NETWORK

4.1.1 BEST LOCATION

It is important to determine the optimal location for facilities like production center, distribution center, sources of raw material considering the factors such as access to source, nearness to market, cost of obtaining the resources etc.

- **Risk** It is important to scan and evaluate the environment geographical, politically, economically, technologically etc as it may impact the operations region to region.

4.1.2 MANAGEMENT OF SUPPLIER

- **Selection of Supplier:** To ensure good quality, low cost and timely delivery requirements, it is important to identify and choose a reliable supplier who can work diligently.

- **Multiple Suppliers:** It is good to partner with diversified suppliers to lessen the risk of supplier disruption.

4.1.3 FORECASTING & PLANNING

- **Demand Forecasting:** It is important to have advanced technology for market research, market analytics and accurate forecasting of demand to plan the levels of inventory accordingly.

- **Collaboration:** Companies sometimes collaborate with people in the supply chain which helps in improving the forecasting and planning of inventory levels.

4.1.4 MANAGEMENT OF INVENTORY

- **Buffer Stock:** Maintenance of buffer stock to meet uncertainties of the market demand and market supply.

- **Inventory Level:** Techniques of Inventory optimization is used to handle the situation of stock out and holding cost.

4.1.5 TRANSPORTATION & LOGISTIC

- **Modes of Transportation:** Various factors like lead time, reliability, cost etc should be considered for efficient mode of transportation like rail, road, sea, air etc.

- **Customs and Compliance:** Different countries have different customs, regulations and documentation which has to be complied for proper working of business.

4.1.6 TECHNOLOGY

- **Visibility of Supply Chain:** Various technologies like RFID, blockchain. IoT etc. to have visibility in real time for movement and flow of goods.

- **Digital Platforms:** For information, communication and coordination, digital media platforms are used by partners in the supply chain.

4.1.7 MANAGEMENT OF RISK

- **Planning** : A lot of planning and contingent plans are required to minimise risk like risk of natural calamity, change in trade policy, political instability etc.

- **Diversification:** To prepare for contingent situations one should not be totally dependent upon a single supplier or single region.

4.1.8 ETHICAL CONSIDERATION

- **Environment:** To follow green practices to ensure an environment friendly supply chain process.

- **Sourcing:** To ensure ethical standards and practises for the whole of the company's operations.

4.1.9 CULTURAL AND LEGAL UNDERSTANDING

- **Cultural Aspect:** The Company must understand the difference of culture that may have an impact on the business practices and its relationships with the local partner.

- **Legal Aspect:** The Company should have information about the local rules, regulations and that govern the activities of the supply chain.

4.1.10 COLLABORATION WITH PARTNERS

- **Strong Collaboration:** It needs to build a strong relationship between the various functions of the organization to have alignment with the goal.

- **Communication:** The Company needs to maintain an open and clear communication with the partners of the supply chain to resolve any issues and have frequent improvement.

By taking care of these aspects, a business can improve its ability to enter into the new market and expand successfully. Adaptability & improvement are important elements of effective and successful global supply chain management.

5. COMPETITIVE ANALYSIS ON A GLOBAL SCALE

Identifying business competitors is consequential, if the business is operating in the global marketplace. It would help the business in analysing its position in the global market. The strength and weakness of the competitors can be identified giving the business a competitive advantage, it allows them to identify the market gaps and meet consumer demands. The business owners can learn from the successes and failures of other businesses, gain insights into market trends, and adapt their strategies accordingly. Let’s see the steps through which business can identify the competitors in the global market.

5.1 DEFINING THE INDUSTRY AND MARKET SEGMENT

This is the foundational step in identifying the competitors in the global market. It commences by clarifying the specific sector in which business operates and identifying businesses with similar economic activities, products, or services. For example, the automotive industry encompasses all businesses related to manufacturing, selling, and servicing automobiles.

On the other hand, a market segment is a subset of a larger market that shares specific characteristics, needs, or preferences. It fractionates the large market into smaller and manageable groups with similar attributes.

Segmentation can be done on the following basis:

- Demographic factors
- Geographic factors
- Psychographic factors
- Behavioral factors

This results in better marketing, improved customer satisfaction, and healthy competitiveness in the market.

5.2 MARKET RESEARCH

Market research is the process through which information about a market can be systematically gathered, analysed, and interpreted, including information about the prospective customer, market trends, and competitors. The primary purpose of market research is to help businesses make better decisions, developing relevant strategies and forming strategic alliances to meet their goals. Market research can be done by:

- Defining the goals and objectives of the market research
- Choosing appropriate research methods like data analysis, Online surveys, observations, focus groups, interviews etc
- Collecting relevant data from various sources. This may involve directly from surveys or interviews or using existing data from secondary sources like industry reports, government publications, and academic journals.

5.3 ONLINE SEARCHES

Through Online searches businesses can gather information using the internet. Using search engines and online resources which are a powerful tool for research, problem-solving, and helps businesses to stay informed about various topics.

5.4 SOCIAL-MEDIA AND FORUMS:

Social media and online forums are valuable for market research, building brand presence and customer engagement, as it serves as virtual spaces where people can connect, seek advice, and share insights. Social media and online platforms are used for brand awareness, promotion, competitors' analysis and customer engagement by business.

5.5 TRADE ASSOCIATIONS AND DIRECTORIES

Trade associations and directories are very useful resources for businesses to seek information, grow networking opportunities, and get industry-specific support. They serve as the generic voice of businesses for specific industries, engage in advocacy and lobbying, provide networking opportunities, offer industry insights, impart education and training, organize industry events, establish industry standards and certification programs, and produce publications and newsletters. With the help of these associations, business houses can stay competitive, make informed and quick decisions, and stay updated on industry trends. They also provide valuable resources for businesses seeking to stay informed and competitive in their respective industries.

5.6. SUPPLIER AND CUSTOMER FEEDBACK

Supplier and customer feedback are crucial for businesses to understand their performance, improve, and build stronger relationships. To collect and leverage this feedback, businesses should establish open communication channels, create surveys and questionnaires, establish key performance indicators, schedule periodic feedback meetings, analyse the feedback, drive continuous improvement efforts, and handle complaints professionally. Customer feedback can be collected through surveys, online reviews, customer service interactions, feedback forms, complaint resolution, and analysis.

These insights can inform decision-making, guide product development, improve quality assurance, and provide employee training. Metrics like Net Promoter Score (NPS) or Customer Satisfaction Score (CSAT) can be used to gauge overall customer satisfaction. Both supplier and customer feedback are essential for a business's long-term success, as they help enhance operations, build stronger relationships, and meet evolving stakeholder needs. Regular feedback loops are essential for staying competitive and customer-focused.

5.7. COMPETITOR LISTS FROM GOVERNMENT SOURCES

Government agencies provide valuable competitor lists for competitive analysis and market research. They maintain data on businesses operating in various industries for regulatory and statistical purposes. Access to these lists is through official government websites, trade registries, trade commissions and economic development agencies, industry reports and statistics, market research surveys, access to public data, custom data requests, international trade agencies, patent and trademark offices, Chamber of Commerce can be done. Association of Commerce and Industry, and Library Resources. It is important to be aware of any privacy and data protection regulations and to consider whether some data is publicly available or subject to restrictions or fees. By leveraging government sources, businesses can gain insight into competitors, market dynamics, and industry trends, which can inform their business strategy and decision making.

5.8. TRADE SHOWS & CONFERENCES

Trade shows and conferences are a crucial part of a business because they provide us opportunities for networking, generating leads, launching products, doing market research, analysing competition, providing education and training, and innovating new technologies. It helps in bringing more exposure to the brand, forming partnerships and collaborating with other companies, gaining market entry, expansion and customer feedback. This helps us in beating the competition, taking our brand globally, spotting trends and also building good relations with investors. Such shows and conferences help us in building a good relationship with people in the industries for the future. We work with potential partner businesses, suppliers, customers and also to understand competitors' strategies and analyse their strengths and weaknesses for launch of our new products. It provides us the opportunity to take feedback and participate strongly in the market competition. It also gives us maximum benefits in following the leads by making clear goals and making contacts.

5.9 TO ANALYSE FINANCIAL REPORTS

Financial analysis is done so that we can analyse our financial health, performance and stability. It involves the most recent financial report to understand the structure of the company. The components of a financial statement are the balance sheet, income statement and cash flow statement. Balance sheets help in understanding the financial position of the company. Income statement helps in understanding liquidity and leverage. Income statement gives an insight into the profitability of the company. Revenue and cash flow statements help in accessing the cash management and operating efficiency of the company. Ratios like Return on Equity and Price to Earnings Ratios give us an inside look at the company's performance. If we want to compare the financial performance of the company with the industry benchmark, then these tools help us in assessing the strengths and weaknesses of the company. Financial reports are used to analyses multiple periods of time to help us see trends and changes that have occurred and identify potential risk factors such as debt level, market conditions, and regulatory changes. It also helps us in evaluating the future prospects for the company so that we can make strategic plans of the company. A summary is prepared and the recommendation is taken from the experts so that we can make a thorough assessment.

6. STRATEGIC ALLIANCES AND PARTNERSHIPS

It is a collaborative agreement and arrangement between the organizations who have common interest and goals. It has an important role in the global business expansion as it gives access to one's resources, strengths and expertise to the other to penetrate in the new market for profit and development.

6.1 TYPES OF STRATEGIC ALLIANCES

- **Equity Strategic Alliance:** Companies having a separate legal entity and collaborate together to pursue a common objective. Both the companies hold a share of equity. They also share their resources, expertise, knowledge, capital etc.

- **Non-Equity Strategic Alliance:** There are some collaborations based on contractual agreements without any equity stake. It consists of licensing agreement, supply agreement, distribution agreement etc.

- **Collaboration for Technology**: Two or more companies can make an alliance for Research and Development objectives or to share proprietary technology, IP (Intellectual Property) to offer improved product and services.

- **Marketing Alliance:** To expand customer base and reach in the market, two or more companies join hands for promotional events and marketing campaigns. It also helps in extending the network of distribution and availability of the product in the market.

- **Supply Chain Alliance:** To improve and minimize the procurement process, the companies can collaborate with important suppliers to reduce cost of the product and improve quality. They can also collaborate for distribution, warehousing and also for transportation processes.

- **Joint Bidding:** Companies may also come together to bid for contracts that are not possible for an individual to handle.

- **Marketing Research Alliance:** Companies partner to share consumer behavior data, analysis of competitor's strategy, market insight for more effective decision making.

- **Collaboration for Research and Development**: There may be agreement between the government and private companies for R&D purposes.

- **Sourcing Alliance:** To source components and raw materials from global suppliers and reduce cost by economies of scale, companies may go for partnerships.

- **Mergers and Acquisitions:** M&A can be done across the borders to get access to novel technologies and resources and markets.

- **Consortiums & Industry Associations:** It may be formed by many companies to resolve some common issues and challenges.

- **University & Industry Collaborations:** Companies may join hands with Universities or educational institutions to promote transfer of knowledge and innovation.

- **Outsourcing Collaboration:** Companies prefer to collaborate with expert and specialist providers of service for some specific important functions like Customer Support, Information Technology services etc.

- **Collaboration with Competitors:** Cut throat competitors sometimes collaborate during rivalry to get mutual benefit while still having the competition.

To choose the right kind of strategic alliance, one must analyse its goals, competitions, resources, circumstances. A clear agreement is must to ensure the success of the alliance.

7. RESOURCE ALLOCATION FOR GLOBAL EXPANSION

To expand the business globally, the business needs to allocate resources strategically which includes allocation of technological resources, human resources, financial resources etc to make a successful entry in the international markets. The key considerations for allocation of resources effectively are:

- **Market Analysis:** Allocate resources to understand the market dynamics, competition, consumer behaviour and preferences, laws and regulations of the country. Also one needs to assess the size of the market and its potential for growth to ensure the feasibility of the market.

- **Financial Resources:** Calculate the amount of capital needed for penetration in the market which includes entry costs, working capital, marketing expenses etc. Also to allocate resources for any contingent situation and risk which may affect the global expansion of the business such as regulatory changes.

- **Human Resources:** The Company allocates the human resources for recruitment and training of employees who are local and need necessary skills for entry and expansion. Local employees understand local practices and are helpful in business expansion.

- **Technology:** Resources are allocated for technological solutions to customise the local market needs. IT infrastructure plays an important role to support new market operations.

- **Legal Compliance:** Companies allocate resources for compliance support to understand and fulfil local laws and licensing regulations. Companies also invest in protecting IPR via copyrights, patents, trademarks etc.
- **Marketing & Promotion:** Allocation of resources for promotional activities, advertising etc. Investing in local marketing campaigns helps to target the local market's culture, behaviour, need and language.

- **Distribution:** Allocation of resources for effective and efficient supply chain , warehousing, inventory management, distribution etc.to ensure ab=vailability of product at minimum cost.

- **Customer Support:** Companies invest resources for Customer Relationship Management to address consumer inquiries and complaints in the local language so that it can be handled efficiently for customer satisfaction.

- **Risk Management:** Resources are allocated for management of risk through insurance coverage for unforeseen contingent events which may affect the business.

- **Performance & Evaluation:** Companies allocate resources for analysing Key Performance Indicators to understand and monitor ROI for better global business expansion. Periodic reviews are done to monitor changing conditions of the market.

Planning of resources and their proper allocation in a strategic way enhances the success of global business expansion. It is important to monitor the strategies from time to time to stay updated with the dynamic environment of the market.

8. CONCLUSION

This book chapter provides comprehensive insights into the various market entry strategies, risks associated with the expansion of business in international markets. This book chapter also provides a competitive analysis of the global market which provides various strategies to know about the competition available in the international market and how to manage those competitors to build a marketplace for your product.

As we have explored various risks associated with the businesses while introducing or establishing or expanding it in a new international market and how these risks can have significant impact on the organisation's growth and success. From understanding the legal, economic and political risk to navigate the importance of compliance with anti-corruption, legal and regulatory complexities,it can be clearly stated that expanding a business in the global market is not a task for the faint hearted.

Additionally, the global marketplace also provides various opportunities to businesses such as wide range of reach to the new customers, innovative technologies, to explore new research and development techniques and diverse talent pools etc.

In conclusion, we can state that global business expansion is a complex process. It demands strategic planning, execution, proper compliance with rules and regulations, adaptability and commitment. When risks associated with global expansion of businesses are properly managed, there can be significant rewards, but there can also be adverse effects from ignoring the associated threats associated with global business expansion. Businesses must remain knowledgeable, adaptable, and morally upright as they handle the ever-evolving landscape of global marketplaces in order to take maximum advantage of the opportunities and eliminate the difficulties that are associated with expanding globally.

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