Global B2B Subscriptions Simplified

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Are you ready to expand your B2B subscription model into new geographies?

There's a world of opportunity out there, and a datadriven strategy is the best way to conquer it efficiently and effectively.

In this ebook, you'll find tips and insights on how to build out a global B2B subscriptions strategy. Drawing from experts at Digital River and Chargify, you'll learn how to navigate regional differences, optimize billing, and connect with local customers. Modern expectations are high for subscription providers, and they're only rising. Exceed those expectations and achieve global success with a comprehensive, data-driven subscription strategy.

Identify the Right Markets for Global Expansion

Determining where to expand your B2B subscription business starts with research. Expanding into some markets is more difficult than others. To have a chance at success, you need to follow the right data, build a business case, and plan for complex challenges and future growth.

Build internal support

Getting buy-in for a global expansion project is crucial for a successful launch. That's why you'll need to build a narrative around *why* you would penetrate a specific market. Strive to educate leadership, sales, and support teams so that everyone is prepared to move quickly and confidently. To further strengthen your business case, consider working with a third party to determine the competitive landscape and total addressable market in a given region.

Follow the data to find the right fit

When expanding into global markets, it's important to first confirm any hypotheses you have with hard data. You don't want to be uninformed or unprepared, because **first impressions in a new market are pivotal**. Use trusted external and internal data sources to guide your decision about which markets to enter. For example:

- Study geographic sources of website traffic and engagement to identify demand in particular markets
- Use SEO analytics tools to understand how competitors are operating in those markets
- Talk to sales personnel about where they see opportunity based on inquiries received
- Consult existing customers to understand where they see opportunity to expand their business

Accommodate subscription preferences

The prevalence and desirability of subscriptions differ by country. So, you need to account for local buying preferences and try to achieve the best product-market fit. Consider how your offering can accommodate local language support, system integrations, billing models, and typical subscription usage in that market. As you come to better understand customer needs and preferences, plan for future growth. Install processes and make investments that will allow you to scale once you've gained a foothold in the market.



Compliance is critical

It's important to account for compliance regulations early in your go-to-market planning process. Compliance is extremely complex and affects everything from the buying experience to data management practices and tax remittance. Involve your compliance team from the outset and consider partnering with outside experts who can help simplify compliance and ensure all your digital properties stay up to date.

Win Local Business and Keep Renewals High

Expectations are rising for subscription providers, and B2B buyers are increasingly looking for B2C-like experiences. Gaining and keeping market share requires a localized approach that prioritizes personalization to deliver great experiences at every touchpoint.

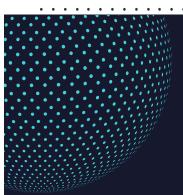
Localize the subscription experience

The most successful global companies look and feel like a local company in each new market they enter. Both front-end and back-end experiences need to be localized when expanding your B2B subscription business. For example, the front end of your application should account for specific cultural preferences and nuances, the local language, and pricing in local currencies. Likewise, back-office operations need to be optimized to accommodate those customer preferences and work seamlessly across your global enterprise.

Depending on the market, you may also need to store data locally for regulatory reasons or because there's a strong cultural preference for keeping data within that country.

Here are a few other ways you could localize a subscription experience that meets and exceeds rising customer expectations:

- Collaborate with marketing teams to offer personalized front-end experiences and promotions.
- Offer flexible payment methods such as line of credit, POs, and ACH that are preferred in each market and cultivate consumer-like purchase experiences.
- Ensure compliance with local tax rules and registrations. Each new market comes with differing tax structures that often vary by product.
- Partner with local acquiring networks to process payments. This
 can help <u>increase successful authorizations</u> by reducing the risk of
 transactions being flagged as fraudulent or suspicious.



Go-to-market checklist

To achieve success when entering new markets, your team must accomplish the following:

- Define the criteria of a successful launch
- Track your success and iterate marketing and sales strategies accordingly
- Train internal sales and support teams to respond to local preferences and compliance regulations
- Work closely with marketing teams to ensure content is accurate and localized
- Balance customer acquisition and retention efforts to meet your strategic goals

Optimize for Sustained Growth

Businesses often struggle with the operational aspects of building a recurring revenue structure. Payments and billing quickly become complex, so optimizing processes in these areas is critical for long-term success in a new global market.



Plan for automated scale

Billing may be relatively straightforward when first entering new markets. But when you have thousands of subscriptions that renew on different dates and differing customer requirements, you need a plan to automate processes as you scale. The key is to think long-term at the onset, implementing systems and building back-end processes that will allow you to handle billing at scale and enable future growth. Bring finance and technology experts together early in the process to create a billing roadmap that will best meet your needs now and into the future.



Minimize involuntary churn

Limiting involuntary churn is critical to subscription success. Consider using <u>business intelligence tools</u> to identify indicators that can lead to churn. You can then set up automatic alerts for customer success managers to proactively prevent churn by addressing potential problems early. For example, if there is a payment processing failure, support teams can proactively communicate with the customer to remedy the situation.

Advanced retry logic can determine when (day of the week, time of day, etc.) to process transactions to achieve the best chance of a successful authorization. Further advances like dynamic routing can identify the optimal acquiring networks you should use to maximize conversions.



Build Your Billing Process for Global Success

Billing across borders adds complexity that can be difficult for even the most sophisticated brands to manage. Consider partnering with subscription management experts who can help to simplify the global expansion process, giving you the specialized billing and data management tools you need and allowing your brand to stay focused on what you do best. Partnerships make it significantly easier to build a comprehensive strategy that prioritizes localization while planning for long-term growth.

Address billing challenges

As you build billing processes for your global B2B subscription offerings, consider how you will:

- Reflect local preferences in your billing model (e.g., consumptionbased models are currently more widely accepted in western countries)
- Manage fees from various payment and billing processes
- Convert transactions into your home currency for accounting purposes
- Localize messaging and customer communications around billing issues, or when approaching subscription renewals
- Ensure your billing processes are <u>compliant with all regulations</u> on a local, state, federal, and international level



Experts predict value-based pricing for subscriptions will soon lead to more granular <u>consumption-based pricing models</u>. In these models, cost and value are tightly aligned because customers are only paying for what they're using. As you build your revenue structure, consider this trend and how you can accommodate changes to future pricing models.

You're never done learning

Remember: every new market you enter brings new challenges, and you can't reuse the same playbook for every geography. Each new market will require you to do the same rigorous research and data collection to ensure you are truly delivering a localized purchasing experience.

It's also important to recognize that even your established systems may need to change as your in-country engagement grows. Customer preferences and market conditions can change quickly. But if you can design processes and make investments with flexibility and long-term growth in mind, you'll be better positioned to achieve sustained success.





Ready to optimize your B2B subscription business?

Connect with Digital River and Chargify to learn how our simplified, all-in-one subscription management solution can give your brand a competitive edge.

Learn More

Digital River®

<u>Digital River</u> is your complete checkout solution for global payments, tax, fraud, and compliance management. With more than 25 years' experience, we help companies of all sizes grow their revenue using flexible, API-powered solutions to sell directly to their customers, whether they live around the corner or around the world.



Chargify is the leader in billing and subscription management for B2B SaaS. Specializing in complex usage and multiattribute billing, payment collections, and business analytics, Chargify empowers businesses with the tools they need for sustainable growth.