

A great black book': how to exploit contacts for global success

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An eye for opportunity and an appetite for risk puts serial entrepreneurs at an advantage in new markets, what can their approach teach first-time founders?

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Drive and determination are vital for an entrepreneur to succeed. Serial entrepreneurs, those that launch more than one business, often have to sustain this drive across international borders and multiple industries.

Could it be that traits common among serial entrepreneurs better prepare them for global success? According to a [report](#) by the Centre for Entrepreneurs and Coutts these include an ability to spot new opportunities, a willingness to delegate, an aptitude for building and exploiting a wide-ranging professional network.

According to the [Global Entrepreneurship Monitor](#) (GEM), which runs an annual UK survey, habitual entrepreneurs (those who have started more than one business) are more likely than one-time founders to be making over 25% of their turnover outside the UK (39% of serial entrepreneurs were making this proportion of their sales overseas, compared to 16% of one-time founders).

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Ewen Gaffney, managing director of the [Global Entrepreneurship Network](#), says while international expansion has always been a big win for entrepreneurs, its challenges, including red tape and bureaucracy, are off-putting.

So how do serial entrepreneurs tackle these barriers to international expansion, and are they better at it than one-time founders? Dimo Dimov, a professor in innovation and entrepreneurship at the University of Bath, says serial entrepreneurs benefit from the extra experience. "They develop knowledge, they learn how to deal with situations. That helps them with their exporting and international [success]."

With 20 years experience, [Richard Upshall](#) is a serial entrepreneur whose businesses operate in the UK, UAE, Saudi Arabia, Bahrain, the United States and Singapore. He is executive chair of OES Oilfield Services Group, which launched in 1996 and provides oilfield inspection, rig and drilling equipment through its offices all over the world. He also heads up the international RU group of businesses, which includes a sports management company, a professional services practice, an offshore skills and competency business, a record label and artist representation company.

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Upshall's varied portfolio supports another point in the GEM survey; it found that serial entrepreneurs are more likely to be involved in new product markets – products or services that don't yet have a fully established customer base (53% compared to 36% for first-time entrepreneurs).

As Mark Hart, professor in entrepreneurship at Aston Business School, puts it, serial entrepreneurs' networks help them to sustain businesses across countries and sectors. "They would have taken their network from each venture into the next one. They've got a great black book, they don't have to rely on [knowing the] culture or language or using embassies [to take their enterprise across borders]. They exploit their contacts."

A one-time founder may seek to grow their business by replicating it in a new territory. Upshall, however, has learned it's preferable to avoid a full set up in each country. In some, he has found, customer support can be provided from one regional office, making expansion cheaper and quicker.

Upshall takes his learnings from one business and applies them to others. This is common among serial entrepreneurs that take their businesses global, says Dimov. "After you've got through [the journey of] starting up a business a few times you get a sense of the unexpected, of what you need to prepare for and how to respond."

Indeed, not all of Upshall's overseas enterprises have turned out as he expected. In the early 90s he bought three sheep farms in Australia – an opportunity he spotted while backpacking. While selling the meat and wool produced at these farms wasn't hugely profitable, buying and looking after them paid off. He sold the farmland at a profit.

This taught him to spot opportunities in a business's adversity. "Your original business plan might have to adapt [...] That has rung true through all the businesses I've had."

Indeed, 91% of entrepreneurs with six or more businesses told the Centre for [Entrepreneurs](#) that they see opportunities where others see risk.

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But, of course, serial entrepreneurs must still consider business risks. And they know the success of a business depends on what it produces or provides. According to Jack Hubbard, founder and CEO of marketing services agency [Propellernet](#) and founder of [Dream Valley Projects](#), which runs adventurous events, products are easier than services to expand internationally.

He says: "Scaling services means hiring more people, which can be expensive, unreliable and hard to manage. Results can be inconsistent and frustrating." As such, Propellernet decided against international expansion. Instead Hubbard took his business overseas by creating a product called [CoverageBook](#), an online reporting tool for PR professionals. It now has customers in more than 20 countries.

But one of the biggest risks of overseas expansion is losing focus on the core business. "It is crucial that you delegate the running of your core business [in Hubbard's case, Propellernet] to someone capable," Hubbard says. He knew he needed to delegate and find a strong operations manager when Propellernet hit a plateau after two years.

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Serial entrepreneurs stand out from one-time founders in this ability to delegate, says Hart. "They have good teams of people around them, people who share their entrepreneurial skills."

Like Upshall, Hubbard flags the cost of premises, salaries and administration when expanding overseas. He says: "If it isn't necessary to set up physical operations, don't do it. Many of our software customers are based in New York, which happened to be on our marketing director's Stella Bayles [travel] bucket list."

To grow CoverageBook in the US, the company booked Bayles a flight to New York and paid for her accommodation for three months. She worked from cafes so that she didn't incur any overheads, although the company covered her expenses.

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She initially took a three-month tourist visa to assess the opportunity and then returned to the UK with a plan to go back to the US for another year. Since most of CoverageBook's customers are in the US, Bayles has applied for a working visa.

As the GEM research shows, serial entrepreneurs buck the trend for poor exporting take up among the UK's small businesses. In the UK, [just one in five small businesses export](#). Hart says: "This is very low by global standards."

He adds: "Serial entrepreneurs are much more likely to have come up against the challenges involved with exporting before." For one-time business owners who want to take their venture overseas, there's much to learn from serial entrepreneurs' adaptability in their international ventures.

Hart says. "The key to fast business growth is innovation, which comes with exposing yourself to the international marketplace."

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