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The 3 Truths of Gaining U.S. Sales Traction

Special Edition for Motivated Sales and Marketing Professionals

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A Plan for Improving U.S. Market Entry and Expansion



Lessons Learned: Charting a Successful Course in U.S. Market Entry

Have you ever learned lessons so impactful that you never need to relearn them? These hard-earned lessons often leave bruises and scars that shape your focus and actions going forward. In the realm of business, particularly when expanding into new and competitive markets, these lessons are invaluable.

With 12 years of experience aiding international B2B (Business-to-Business) and B2G (Business-to-Government) companies in establishing traction and scaling in the U.S., we have distilled three fundamental truths. These insights emerged from observing companies learning these lessons the hard way, with the costs of failure ranging from financial losses in the millions to personal health challenges and even divorces. Follow these truths, and you'll be well on your way to validating product-market fit, gaining traction, and scaling in the U.S.

Customer Density: The Bedrock of Sales Efficiency

Making a sale is difficult. The first sale in a new market is always the hardest. It takes a long time. The steps are uncertain, circuitous, and complicated. In the U.S., your lack of brand recognition, customer knowledge, and market-relevant success stories will challenge the trust needed to convert sales. The only way that the second sale is easier is if it has some proximity to the first sale.

Proximity means that the second customer has a strong connection or relationship to the first. Ideally, they are in the same industry and the same geography. This proximity leverages all of the knowledge gained in the first sale—customer pain points, relevant use cases, and implementation challenges—to improve the speed and value of the second sale.

Besides improving sales efficiency, having a focus on customer density also streamlines customer onboarding, service, and maintenance. The faster and more likely route to scaling your company is to build a repeatable sales process. The fastest route to discovering your repeatable sales process is to build customer density. Not only should the second sale be easier than the first, but the third sale should be easier than the second, the fourth sale easier than the third, and so on.

Customer density isn't just about geographical proximity; it's about creating a network of interconnected relationships and shared success stories. This network becomes a powerful tool



in building trust and credibility in the market. As these relationships grow, they form a supportive ecosystem where potential customers feel more secure in their purchasing decisions due to the proven success of their peers.

Once a dense customer base is established in one region and one industry vertical it is much easier to higher the first sales representative and have them build the same dense customer base in another region or industry. The path to scaling must start with customer density.

Founder-Driven Sales: The Foundation of Market Entry

One of the biggest mistakes that companies make when entering the U.S. is to hire a local salesperson to initiate the first sales. There are numerous reasons why this approach often fails:

- **Starting from Zero:** Local sales reps begin without customer stories, institutional knowledge, or experience relating to your target buyer about your "best fit" solution.
- **High Demand and Expense:** U.S. sales reps are expensive and in high demand. If they don't see success quickly, they often move on to the next opportunity.
- Lack of Support: New market entry requires support from key departments in the home office—sales, marketing, operations, etc. Without strong relationships, authority, and gravitas, it can be difficult for the local sales rep to command the necessary support. It can be a lonely and unproductive endeavor.

Difference Between Selling and Discovering a Repeatable Process: There is a significant difference between making a sale, finding the first customer, and discovering a repeatable sales process. Starting your U.S. sales effort by hiring a local sales rep is akin to hiring someone to drive your car but asking them to build the car and the road first.

Founder-driven sales bypasses these challenges and ensures a higher likelihood of success in the initial phase of U.S. expansion. The founder has all the history and can relate the company story in a way that no new hire ever could. Founders also have the necessary gravitas back at the home office to break through the inevitable issues that come with supporting a new U.S. office.

The founder's time in the U.S. might start at two weeks per quarter and incrementally grow as demand and opportunity increase. This phase of founder-driven sales continues until a repeatable sales process is established, tested by hiring one salesperson who can make sales on their own. Typically, this initial phase lasts between 12 and 24 months.



A simple way to look at the best path to scaling sales in the US is that you will go from

- **Phase Zero:** This analogous to a dirt path. The initial sales are difficult and the path is circuitous as the team refines prospect targeting, modes of awareness building, and communication.
- **Phase One:** A straight single-lane paved road. There is a dense base of customers. A repeatable sales process has been established. The first sales representative can now be highered. Phase One continues until the first sales representative has established a similar dense base of customers in a new region or industry vertical.
- **Phase Two:** Now it's time to build the autobahn! With the success of the first sales representative, additonal sales representatives and sales teams can be hired to expand sales in increasingly new regions and industries.

Founder-driven sales also emphasize the importance of personal relationships and trust-building in the early stages of market entry. The founder, as the face of the company, can directly address customer concerns, negotiate deals, and foster long-term partnerships. This hands-on approach not only helps in making the first few critical sales but also lays a strong foundation for future growth.

Agile Marketing Communications: Adapting to Market Realities

More often than not, companies entering the U.S. are confident that they know how to attract U.S. customers. This confidence manifests itself when the U.S. website, sell sheets, and other promotional material are created in a fixed format that can only be edited by the home office or by a third party.

Imagine your early U.S. market-entry strategy to be similar to going fishing. Anyone who goes fishing makes three basic decisions before they leave their house:

- What do I want to catch?
- Where am I going to go fishing?
- What bait am I going to put in the water?

Apply these decisions to the first stage of U.S. expansion. The best approach is to brainstorm answers for all three questions, create a hierarchy of responses, and use an iterative process to test these hypotheses. An agile marketing approach allows for quick sales and marketing asset iteration, enabling the local team to make adjustments easily as they learn. This low-friction approach reduces both the time and cost of discovering a repeatable and scalable sales system.



Agile marketing communications emphasize the need for flexibility and responsiveness. As the market changes, so should your marketing strategies. This adaptability is crucial for refining your approach based on real-time feedback and market demands. By continuously testing and refining your marketing messages, you can more effectively engage your target audience and convert leads into customers.

Moreover, agile marketing involves a close alignment between the sales and marketing teams. This collaboration ensures that marketing efforts are directly supporting sales goals and that any insights gained from customer interactions are quickly integrated into the marketing strategy. This synergy is essential for creating a cohesive and effective market entry strategy.

Leveraging Lessons for Lasting Success

If your aim is to expand in the U.S., hopefully, you will not need to relearn the significance of customer density, founder-driven sales, and agile marketing communications. By strategically approaching the challenges of market entry, your company can enhance its chance of success by streamlining processes and ultimately establishing a strong foothold in the competitive U.S. business landscape.

Customer density, founder-driven sales, and agile marketing communications form the core pillars of a successful market entry strategy. Each of these elements addresses specific challenges and opportunities inherent in expanding into a new market. By focusing on these areas, your company can create a robust foundation for growth and sustainability.

Customer density ensures that your sales efforts are efficient and that each new customer builds on the success of the previous ones. Founder-driven sales leverage the unique strengths and authority of the company's leadership to establish a strong initial presence. Agile marketing communications allow for the flexibility and responsiveness needed to adapt to the dynamic U.S. market.

By integrating these lessons into your market entry strategy, you can navigate the complexities of the U.S. market with greater confidence and competence. These insights serve as a guide for adapting, growing, and thriving as you pursue establishing a meaningful presence in the United States.



Building a Sustainable Growth Strategy

Beyond the initial stages of market entry, these principles continue to play a vital role in sustaining and scaling your business. As your company grows, maintaining a focus on customer density can help in expanding your market share and deepening your relationships within your target industries. It also streamlines and simplifies all aspects of training, operations, and sales. This ongoing commitment to building a strong customer base ensures that your company remains competitive and relevant.

Similarly, the principles of founder-driven sales can evolve into a leadership-driven sales culture. As the company scales, the values and practices established by the founders can be instilled in the sales team, creating a cohesive and motivated workforce. This culture of leadership and ownership drives performance and fosters a sense of accountability and dedication.

Agile marketing communications also continue to be essential as the company grows. As market conditions change and new opportunities arise, maintaining an agile approach allows your company to stay ahead of the curve. This continuous innovation in marketing strategies ensures that your company can effectively reach new audiences and retain existing customers.

Navigating Challenges and Opportunities

The journey of market entry and expansion is fraught with challenges and opportunities. By adhering to the principles of customer density, founder-driven sales, and agile marketing communications, your company can navigate these complexities with greater ease and success.

Customer density helps mitigate the risk of spreading resources too thin and ensures that your sales efforts are concentrated and effective. This strategic focus allows your company to build a strong reputation and leverage existing successes to attract new customers.

Founder-driven sales address the challenges of establishing credibility and trust in a new market. By leading the sales effort, founders can directly engage with customers, understand their needs, and tailor solutions to meet those needs. This hands-on approach not only drives initial sales but also creates a strong foundation for long-term relationships.

Agile marketing communications enable your company to respond quickly to market changes and customer feedback. This flexibility allows for continuous improvement in marketing strategies, ensuring that your company can effectively engage with its target audience and stay ahead of competitors.



Conclusion: A Blueprint for Success

Expanding into the U.S. market is a significant undertaking that requires careful planning, strategic focus, and a willingness to learn and adapt. By embracing the lessons of customer density, founder-driven sales, and agile marketing communications, your company can create a strong foundation for success.

These principles provide a roadmap for navigating the complexities of market entry and scaling your business. They offer a framework for building a strong and sustainable presence in the U.S. market, ensuring that your company can adapt, grow, and thrive in the face of challenges and opportunities.

The journey of expanding into the U.S. market is one that demands dedication, resilience, and strategic insight. By following these fundamental truths, your company can achieve lasting success and establish a meaningful presence in the competitive landscape of the United States. The lessons learned from past experiences serve as a guide for future endeavors, enabling your business to navigate the complexities of market entry with confidence and competence.