BGF GROWTH GUIDE

Scaling beyond *borders*

How growth businesses are turning international opportunity into sustainable growth

NOVEMBER 2026

BGF | Beauhurst

Introduction

Internationalisation represents a new chapter for growth businesses. It significantly increases the addressable market by opening new revenue streams, diversifying the customer base and creating a platform to improve long-term prospects. But it also introduces a new level of complexity and requires leadership to make difficult decisions about how much of the existing model can be replicated across borders.

Expansion rarely happens exactly as planned. Often, the first signal comes from the market itself: an overseas customer, a new partner or unexpected demand from somewhere new. Spotting the opportunity is the easy part. The real challenge is deciding when to act, how much to invest and whether your business is ready to grow with the opportunity.

That is the focus of this Growth Guide. Delivered in collaboration with Beauhurst, it brings together independent research, perspectives from the Go-to-Market experts in our Value Creation team and experiences from across our portfolio, to examine the processes that sit behind international growth.

Across the report, we consider everything from making the case for entering new markets, to the specific models and support required to do so. Clearly, there is not a single route to international growth, but there are frameworks to help management teams make more informed decisions as they scale.

Ultimately, internationalisation means more than showing up in more countries. To access the benefits, from revenue to resilience, it requires building a business that can translate what makes it successful at home into sustainable growth in new markets and having the capability to support this over the long term.



Andrew Taylor
Head of Go-to-Market, BGF

What you can expect from this report:

A benchmark against peers

Independent research of hundreds of UK SME management teams to identify how growth businesses are approaching internationalisation.

Practical internationalisation insights

Commentary from BGF's in-house experts, explaining internationalisation best practice from organisational readiness to market selection and leadership presence.

Perspectives from growth businesses

Examples from our portfolio where businesses have navigated international expansion in practice.

A guide for what comes next

Recommendations for management teams as they expand into new markets.

Methodology

The research is based on an independent survey of 300 senior leaders from growth businesses across the UK and Republic of Ireland, conducted by Censuswide on behalf of BGF and Beauhurst between 10 July and 30 July 2026. Respondents represented businesses across a broad range of sectors, with 50–250 employees and annual turnover of £5m–£350m.

01 / The strategic case for global growth

Internationalisation is increasingly linked to resilience as well as revenue growth. We look at why businesses are expanding, the outcomes they are seeking and why the strategic case needs to be rooted in the underlying strength of the domestic business.

The strategic case for global growth *in numbers*

Internationalisation is considered important to long-term business resilience:

68% say it is important

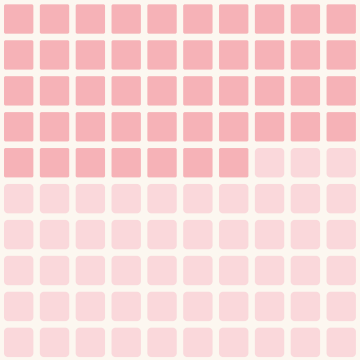
INCLUDING

30% who say it is very important

Businesses want different things from new markets:

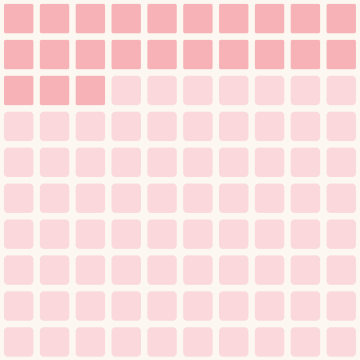


SME leaders are more likely to pursue internationalisation than they were two years ago:



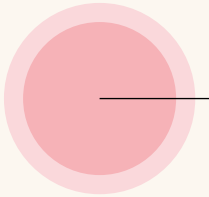
57% are more likely to pursue it

- **66%** for female respondents
- **53%** for male respondents
- This rises to **88%** among the BGF portfolio

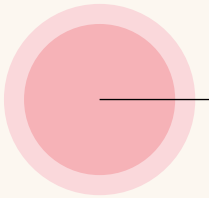


23% are less likely to pursue it

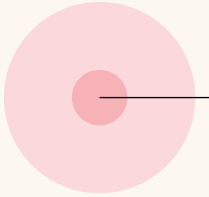
Sector variation is significant:



80% of retail, catering & leisure businesses are more likely to expand



79% of IT & telecoms businesses are more likely to expand



29% of travel & transport businesses are more likely to expand

The strategic case for global growth *key takeaways*

01

Expansion is part of the resilience agenda

Internationalisation is not only being viewed as a route to incremental growth. More than two thirds (68%) of respondents say international expansion is important to the long-term resilience of their business, including 30% who describe it as very important. At the same time, 57% say they are more likely to pursue international expansion than they were two years ago, compared with 23% who are less likely to do so.

Taken together, the findings suggest that overseas growth is being considered within a broader strategic context. Accessing new markets can widen the customer base and reduce reliance on a single geography, while also creating new sources of revenue. For management teams, that makes the rationale for expansion particularly important. Global growth should support the long-term strength of the business, rather than purely increase its geographic footprint.

02

More than a route to revenue

International growth has often been associated with a relatively straightforward objective: finding more customers. Unsurprisingly, that hasn't gone away. Revenue growth is the most frequently cited benefit of internationalisation in our research, selected by 59% of respondents and by 95% of BGF portfolio companies.

But the motivations extend well beyond sales – 40% see expansion as a route to new opportunities, while 36% point to greater business resilience and 35% cite access to talent. The relatively even spread highlights the different roles internationalisation can play. For one business, entering a new market may represent a search for customers. For another, it could be about accessing skills or improving its competitive position.

That means there is unlikely to be a single measure of success for international expansion. Growth businesses should be clear about the outcome they are trying to achieve before choosing where and how to expand.

03

The strategic case isn't strong for every business

The importance attached to internationalisation varies significantly across growth businesses. In the retail, catering and leisure sectors, 93% of leaders say it is important to long-term resilience. By contrast, 48% of travel and transport businesses say it is not important at all. Differences also emerge by funding stage: 86% of bootstrapped businesses link internationalisation to resilience, compared with just 59% of Series A companies.

This is a reminder that expansion should not become a default milestone on the growth journey. The strength of the case will depend on the business model, sector, customer base and opportunities available at a particular point in a company's development.

The portfolio view *building resilience through international growth*

Our international expansion journey began quite pragmatically.

We realised that the product portfolio we had built at Plant-Ex was often more readily adopted by international customers than by UK buyers, who tended to be more traditional or cautious. That meant lower barriers to entry and, in some cases, a more efficient route to growth. With only finite resources at our disposal, we initially followed the opportunities where the path to customer acquisition was clearest.

Over time, internationalisation became less optional. As we began supplying larger group companies with multiple sites, being able to serve factories across different markets became a prerequisite for winning and retaining those relationships. Today, Plant-Ex supplies customers in more than 80 countries, supported by distribution partners in multiple territories and our own teams in Poland and Turkey.

That broader footprint has also made the business more resilient. We are no longer dependent on a single currency revenue stream, which helps balance some of the foreign exchange exposure created by sourcing raw materials globally. Different markets also operate to different seasonal rhythms: while European revenues can slow in December, the marketplace in Turkey continues through that period. Having a more diverse international customer base reduces reliance on the performance of any single market.



Giles Drewett
Founder, Plant-Ex

The BGF view *building the foundations for international growth*

International expansion is rarely a standalone growth project. It can touch strategy, commercial operations, talent, leadership, finance and governance at the same time. This means weaknesses in the underlying business can become more visible as complexity increases.

At BGF, our starting point is therefore to look beyond the attractiveness of a new market and consider whether the business is ready to support it. Management teams need a clear understanding of what already works in their home market – who their ideal customer is, how repeatable the sales motion is, what the economics look like and whether the systems, leadership and operating model can absorb additional complexity. A company does not need to have exhausted its domestic market before expanding, but it should understand which elements of its model can carry over, and which will need to adapt.

International expansion can make a business more resilient, but it can also add complexity. New markets bring different challenges around supply chains, talent, regulation, currency and management capacity. Growth should therefore be measured not by the number of markets entered, but by whether expansion leaves the business stronger.

Doing that takes more than capital. Management teams need the right expertise, leadership capacity and connections around them as they make decisions about where, when and how to expand.

This is where BGF can help. Alongside long-term capital, portfolio companies can draw on in-house specialists, the BGF Talent Network, external advisers and peers across a portfolio of more than 350 businesses. For companies considering international expansion, that can include testing the strategic rationale, strengthening leadership capability, accessing market expertise and connecting management teams with people who have navigated comparable expansion journeys before.

02 / Ambition to action

Confidence in international growth is high, but confidence alone does not create a scalable international business. We examine the gap between intent and preparation, the role of opportunistic growth and what management teams should establish before committing meaningful time and capital.

Ambition to action *in numbers*

Businesses are optimistic about replicating domestic success internationally:

68% are confident

INCLUDING **22%** who are very confident

SME leaders face a range of barriers when considering a new market:



Internationalisation is not always a long-term plan:



ONLY **22%** describe their current global strategy as highly intentional

34% describe their approach as opportunistic

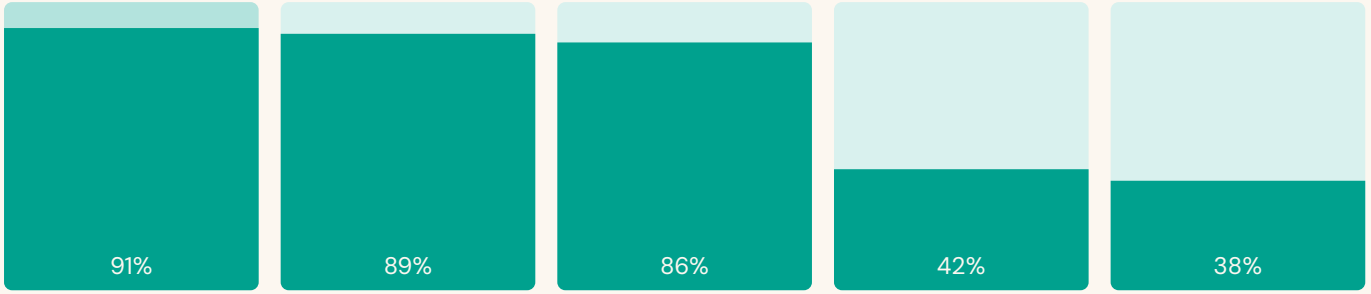
Intent varies by growth stage:

62% of bootstrapped businesses describe their approach as highly intentional

14% of Series A businesses do so

44% of Series C+ businesses do so

Confidence in replicating domestic success internationally varies by sector:



91% of IT & telecoms businesses are confident

89% of architecture, engineering and building businesses are confident

86% of retail, catering and leisure businesses are confident

42% of manufacturing and utilities businesses are confident

38% of travel & transport businesses are confident

Ambition to action *key takeaways*

01

Some business models travel better than others

More than two thirds (68%) of respondents are confident they can replicate their domestic success internationally, but that confidence is not evenly distributed. It rises to 91% among IT and telecoms businesses, compared to only 38% of travel and transport businesses.
Of businesses that have yet to receive funding, 86% expressed confidence, compared to just 59% at Series A and rising again to 83% at Series C+.

This suggests that confidence in global growth is shaped by business model and stage of development. Some companies may have products, customer propositions or routes to market that transfer relatively easily across borders, while others face greater operational or regulatory complexity. Belief in that model is a useful starting point for management teams. It is not a substitute for testing whether the organisation is ready to execute in new markets.

02

Opportunism still plays a major role

It would be understandable to think that every internationalisation strategy is meticulously planned for months or even years. In fact, only 22% of SME leaders describe their current strategy as highly intentional, while 34% describe it as opportunistic.

However, opportunism can be a strength. Entering new markets often begins with an unexpected customer, partner or inbound opportunity. The important question is what happens next. Businesses need to decide whether an early signal reflects a market opportunity that is repeatable or a one-off success before committing significant time and capital. As businesses mature and gain access to investment and external challenge, internationalisation can become more deliberate – moving from reactive approaches towards clearer choices about where and how to scale.

03

International expansion presents no single challenge

The barriers to international expansion are wide-ranging, with no single challenge standing out significantly above the rest. Hiring and managing talent (33%) and navigating regulatory and legal issues (32%) are the most commonly cited concerns, followed closely by operational complexity (29%), understanding local customers (26%) and maintaining company culture (25%).

Many of these challenges are interconnected, requiring growth businesses to consider a range of factors when planning and executing international expansion. For management teams, this reinforces the importance of taking a holistic approach to expansion, assessing not only the commercial opportunity but also whether the business has the people, capabilities and structures needed to deliver. Addressing these considerations early can help businesses anticipate potential pressures and build a more resilient foundation for international growth.

Ambition to action *practical guidance*

Turn early signs into a clear market thesis

Expansion rarely follows a perfect, linear plan. Early customer wins can be valuable evidence, but they can also create false confidence if management teams treat isolated success as proof that a wider market has been established.

The stronger approach is to take those early signals and test them. Before significantly increasing investment, businesses should be clear on why the market is attractive, who they are targeting, how they expect to reach customers and what evidence would demonstrate that the opportunity is becoming repeatable.

That does not mean losing the entrepreneurial instinct that created the opportunity in the first place. It means testing the market without overcommitting, learning quickly and investing further as the evidence builds. The aim is to keep moving with opportunity, but with a clear sense of where it could lead.

Five questions to ask before committing to a new market

Q1

Is demand repeatable?

Is there evidence of a wider customer opportunity beyond an initial enquiry or contract?

Q2

Do we have a right to win?

Does our proposition meet local customer needs, and can we compete effectively?

Q3

Can we deliver?

Do we have the operational capacity, talent and leadership bandwidth to support expansion?

Q4

What will it cost?

Is the potential return proportionate to the capital and management time required?

Q5

What would justify further investment?

Which milestones would demonstrate sufficient progress to accelerate expansion?

The portfolio view *following the opportunity*

Paperchase started in the UK as a family-run accounting firm built for one industry. Restaurants run on thin margins and daily cash cycles, and most generalist firms treat them like any other small business.

We built our model around what our clients needed: daily reporting, dedicated teams who understand how a restaurant operates, and technology that connects the back office to what is happening on the floor. That model took us from the UK to the UAE, and then to the US.

The US was different. I moved here 16 years ago, and we followed Zuma, already a client in London, to Miami. Beyond that, we were starting from scratch. Zuma was a new brand in America then, and Miami wasn't yet a dining destination. If I hadn't made that move myself, the US might have stayed a market we dipped into, like Ibiza or Mykonos, rather than one we built in.

Looking back, I would commit sooner. We tested the water for too long, and America rewards conviction, not caution. I would hire local leadership earlier and give them real ownership, not just a job title. Send your best people, not your spare ones. Budget twice the time and half the certainty. The US made me a faster and more assertive leader.

Today we support more than 3,000 restaurants across the US, UK and Middle East, and in the coming months we're launching an HR services business in the US. Sixteen years in, it still feels like day one.



Nish Patel
Group CEO, Paperchase

The BGF view *challenging the expansion thesis*

One of the most valuable roles an investor can play before international expansion is to challenge the assumptions behind the plan.

A useful starting point is to define the thesis before the business is fully invested in the outcome. That means helping management teams test whether the opportunity is attractive enough, how closely the target customer resembles the existing Ideal Customer Profile, whether the business has the people and capabilities to execute the expansion successfully, and whether the level of capital and management attention being committed is proportionate.

Setting those parameters up front creates a clearer basis for decision-making once people, capital and reputation are on the line. It also makes it easier to distinguish between a market that needs more time and one where the original assumptions are no longer holding.

At BGF, we support that process by drawing on experience from hundreds of growth companies, alongside the BGF Talent Network and wider specialist ecosystem, to connect management teams with people who have navigated comparable expansion decisions. Rather than determining strategy for a business, the objective is to bring challenge, context and relevant experience to the team as it makes those choices.

03 / Choosing and committing to new markets

The biggest market is not always the right market. We explore how to identify the markets where your business has the strongest chance of succeeding, what to consider before committing, and how clear milestones can help management teams decide when to accelerate, pause or step away.

Choosing and committing to new markets *in numbers*

Businesses base market entry decisions on a range of factors:

40%
look for high existing demand

37%
look for strategic fit

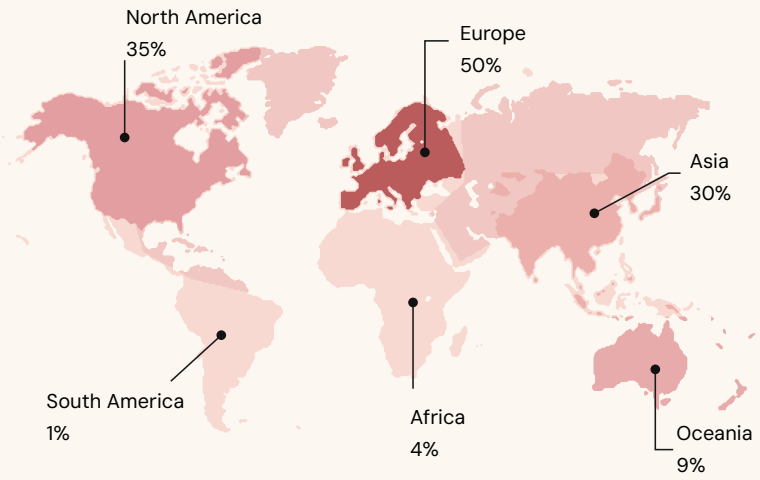
33%
look for favourable regulation

30%
want to ensure organisation capability

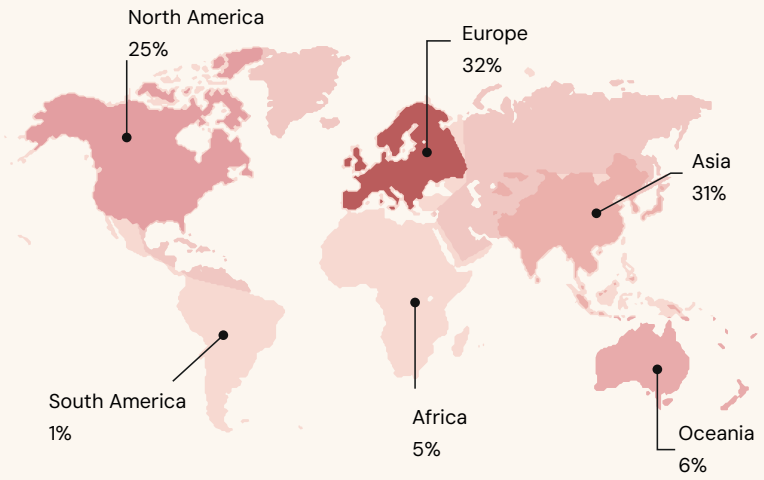
28%
look for low trade barriers

Market selection trends are evolving:

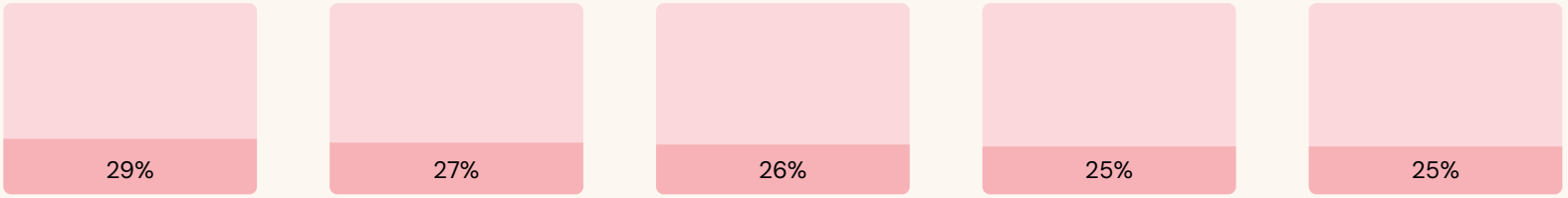
Respondents have **already expanded** in:



Respondents see **future opportunities** in:



Reasons to pause or reverse internationalisation:



would withdraw due to geopolitical risk

would withdraw due to regulatory risk

would withdraw due to financial underperformance

would withdraw due to leadership bandwidth

would withdraw due to operational strain

Choosing and committing to new markets *key takeaways*

01

Demand and strategic fit are leading expansion

When selecting new markets, growth businesses are placing the greatest weight on evidence of demand (40%) and strategic fit (37%). However, there are a range of other factors being considered including favourable regulation (33%), organisational capability (30%), trade barriers (28%) and financial risk (24%).

The spread suggests this process is rarely driven by a single factor. A large addressable market may look attractive, but size alone is not enough. Management teams also need to consider whether their proposition will resonate with local customers, whether the regulatory environment is manageable and whether the business has the capacity and structure to deliver. Together, these factors provide a much clearer picture of where a business has the strongest chance of succeeding.

02

Target geographies are becoming more dispersed

Europe dominates the existing international footprint for growth businesses in the UK and Ireland, cited by 50% of leaders, compared with 35% for North America and 29% for Asia. That gap narrows considerably when looking ahead to future expansion: Europe falls to 32%, while Asia rises to 31% and North America accounts for 25%.

At country level, the data shows that the US remains the most frequently cited market for both existing and future expansion, but countries such as Germany and India become more prominent when businesses look ahead. The picture suggests growth businesses are considering a broader range of destinations for their next phase of expansion, rather than defaulting to the US or Europe. Established markets clearly remain important, but opportunity is not concentrated in the same places as existing activity.

03

Internationalisation is reversible

Entering new markets is not an irreversible commitment. Geopolitical risk (29%) is the most cited reason for growth businesses to pause expansion or withdraw from a market altogether. This is followed by regulatory risk (27%) and financial underperformance (26%). Strategic reprioritisation, leadership bandwidth and operational strain were all referenced as a factor by one of four respondents.

This underlines the importance of continuing to test the original market thesis after entry. Changing course should not necessarily be viewed as a failure. The conditions that justified expansion can change, and management teams need clear criteria for deciding when further investment is no longer warranted.

Choosing and committing to new markets *practical guidance*

Revenue is a trailing indicator

Although an obvious indicator of whether internationalisation is succeeding, revenue signals often arrive too late to be the only measure. By the time a new market misses its revenue target, significant capital and leadership attention have likely already been committed.

Management teams can reduce this risk by establishing leading indicators before entry. Depending on the business, these might include pipeline development, conversion rates, customer acquisition cost, partner productivity, time to first customer, retention or progress against local hiring plans.

The precise measures will vary, but the principle is consistent: define in advance what evidence would demonstrate the market thesis is working. That creates an earlier basis for deciding whether to increase investment, adjust the approach or stop.

Customer traction

Pipeline development, conversion rates and time to first customer can help show whether demand is building and how quickly interest is turning into business.

Commercial efficiency

Tracking customer acquisition costs and partner productivity helps businesses understand what it takes to win customers and whether their approach is sustainable.

Customer relationships

Retention and repeat business can reveal whether the offering meets local customer needs and whether relationships are strong enough to support future growth.

Operational readiness

Progress against local hiring plans can show whether the business has the people and capabilities needed to deliver its ambitions in a new market.

The portfolio view
staying agile and embracing the ecosystem

> Working internationally has been part of Seda's DNA from day one. Drug development is a global industry, so we focus on leading life sciences clusters where biotech innovation and investment are concentrated.

When assessing markets, we look closely at where future opportunities are likely to emerge. Investment activity is an important signal, but we also consider the concentration of innovative companies, government incentives, ease of doing business and cultural fit.

Our international growth has combined targeted investment with organic opportunity. We deliberately invest in key biotech hubs, while conferences, scientific networks and referrals also help us reach new clients.

Strategic collaborations with organisations such as MassBio, BABCNE and Biocat help us become part of local life sciences ecosystems, raise awareness of Seda and build connections with potential clients and partners. DBIST has also provided valuable in-market support through local representatives and expertise, helping us better understand regional opportunities.

As a relatively small business, agility is one of our strengths. We can respond quickly to shifts in investment activity, economic conditions and geopolitical developments, adjusting our focus between North America and Europe as opportunities evolve.

Ultimately, our approach is about focusing resources where our expertise can deliver the greatest value, rather than trying to be active everywhere. That means being prepared to deprioritise markets where demand is less aligned with our offering, while continuing to explore emerging opportunities in regions such as China.

For us, successful internationalisation is about following the strongest opportunities and building meaningful relationships in the markets where we can have the greatest impact, rather than simply expanding our geographic footprint.



Paul Stott
CEO, Seda Pharmaceutical

The BGF view *assessing where you can win*

Market selection is more than an exercise in comparing addressable market sizes.

The largest opportunity on paper will not necessarily offer the strongest path to growth. Customer fit, competitive intensity, pricing, regulation and routes to market can all have a greater bearing on whether a business is well placed to succeed in a new region.

The same applies to cultural comfort. An English-speaking market may appear easier to enter, but common language does not mean common customer behaviour, sales cycles or competitive dynamics. Equally, a market requiring greater localisation may offer more attractive white space or a clearer point of differentiation. It's important to work out where the business has a genuine right to win, rather than defaulting to the market that feels largest or most familiar.

Good market selection is therefore only part of the picture. At BGF, we help management teams supplement research with perspectives from our wider network – drawing on portfolio experience, local operators, Chairs, NEDs and specialist advisers who understand particular markets or sectors.

Bringing commercial and board-level challenge around market selection can help management teams evaluate not just where to expand, but how that choice leads to effective consolidation in that market.

Learning from shared experience

The most valuable insights on expanding into new markets often come from those who have been through the experience themselves. Connecting with peers who have faced similar challenges gives management teams the opportunity to learn what worked and what didn't.

Our recent Scaling in the US Forum brought this to life. We heard from a founder who wished they'd entered the market sooner, alongside others who had to completely rethink their sales approach. Even the definition of an 'enterprise' customer can look very different in the US.

Every business is different, but there were some consistent themes – be clear about where to focus, test assumptions locally and commit leadership time on the ground.



Sophie Day
Head of Community, BGF

04 / Operating models

Generating overseas demand is only the beginning. We examine how businesses are building international operations in practice, the role of senior leadership and local teams, and why organisational complexity tends to increase as the international footprint matures.

Operating models *in numbers*

Growth businesses adopt different operating approaches:

Have established a local office or production unit



Use licensing, local partners or intermediaries



Serve overseas markets through exports alone



Have acquired a foreign business



Employ local staff without a physical presence



Leadership presence can impact success:

69% believe senior leadership presence in new markets is important

48% say relocating the CEO or MD would have the greatest impact

30% say relocating the founder or owner would have the greater impact

Growth businesses favour autonomy for teams in new markets:



favour high autonomy



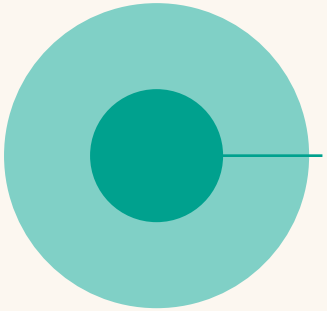
favour moderate autonomy



favour low autonomy

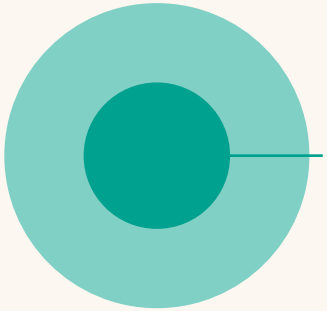
Operational barriers become more important with maturity:

Among Series C+ businesses:



44% cite operational complexity as a key expansion challenge

Compared to **29%** across all stages



48% cite maintaining culture as a key expansion challenge

Compared to **25%** across all stages

Operating models *key takeaways*

01

Enter markets in your own way

Businesses are using a wide range of approaches to establish an international presence. One in five (20%) have opened a local office or production facility, while 19% operate through licensing, partners or intermediaries, and 18% primarily export from their home market. A further 14% have expanded through acquisition and 11% employ people locally without maintaining a physical presence.

That reflects the trade-offs involved with each model. Exporting or working through partners can allow businesses to test a market with relatively limited fixed infrastructure, while a local office or acquisition provide greater control and proximity to customers, but with the greater overheads and organisational commitment that come with them.

The right model will ultimately depend on the business, market and objective. A physical presence should be a consequence of what is required to compete effectively, rather than a measure of how advanced an international strategy has become.

02

Leadership presence can be an important catalyst

More than two thirds (69%) of respondents believe senior leadership presence in a new market is important, including 27% who consider it very important. When asked which leader would make the greatest difference if based in-market, 48% point to the CEO or MD and 30% to the founder or owner.

Clearly, businesses are attaching significant importance to visible senior sponsorship when establishing an overseas operation. It can show a vote of confidence and commitment, while building relationships with customers, partners and recruits and demonstrating that the market has genuine backing from the organisation.

But presence alone is unlikely to be enough. Whoever leads expansion on the ground needs sufficient authority and connectivity with headquarters to make decisions, secure resources and ensure local insight feeds back to headquarters. As the operation develops, that balance may shift from founder or CEO to dedicated local leadership.

03

Local autonomy is a balancing act

Most respondents favour giving teams in new markets meaningful freedom to operate: 41% of leaders prefer a high degree of local autonomy and 48% favour a moderate level, while only 10% favour low autonomy. This suggests a clear preference for local decision-making, but not necessarily independence from the wider organisation.

Local teams are often better placed to respond to customer expectations, build relationships, adapt commercial execution and make hiring decisions. At the same time, too much distance from headquarters can create inconsistency in areas such as pricing, brand, financial controls, product strategy or culture.

The challenge is finding the right balance between local autonomy and central control. Some decisions are best made close to the customer, while others need to remain with the wider business. That balance can shift over time as local teams become more established and trusted.

The portfolio view *codify the core and adapt the rest*

At AND Digital, a technology consultancy that helps organisations accelerate their digital capabilities, we had the advantage of an operating model that was designed to scale.

Our business is built around 'Clubs': self-contained units of around 60 people, with their own leadership teams and responsibility for a defined group of clients. We initially proved that model by expanding across the UK before taking it into Europe and, later, the US.

The principle is similar to a franchise. Every Club works from the same playbook, covering everything from sales and delivery to people management, supported by common systems, metrics and our own ERP. That consistency gives local teams the freedom to respond to their market and customers, but within a framework that defines how AND Digital operates.

Our international experience has reinforced just how important strong local leadership is. The most effective leaders bring a combination of local knowledge and relationships, a clear understanding of our proposition and alignment with how we operate. Those qualities help teams build credibility in a new market while staying connected to the wider business. Trust matters too: having leaders on the ground who understand what you are trying to build gives them the confidence to make decisions locally, while giving the wider organisation confidence to grant them meaningful autonomy.

The same balance applies to culture. Our core values – share, wonder and delight – remain consistent wherever we operate, but how they are expressed can vary. Job titles, communication styles and employment practices may need to reflect the local market. The important thing is to be clear about what is fundamental to the business and where teams have permission to adapt.

For founders expanding internationally, my biggest lesson is to codify what makes your business successful before trying to replicate it elsewhere. A clear operating playbook and strong systems give local leaders room to make decisions without allowing the business to fragment. And when choosing local leaders, look beyond market knowledge: trust, shared values and a deep understanding of what you are trying to build can be just as important.



Paramjit Uppal
Founder, AND Digital

The BGF view *global growth is an organisation-wide change*

At BGF, we see internationalisation as a whole-business transformation rather than an expansion exercise restricted to the commercial arm.

Generating demand may be the spark, but once operations span multiple markets, the effects quickly extend into talent, leadership, marketing, finance, systems, governance and culture.

The complexity often builds incrementally. A new market can introduce different employment requirements, regulatory regimes, customer expectations and operating processes, while also placing additional demands on senior management. Individually, these challenges may appear manageable. Collectively, they can stretch an organisation that remains structured around a single market.

For growth businesses, the operating model needs to keep pace with international expansion. That means looking ahead at where additional capability will be needed, and whether existing systems and processes will work effectively in new markets. Getting this right helps businesses expand without putting unnecessary strain on the core operation.

We support management teams as those requirements evolve, drawing on the BGF Talent Network, in-house specialists, wider adviser network and experience across the portfolio. That might mean introducing functional expertise, in-region experts or board-level contacts who have managed similar operational challenges before. By getting ahead of this, leaders can prevent expansion from failing because of operational strain rather than a lack of demand.

Leading international expansion

Having a founder or senior leader with deep institutional knowledge of the business on the ground can make a real difference when entering a new market. It demonstrates commitment, builds credibility with local customers and partners, and provides valuable insight into the opportunities and challenges ahead.

International expansion also places new demands on leadership teams. Experienced Chairs and Non-Executive Directors who have navigated global growth can provide valuable perspective and challenge, helping businesses make informed decisions and build a stronger foundation for sustainable growth.



Sophie Birch
Head of Non-Executive Talent, BGF

05 / Access to expertise and support

International expansion requires more than capital. We look at the combination of insight, specialist expertise, networks and governance that management teams value most, and the role investors can play without taking ownership of the strategy away from the business.

Access to expertise and support *in numbers*

Appetite for external support is high:

85%

believe an external adviser on internationalisation would be beneficial

ONLY

1%

already have a dedicated adviser for international expansion

When asked about the role investors should play:

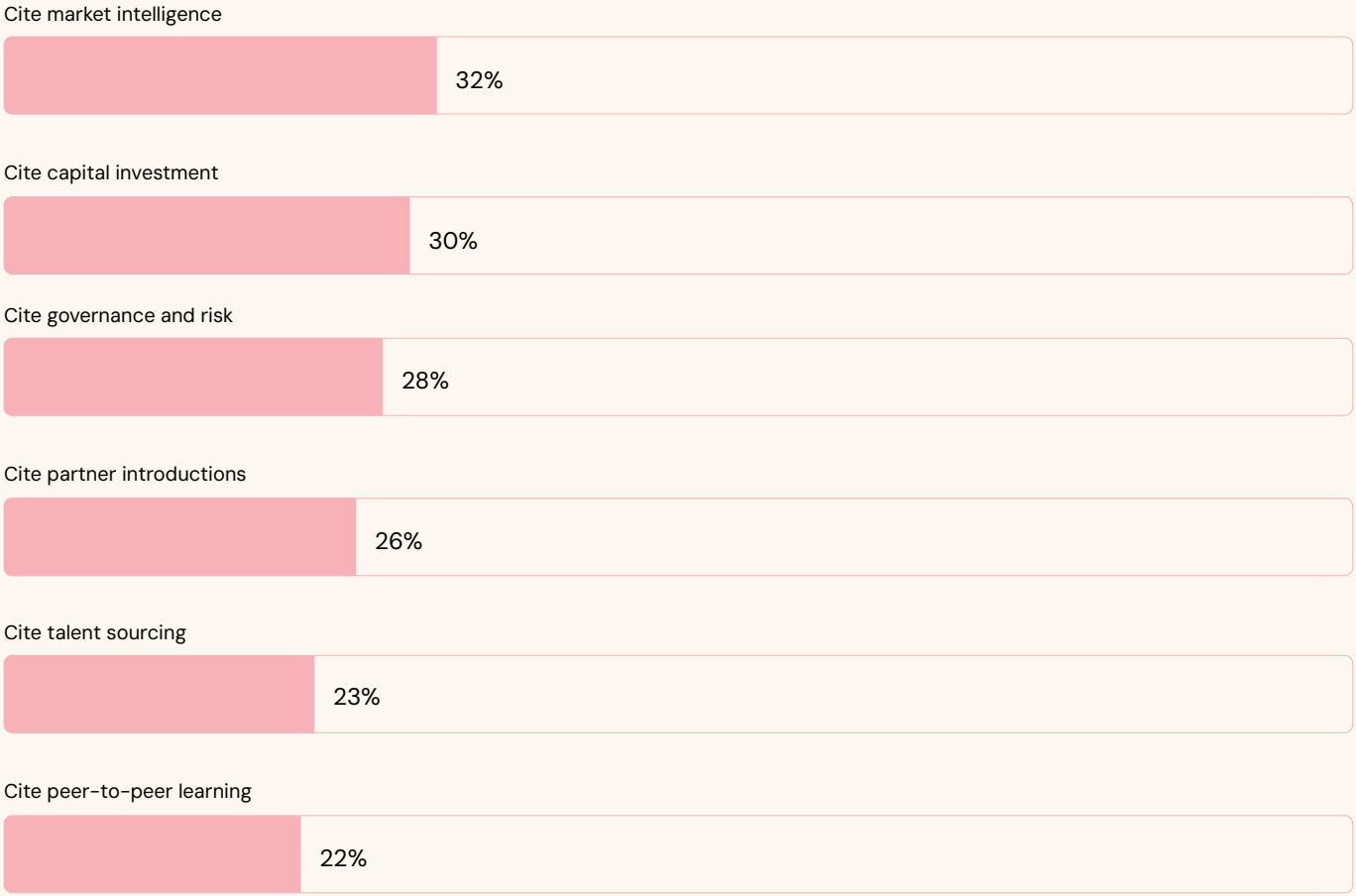
33%
want an active partner

22%
want a sounding board

21%
want governance and challenge

18%
want practical operating support

Growth businesses say a broad range of support would be beneficial:



Access to expertise and support *key takeaways*

01

Demand for support outstrips provision

The appetite for external support is clear. Over eight out of ten (85%) respondents believe an adviser would be beneficial to their international expansion, including 30% who say that support would be greatly beneficial. Despite this, only 1% say they currently have access to a dedicated adviser.

That gap suggests many growth businesses are navigating international expansion without a single source of support that spans the full range of challenges involved. Internationalisation can touch strategy, sales, talent, regulation, tax, legal and local market knowledge at the same time, making it difficult for one adviser to cover everything credibly. And it usually requires all that expertise being combined with knowledge of a specific market, which makes that support hard to find.

For management teams, the implication may be to think less about finding a single all-purpose adviser and more about building the right combination of specialist expertise, peer experience and practical support around the business.

02

Market knowledge informs capital deployment

When ranking the most valuable type of support, growth businesses put market intelligence first (32%), ahead of capital investment (30%). Governance and risk support follows at 28%, with partner introductions at 26%, talent sourcing at 23% and peer-to-peer learning at 22%.

This shows that businesses are looking for more than funding to support internationalisation. Before committing additional capital, they want better information about the market itself: customer demand, regulatory conditions, routes to market and the partners or people on the ground who can help them establish a foothold.

That also reinforces a broader point running through the research. Capital can enable expansion, but it cannot substitute for market insight. For growth businesses, understanding where and how to deploy that capital effectively is just as important as having access to it.

03

Businesses want investors to contribute beyond capital

A third (33%) of respondents want investors to provide active partnership in international expansion. Others prefer a more focused role: 22% want a sounding board and 21% value governance and challenge, while 18% want practical operating support.

There is no single expectation of what investor involvement should look like. Some management teams want hands-on support, while others value access to challenge, expertise or experience without giving up ownership of the strategy.

The common theme is that investors have a role to play beyond capital, adding value by helping management teams test assumptions, connect with specialists and experienced operators, strengthen leadership and draw on lessons from businesses across the portfolio that have navigated similar expansion decisions.

The portfolio view *the Value of Expertise, Relationships and Local Knowledge*

One of the biggest lessons from Granite's international expansion is that entering a new market and successfully scaling within it are two very different challenges.

We've grown from an Irish digital agency into an international business operating across Europe, North America and the Middle East. While your capabilities might travel, your reputation, relationships and understanding of how business gets done don't automatically follow.

Our biggest challenge, particularly in the US, was establishing credibility and building the right networks in a highly competitive market. Access to experienced people with local market knowledge has been invaluable in accelerating that journey.

We've also found that the right strategic acquisitions and partnerships can accelerate international growth. Beyond adding capabilities and customers, they bring established teams, trusted relationships and local credibility that could otherwise take years to build organically.

External support has been equally important. Enterprise Ireland helped open doors, while advisers and industry peers provided invaluable insight. BGF's investment has provided growth capital, helped us strengthen our board with experienced leadership and expanded our access to strategic expertise and networks.

Critically, don't underestimate the importance of having senior leadership on the ground. International expansion cannot be managed effectively through occasional visits or from a distance. Building relationships and earning trust require genuine presence and commitment. However, relocating a senior leader also comes at a cost to the home business. It's essential to plan for that gap, empower the team at home and ensure the business manages this.

My advice to other growth businesses is to invest in relationships before you need them, surround yourself with people who challenge your assumptions and commit to the market for the long term and make sure you get as many senior people as you can on the ground in market.

Capital can fund international expansion, but the right people, partnerships and relationships are what make it successful.



Rob Carpenter
Co-Founder & CCO, Granite

The BGF view *experience can shorten the learning curve*

Peer experience is an important part of the support growth businesses need when expanding into new regions

Market data and professional advice can help shape the plan, capital can help with the financial burden, but some of the most useful insight comes from people who have already worked through the realities of entering and scaling in a new market.

For example: how long does a senior hire really take to onboard? Where do management teams underestimate the demands on their time? Which parts of a domestic sales model fail to translate? When is a local team ready to operate with greater independence? These are often the hardest details to capture in formal research, but they can significantly improve the quality of decision-making.

One of the advantages of operating across a large portfolio is the ability to connect management teams with peers who have faced similar challenges. Through BGF's community, founders and senior leaders compare experiences and learn from businesses at different stages of the internationalisation journey. That peer-to-peer knowledge exchange can help leadership approach new markets with a more realistic view of the challenges ahead and greater confidence in their decisions.

BGF

value beyond investment

BGF's value creation team provides practical support alongside capital, helping management teams address the opportunities and challenges that come with scaling.

Drawing on experience from more than 650 investments, we connect portfolio companies with specialist expertise, networks and resources tailored to their priorities. Support spans board and leadership development, finance, go-to-market, international expansion, ESG, technology strategy and operational improvement.

For international growth specifically, that can mean connecting management teams with leaders who have entered comparable markets, supporting board and executive recruitment, providing access to market or functional specialists and creating opportunities to learn directly from peers across the portfolio.

Through the BGF Talent Network, our in-house and external operating specialists, and the wider BGF community, companies can access different forms of support as their international needs evolve.

Looking for funding? Get in touch

BGF provides value creation support across three main pillars:

Talent Network
building effective boards

Access our unparalleled Chair & Non-Executive network.

Assistance and advice around Board-level hiring and people strategy.

Forward looking initiatives to develop high potential, diverse candidates and future Chairs.

Operating Specialists
delivering the plan

Access to expert, complimentary in-house support in key functional areas – such as technology & cyber; data & AI; go-to-market; and ESG.

Connections to selected external individuals and consultancies.

Support around value creation planning.

Access to proprietary tools in key areas.

Community
accelerating your growth journey

Use the size and scale of the BGF portfolio to benefit from preferential rates and support.

Access our Scale app and Community events to network with peers and attend curated in-house workshops.

Maximise cross-sell opportunities across a 350+ business portfolio.

About this report

This report is based on a survey of 300 business leaders. Fieldwork was conducted by market research consultancy Censuswide, on behalf of BGF and Beauhurst, between 10 July 2026 and 30 July 2026.

The survey was limited to CEOs, MDs, COOs, CROs and CCOs, or director/head of equivalents at businesses headquartered in the UK and Republic of Ireland. At the time of surveying, they all had 50-250 employees and annual turnovers of £5m-£350m.

Their businesses operate in a wide range of industries, with the sample comprising a minimum of 15 respondents per sector. Where sector level findings are used to illustrate variation across the sample, these should be treated as directional, rather than statistically representative. The same is true for investment stage, due to a relatively small number of bootstrapped businesses (21).

The sample is made up of two distinct groups: 258 respondents sourced through Censuswide's external panel and 42 respondents from within the BGF portfolio (typically privately-owned, profit-generating SMEs that have raised significant funding from BGF to accelerate their growth). Where differences between these two groups are material to our findings, they are noted throughout the report. Findings attributed specifically to BGF portfolio company respondents should again be treated as directional only, and not statistically representative of BGF's wider portfolio.

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