

Global vision and the 'interpreneur' mindset



What drives entrepreneurs
to expand internationally?

Introduction: From entrepreneur to 'interpreneur'

Much has been written about the mindset of the entrepreneur – what drives people to set up and ambitiously grow their own new businesses, what makes them tick, what typical attributes they tend to share. While entrepreneurship can take many forms, often characteristics like boldness, creativity and tenacity are seen as being at its heart. But having established a successful company, what is it that makes a founder or a business leader want to take it international? What spurs them to take that entrepreneurial mindset and apply to it a global vision: to go from entrepreneur to 'interpreneur', seeking new horizons and new markets abroad?

To find out, we decided to undertake an innovative survey among 600 business leaders in Europe, Asia and the Americas, to better understand the attitudes and outlook of potential and actual 'interpreneurs'. Our aim was to shine a light on their goals and what it might take to achieve them, and to identify the barriers that may be holding them back.

In conducting this research, we wanted to start a conversation around what interpreneurship means, what it can look like in practice, and therefore what it might take to turn global vision into successful operations in new regions on the ground. Armed with this information, interpreneurs who are weighing up their options can benefit from having a clearer picture of what others in their situation are thinking and doing. Policy-makers will be able to deliver better-targeted support. And advisers will have an additional layer of business intelligence to ensure their expertise is effectively targeted at all times, to take account of the different geographical approaches and cultural nuances involved, to best serve the needs of businesses with interpreneurial aspirations.

What is clear from our findings is that there are as many differences as commonalities among what we are loosely terming the 'interpreneurial community' across the globe. But that, in itself, is interesting and informative.

An 'interpreneur' is a term we have coined to describe a business leader who successfully expands their business' presence into markets abroad.



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Liza Robbins,
Chief Executive

Executive Summary: Around the world in 600 entrepreneurs

Key findings from our research highlight that when it comes to international expansion:

Business leaders in China and India are by far the most interpreneurial

Almost nine in ten (89%) of the business leaders surveyed in China and more than seven in ten (72%) in India have expanded their businesses into other territories, compared with around one in four in the USA, Germany (23% each) and Brazil (25%) and one in three (35%) in the UK.

Accessing larger markets is the principal driver – but it's not all that matters

For those that have expanded overseas, by far the biggest driver was to gain access to larger markets for their goods and services – almost half (45%) give this as the primary reason. Interestingly, though, in China the proportion citing this as the main motivator is lower than elsewhere.

Supply chain issues are both an opportunity and a threat

Gaining access to manufacturing, supply chain or other resourcing opportunities is seen as the second most important reason to expand overseas. However at the same time, international supply chain issues are also the number one concern when it comes to the pros and cons of such a move.

Gender is no barrier to interpreneurship, but age is a factor

As many women as men – in fact proportionally more (46% versus 43%) – have taken the plunge and opened operations in new markets internationally. But interpreneurs do tend to be younger – more than half of respondents in the 18-30 and 31-40 age brackets have done so, against one in six (17%) of the 51+ cohort.

The interpreneurial mindset is a complex mix of traits

Interpreneurs are viewed as being extrovert, big-picture focussed and more imaginative than practical. However, they are also seen as being on the cautious end of the spectrum, inclined towards deliberate decision-making, and as tactical as they are visionary.

Looking ahead, Western Europe and the USA are key targets

The primary target markets for overseas expansion among those who have not yet done so are Western Europe (34%) and the USA (30%). However, there's a discernible trend to favour neighbouring territories first and foremost – with the exception of those in India.

Limited capital and lack of familiarity with local issues holding would-be interpreneurs back

The biggest concerns deterring entrepreneurs from becoming interpreneurs are limited capital (36%), lack of familiarity with local tax issues (23%) and lack of familiarity with business culture and language (20%). Understanding the local market is also a challenge for one in six (18%).

Interpreneurs expect 'interpreneurial' characteristics from their advisers

Interpreneurs want their professional advisers to be 'interpreneurial' too. They look for good local business connections (48%) and the ability to grasp their vision and strategy (46%), plus they want them to have a credible visible international brand and footprint (40%) and specific sector and market knowledge (38%).

You can download the full version of this report on the Kreston Global website.

Methodology

The survey was conducted with 100 business leaders in each of the following six countries: Brazil, China, India, Germany, the United Kingdom, and the United States between 20 April – 5 May 2022. Survey respondents were C-suite executives, owners, chairs, partners, managing directors, directors or senior management across businesses of up to £500m turnover (or equivalent).

In total, we identified 267 interpreneurs or business leaders who have already expanded their businesses abroad, and 333 entrepreneurs who have not taken that step to date and are currently operating solely within their own countries.

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