FROST & SULLIVAN

THE BORN GLOBAL BUSINESS

How Cloud Computing is Changing the Rules of Internationalisation

A White Paper by Frost & Sullivan

TABLE OF CONTENTS

ABOUT THIS WHITE PAPER

In our 2014 white paper, "Disrupt, Collapse, Transform: The Role of Cloud Computing in Industry Transformation", Frost & Sullivan examined the drivers for disruption across all industries, and how businesses are responding to the disruption. Our findings revealed that cloud computing[1] is both a contributor to industry transformation and a necessary response to support businesses in becoming more adaptive to that change.

In this new study, we aim to uncover how organisations are responding to the pace of industry change in 2016. We also seek to identify the main transformative trends affecting businesses, given the current drive towards international economic integration – whether businesses see an opportunity from internationalisation, and the barriers and challenges they face in overseas expansion.

The study surveyed 823 senior executives (CEOs, CFOs and Finance Managers, CIOs and other senior managers) across five markets – Australia, Hong Kong, New Zealand, the Philippines and Singapore – representing a sample of developed, OECD nations and faster-growing regional economies. Respondents came from a range of sectors, including financial services, manufacturing, retail and distribution, ICT and professional services.

Our research has identified that industry change is not just continuing; it appears to be accelerating. While our 2014 survey revealed four key factors driving this change – growth of new, disruptive competitors; digitisation; development of new business models; and the trend towards productisation and servitisation among product and services companies – two new drivers have emerged in this latest study. The new factors are a significant increase in business costs and evolving customer needs. However, while these trends may present a challenge for organisations, businesses recognise significant opportunities for growth in a range of areas. Topping the list is the growing potential for internationalisation that regional economic integration now offers. Over half of the businesses in the region now plan to expand overseas in the next five years.

Our research also identifies how cloud computing is enabling internationalisation, by providing businesses with a platform that supports expansion overseas and adapts to the complexities of international markets. The earlier generation of on-premises software required substantial and often costly enhancements to support overseas operations. Today's cloud-based solutions allow for an easier, seamless process, paving the way for organisations to internationalise quickly, and stimulating the growth of what is referred to as "born global" businesses.

[1] In this white paper, cloud computing is defined as accessing and using IT resources over the Internet.

RAPID INDUSTRY CHANGE IS CONTINUING

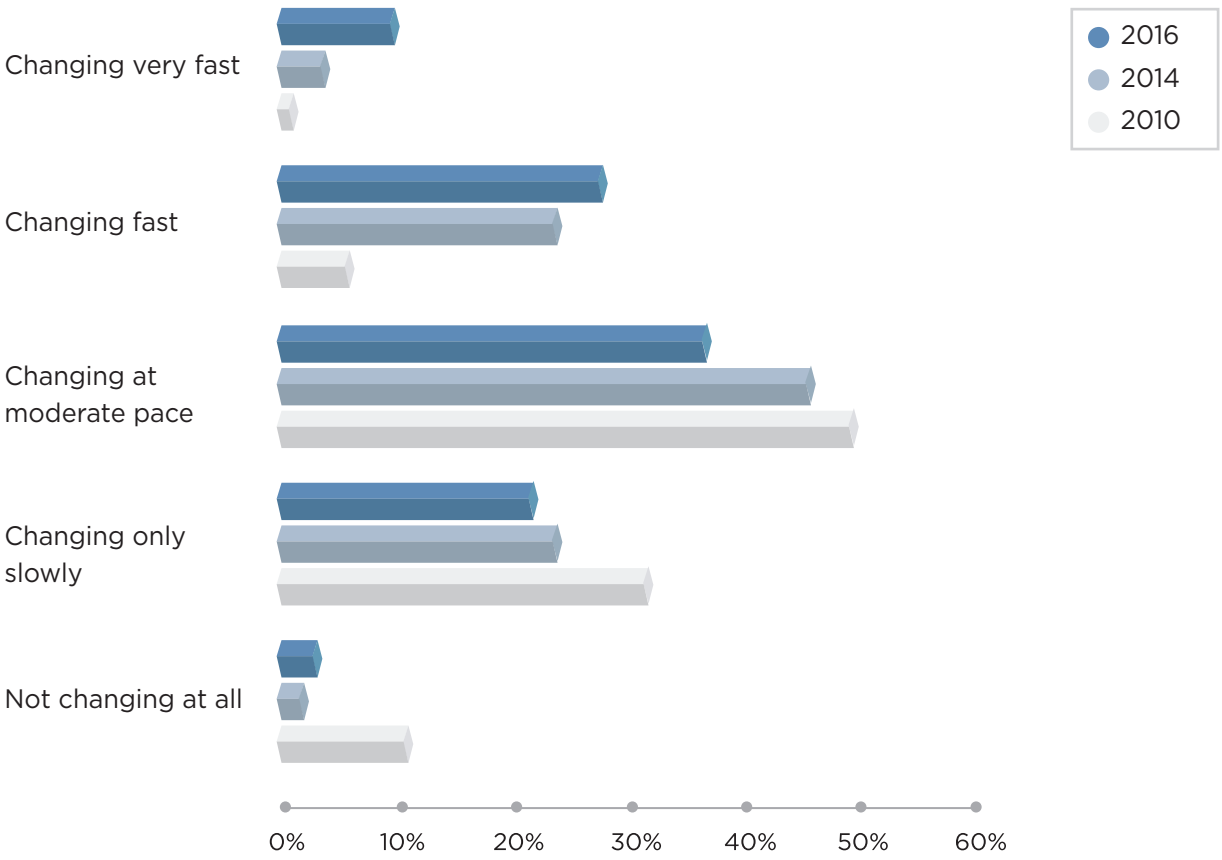
Cloud computing continues to play a pivotal role as a key driver of industry transformation. In our 2014 white paper "Disrupt, Collapse, Transform: The Role of Cloud Computing in Industry Transformation" Frost & Sullivan explored how organisations are increasingly adopting cloud computing due to its greater adaptability to the disruptive forces transforming virtually every industry. With cloud computing, companies of all sizes now have access to IT systems and functionality that have in the past been restricted to large global competitors, and at a much lower cost.

Our latest research indicates that the perceived rate of industry change continues to accelerate. In 2016, 38% of senior executives believe their industry is changing "fast" or "very fast", compared to 28% in 2014 and only 7% in 2010. Only 3% of senior executives now feel that their industry is not changing at all.

The perceived rate of industry change is now similar across all countries, although executives in the Philippines are most likely to experience "fast" or "very fast" industry change. In particular, digitisation is heavily impacting businesses in the Philippines, with 65% of surveyed senior executives identifying it as having a critical impact on their industry.

Other factors driving industry change include increasing business costs (overall, 38% of companies believe this has a notable impact on their industry), digitisation (33%), changing customer needs (33%), new business models (29%), and entry of new competitors (27%). Globalisation is also a noteworthy trend, especially for businesses in the Philippines, where 41% of respondents state that it has a significant impact on their industry.

Figure 1: Executives' Perceptions of Industry Change

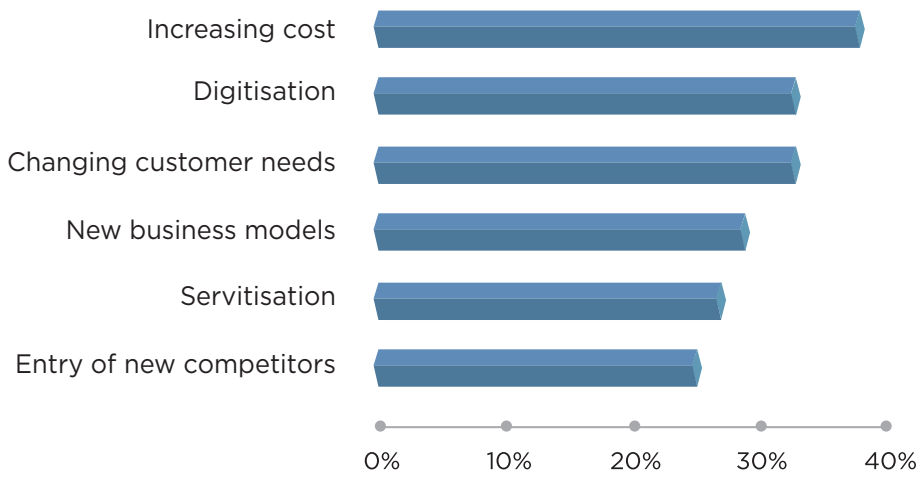


Source: Frost & Sullivan Survey of Senior Executives (2016)

The Frost & Sullivan 2014 study identified the emergence of new, disruptive competitors; digitisation; the development of new business models; and growing productisation and servitisation among product and service companies as the four main factors driving industry transformation. These factors continue to be critical industry drivers, alongside the two new trends emerging from our 2016 research – increasing business costs and changing customer needs stimulating the need for businesses to adapt.

Companies in Australia and Singapore appear particularly susceptible to increasing business costs (41% and 48% of executives respectively say it is having a very significant impact on their industry). Changing customer needs are particularly noticeable for businesses in the Philippines and Singapore (48% and 42% respectively).

Figure 2: Main Drivers of Industry Transformation



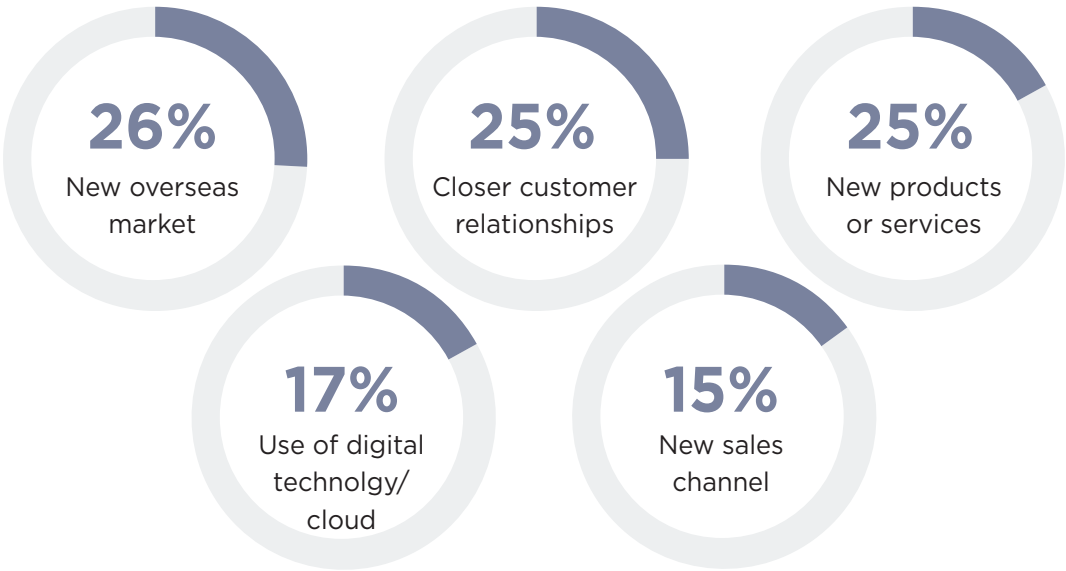
Source: Frost & Sullivan Survey of Senior Executives (2016)

While rapid industry change challenges organisations to adapt quickly to survive, it is also opening new growth opportunities for businesses. Growth can manifest itself in multiple ways, whether through the development of new products or services, the use of new distribution methods or closer customer relationships. Our study also reveals that confidence in exploring international opportunities is increasing. Businesses cite entering overseas markets as their main avenue for growth, followed by developing closer customer relationships and launching new products and services. Overseas expansion is particularly viewed as a major growth engine for businesses in Singapore and Hong Kong, which often face limited growth potential domestically due to the small size and falling growth rates in their local markets.

The use of digital technology/cloud platforms also offers significant potential, especially for businesses in the Philippines, for which it is the second most important growth opportunity, after the introduction of new products and services.

In terms of industry sectors, overseas expansion is seen as the main growth opportunity, particularly for businesses in the manufacturing, mining and construction industries, where 22% of companies see it as their primary growth opportunity. Conversely, internationalisation is less relevant for retail, wholesale and distribution businesses (11%).

Figure 3: Main Growth Opportunities for Businesses



Source: Frost & Sullivan Survey of Senior Executives (2016)

Factors contributing to the positive outlook presented by overseas markets include improving regional economic integration in the Asia-Pacific, driven by the growing number of trade pacts and economic collaborations; government support and incentives for businesses to expand internationally; and the agile cloud computing infrastructure facilitating greater ease of internationalisation. Rather than taking a medium to long-term incremental approach to internationalisation, our findings indicate that more and more businesses are now born global, a phenomenon supported by the availability of flexible, scalable infrastructure such as cloud computing.

THE INTERNATIONALISATION OPPORTUNITY

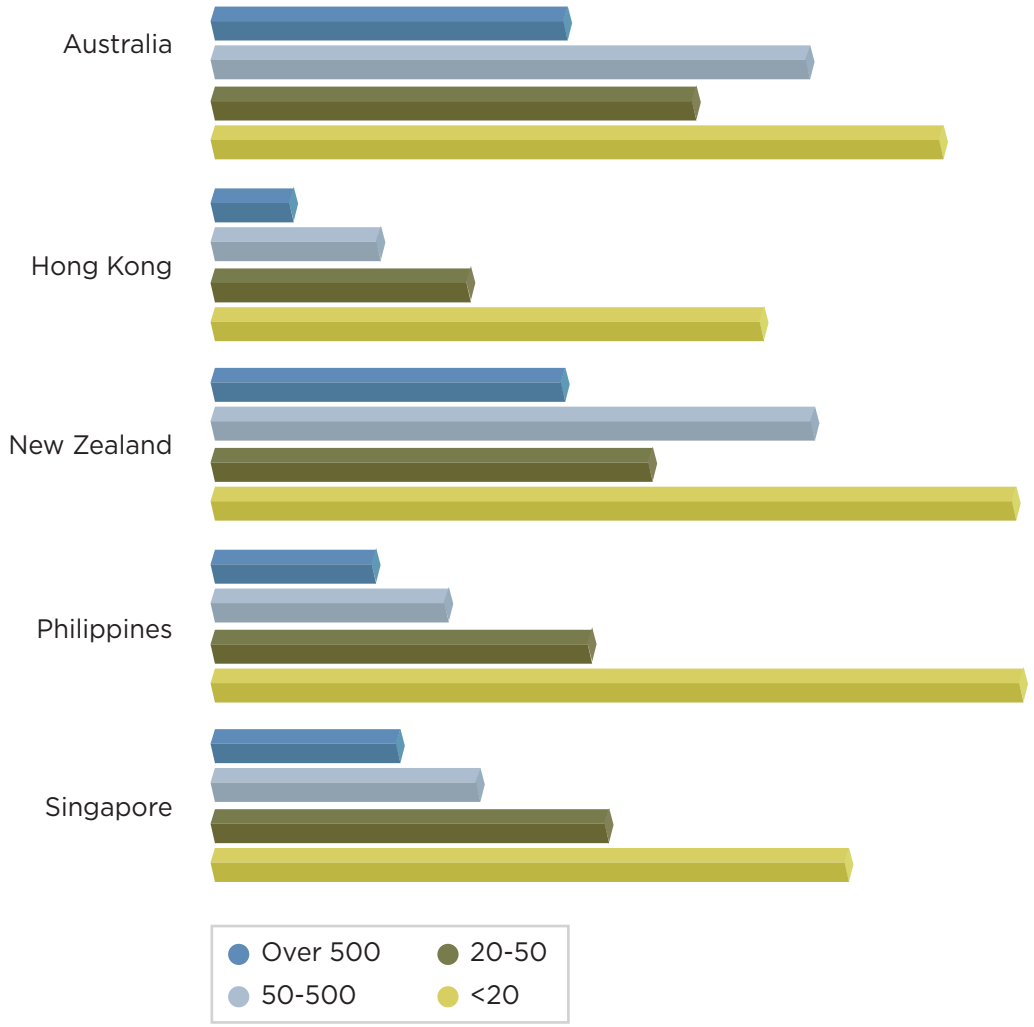
While the opportunity for international expansion is not new, many businesses have yet to exploit it, particularly smaller firms. The trend is most apparent in Australia and New Zealand, where 61% and 62% of businesses respectively are domestic only,[2] in comparison to 42% in Singapore and only 30% in Hong Kong, countries with greater geographic and economic contiguity to overseas markets.

The financial services sector has the highest degree of internationalisation, where 68% of businesses are currently internationalised.[3] Conversely, professional services and retail, wholesale and distribution are the least internationalised sectors, at 42% and 50% respectively.

Overall, across the five markets we surveyed, only 50% of businesses are currently internationalised. However, this figure drops to 20% for small businesses with fewer than 20 employees.

[2] Domestic only businesses are defined as having less than 10% of their revenue from overseas.
[3] Internationalised businesses are defined as having at least 10% of revenue from overseas markets.

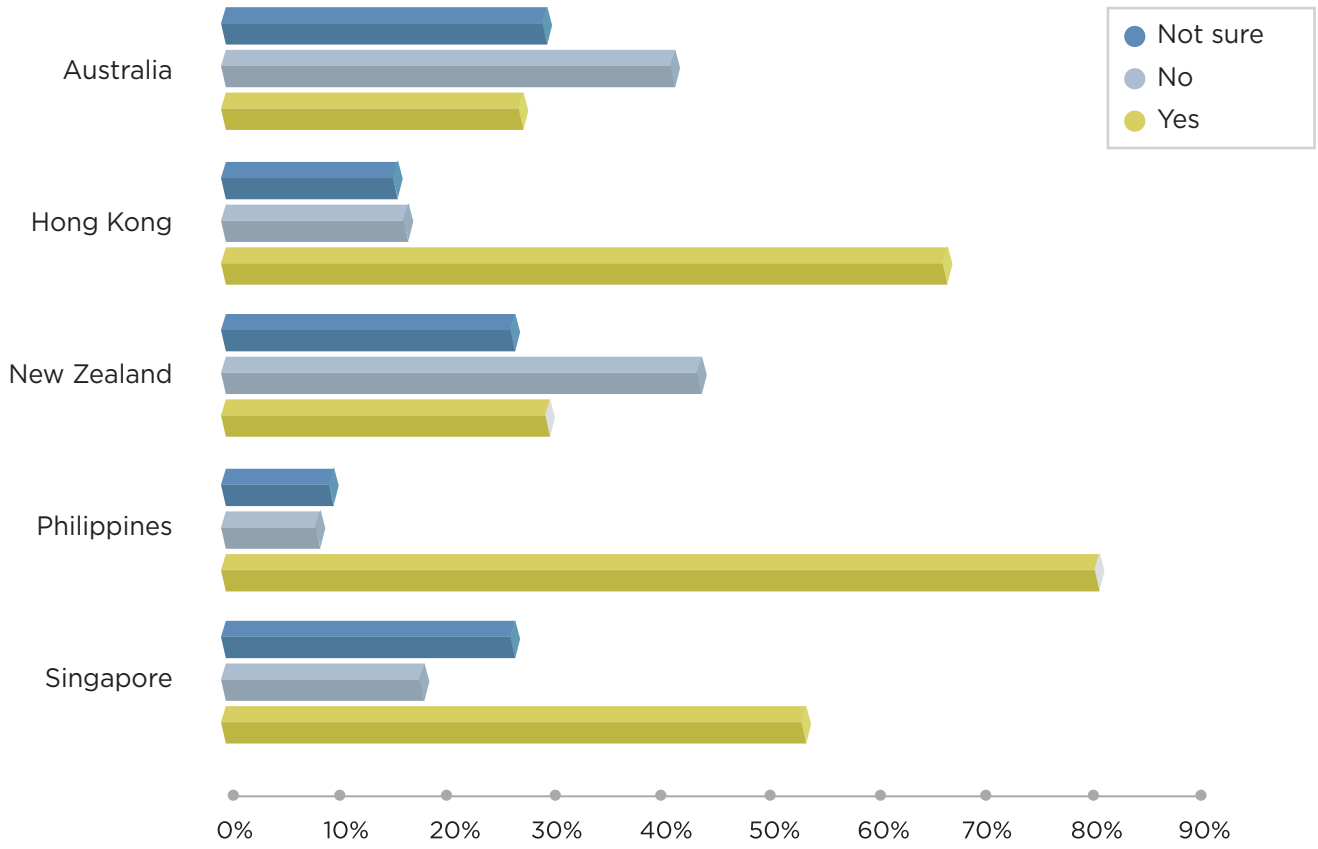
Figure 4: Proportion of Domestic Only Businesses, by Size



Source: Frost & Sullivan Survey of Senior Executives (2016)

While many businesses have yet to enter overseas markets, globalisation is seen as an opportunity rather than a threat overall by 83% of organisations, and particularly by businesses in Singapore, New Zealand and the Philippines. The main opportunities globalisation is perceived to offer include the provision of greater economies of scale and the potential to increase revenue. Consequently, a majority (52%) of businesses are planning to enter additional overseas markets in the next five years. However, this masks significant differences between countries. Whereas 81% of companies surveyed in the Philippines, 67% in Hong Kong and 54% in Singapore plan to enter additional overseas markets in the next five years, only 28% in Australia and 30% in New Zealand intend to do so.

Figure 5: Intention to Enter Additional Overseas Markets in the Next 5 years, by Location of Business

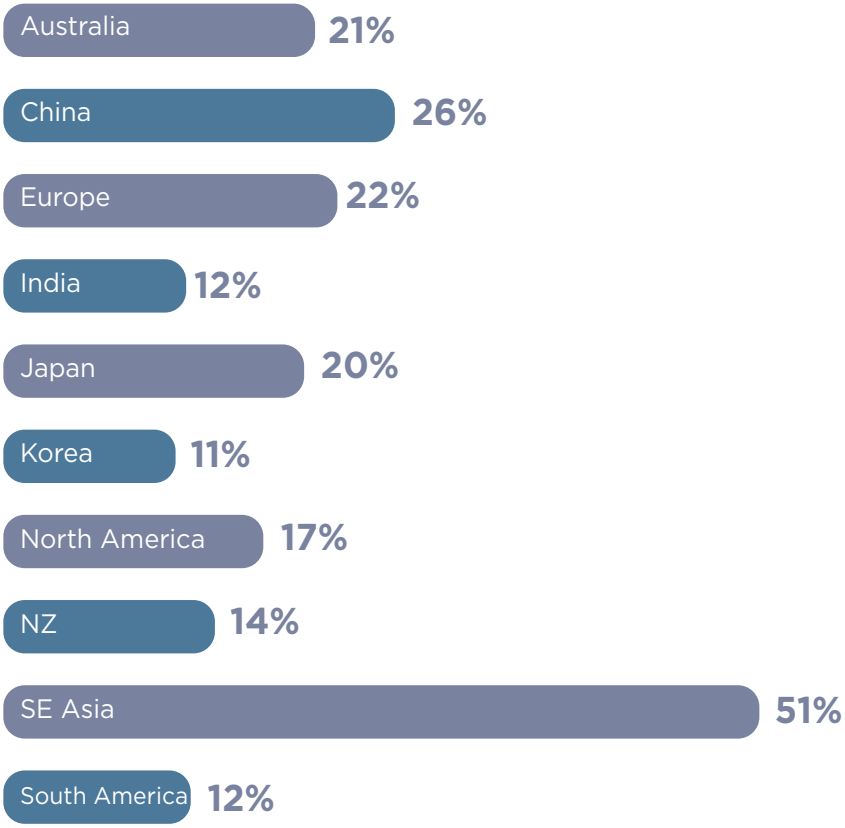


Source: Frost & Sullivan Survey of Senior Executives (2016)

The primary markets businesses intend to enter vary, although Southeast Asia is the most common choice, followed by China. More than half of businesses expanding overseas in the next five years plan to enter Southeast Asia, while over one-quarter aim to enter China. Not surprisingly, China is perceived as an attractive market by many Hong Kong-based businesses, while 32% of Australian and 29% of Singaporean companies that plan to expand overseas also intend to enter the Chinese market in the next five years. Southeast Asia also attracts tremendous interest from Singaporean businesses, particularly Myanmar, Vietnam and Indonesia[4], three markets that offer significant potential given their large sizes and improving market accessibility in recent years.

[4] IE Singapore, Internationalisation Survey, 2012/13

Figure 6: Intention to Enter Individual Markets in the Next 5 Years



Source: Frost & Sullivan Survey of Senior Executives (2016)

Governments in the region are increasingly encouraging regional economic integration through trade pacts and other market-friendly measures designed to reduce the barriers to international business. For example, the ASEAN Economic Community (AEC), which came into force at the end of 2015, is designed to allow the free movement of goods, services and skilled labour among the 10 ASEAN member states. Across the region, the number of individual free trade agreements (FTAs) has risen fourfold in the past 15 years, from 51 in 2000 to 220 in 2015, with Singapore, Australia and New Zealand particularly active in establishing FTAs.[5]

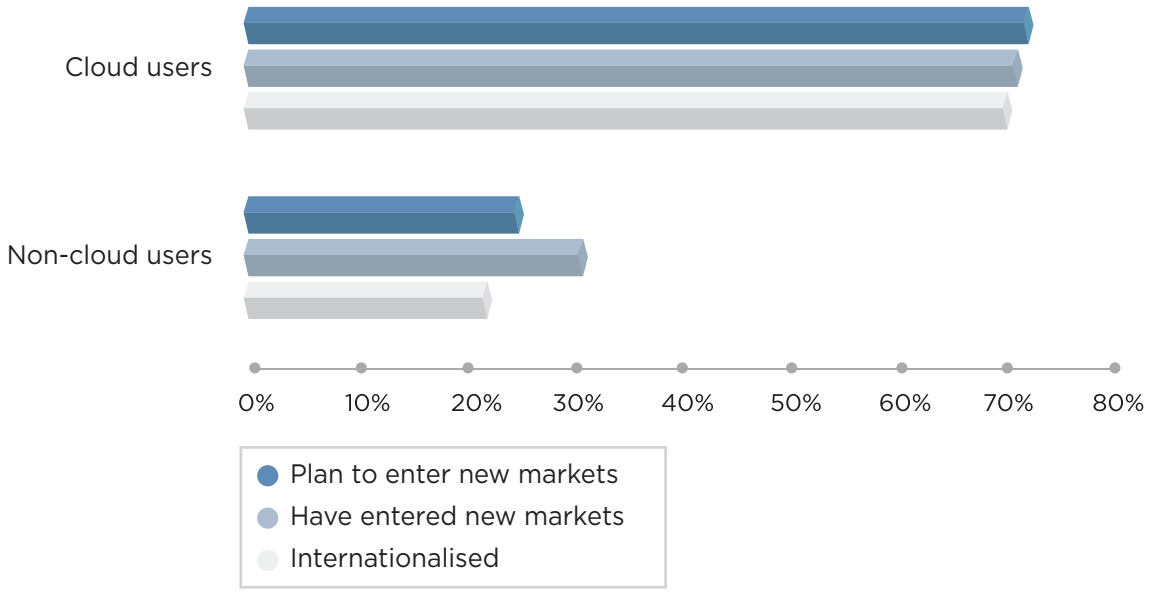
Despite internationalisation being widely perceived as offering significant business opportunities and garnering the active support of governments, many businesses have yet to actively adopt it as a growth strategy, especially in Australia and New Zealand. Infrastructural, regulatory and cultural issues have been cited as significant challenges for businesses expanding internationally. However, inadequate IT infrastructure is also impeding many businesses from growing overseas.

[5] Asia Regional Integration Centre FTA Database

LINKING THE CLOUD TO INTERNATIONALISATION

There is a strong relationship between the use of the cloud to access IT resources and the degree of internationalisation of a business. For example, 70% of businesses that currently use the cloud[6] are internationalised[7], compared to only 22% of non-cloud users. Nearly 71% of cloud users entered new geographic markets in the past five years compared to only 31% of non-cloud users; while 72% of cloud users plan to enter additional markets in the next five years compared to only 25% of non-cloud users.

Figure 7: Cloud Usage and Internationalisation



Source: Frost & Sullivan Survey of Senior Executives (2016)

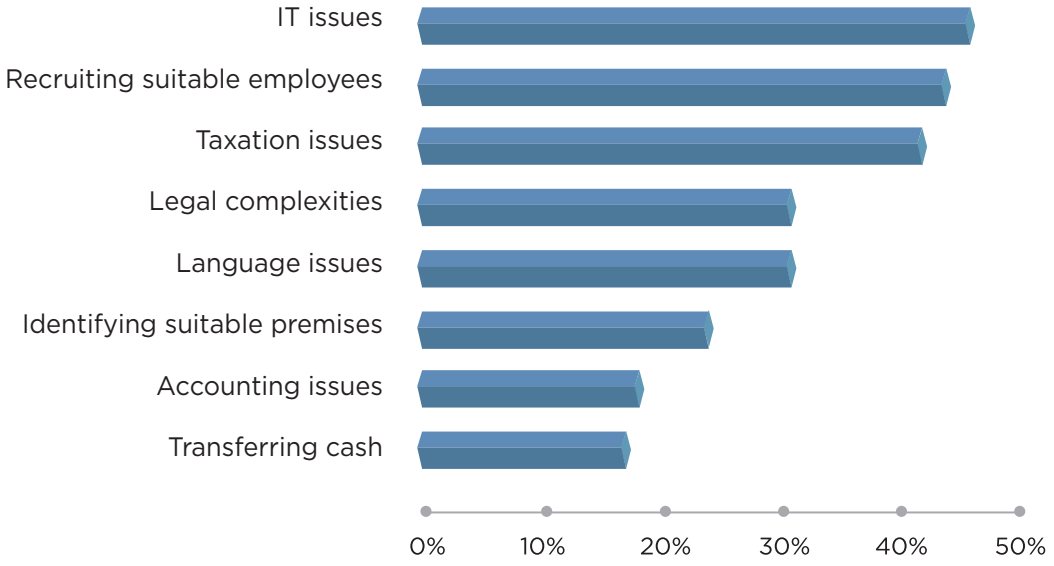
For cloud users, their existing business systems are much less of a barrier to overseas expansion than non-cloud users. For example, 41% of cloud users believe that their current business systems will allow them to operate in overseas markets without modification, compared to 30% of non-cloud users. Only 6% of cloud users believe that their current systems are unsuitable for operating in overseas markets, compared to 22% of non-cloud users.

[6] Cloud users are defined as businesses that currently access most of their main business management software over the cloud.
[7] Defined as having 10% or more of their revenue from overseas markets.

CHALLENGES OF INTERNATIONAL EXPANSION

Many businesses in the Asia-Pacific region recognise that international expansion brings both strategic and operational challenges. In fact, over one-quarter of businesses overall and 40% in Australia and New Zealand do not intend to expand overseas in the next five years. Among the prime reasons cited are the potential IT and systems issues that overseas expansion could bring, followed by difficulty in recruiting suitable employees and taxation issues.

Figure 8: Main Challenges in Overseas Expansion



Source: Frost & Sullivan Survey of Senior Executives (2016)

For businesses in New Zealand and the Philippines, IT issues are the primary challenge in international expansion. For companies based in Hong Kong, complying with local taxation is the most significant challenge; while for Australian and Singaporean-based businesses it is recruiting suitable employees.

Table 1: Main Challenges in International Expansion, by Location of Business

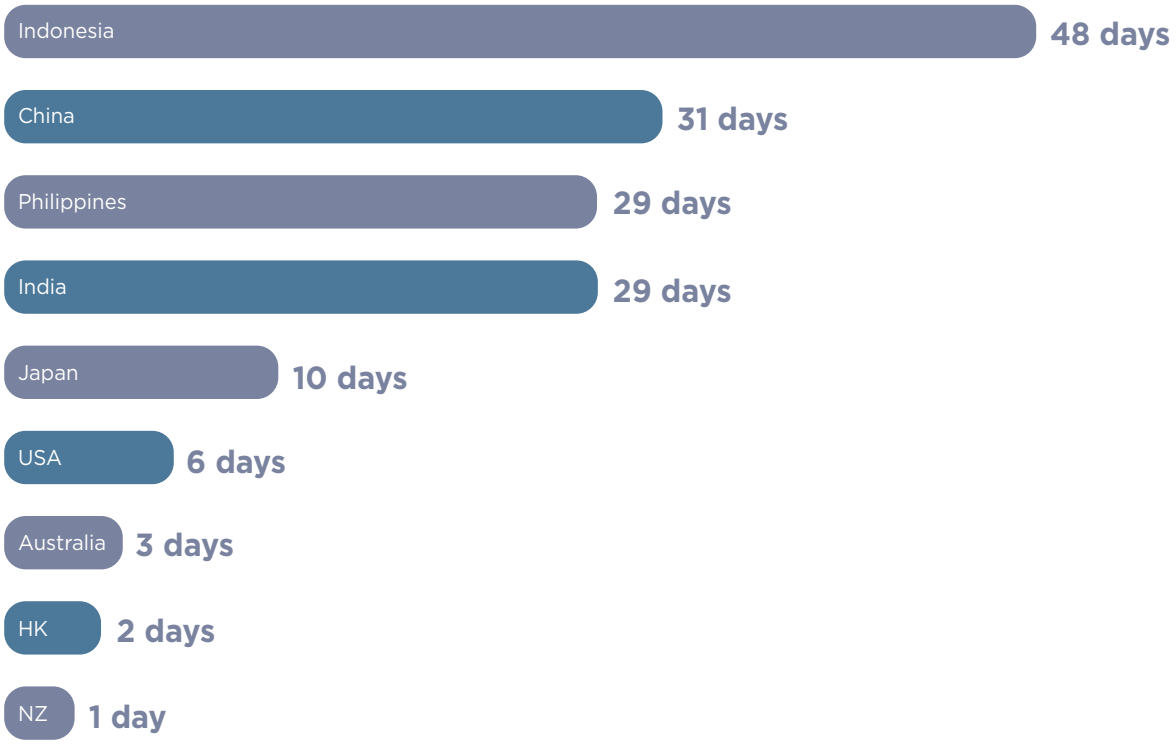
AUSTRALIA	1. Recruiting suitable employees 2. Legal complexities 3. Need to use foreign languages
HONG KONG	1. Taxation issues 2. IT issues 3. Recruiting suitable employees
NEW ZEALAND	1. IT issues 2. Recruiting suitable employees 3. Taxation issues

PHILIPPINES	1. IT issues 2. Taxation issues 3. Recruiting suitable employees
SINGAPORE	1. Recruiting suitable employees 2. Taxation issues 3. IT issues

Source: Frost & Sullivan Survey of Senior Executives (2016)

Overall, China is seen as the most challenging market to enter (34% overall), with this sentiment being particularly pronounced among Hong Kong-based businesses, despite the geographic and cultural contiguity with China. Despite efforts to drive economic integration between Hong Kong and China, such as the Closer Economic Partnership Agreement (CEPA), 50% of Hong Kong executives still view China as the most challenging overseas market. Regulatory issues can hamper entry into the Chinese market; for example, it takes over 30 days to set up a business in China compared to only one day in New Zealand. Indonesia, the Philippines and India are other markets offering significant regulatory challenges.

Figure 9: Average Number of Days to Establish a Business



Source: World Bank

SCOOT – SOARING THROUGH THE CLOUD

Scoot – a subsidiary of Singapore Airlines – revolutionised air travel in the Asia-Pacific since it started operating services primarily on mid and longer range routes in the region in 2012. With its fleet of the latest B-787 aircraft, and a focus on service, reliability and punctuality, Scoot now serves 18 destinations in 9 countries, from Australia to Japan and India.

Given the nature of its business, Scoot is a born global company that internationalised from day one, with its initial route from Singapore to Australia quickly supplemented by operations in other countries. Scoot needed flexible business systems that could easily support this rapid internationalisation.

As a start-up company in 2011, Scoot aimed to quickly become operational, and to save on expensive and inflexible IT systems by deploying the latest cloud-based services to support its business operations. The low capital cost enabled by cloud-based services has allowed Scoot to focus its capital investment on the latest generation of aircraft, providing outstanding services to its customers, and being named Best Low-Cost Airline in Asia-Pacific in 2015 and 2016 by AirlineRatings.com.

Scoot has deployed the cloud-based solution provided by NetSuite to support its end-to-end financial processes, including payments and vendor management. With customers located in several markets, and an active plan to expand into additional markets, Scoot needed a business system that could easily support international operations, in different currencies, taxation and other regulations in the markets it serves.

“As a start-up, Scoot wanted a modern, agile business platform that could scale rapidly while future-proofing our company for long-term innovation and growth,” said Ng Long Jian, CFO of Scoot. “The cloud-based solution provided by NetSuite is the perfect fit for Scoot to enable us to transform our business operations and support our growth into new markets.”

Use of cloud-based technology has therefore been a major contributor to allowing Scoot to operate as a born global business.

THE BORN GLOBAL BUSINESS

Overseas expansion can occur several ways, though it typically begins with the export of goods and services from the home market, often using distributors or agents in foreign markets. This may be followed by the establishment of a foreign subsidiary, often initially for sales only, then expanding to include support and services and later other activities, such as local production or service delivery. The gradual and incremental approach towards overseas expansion, sometimes known as the Uppsala model[8], involves starting an overseas business in markets that are adjacent geographically and culturally, and then gradually expanding into new markets, with increasing investment levels over time.

While this approach to internationalisation remains valid for many companies, the rapid proliferation of Internet connectivity and technology platforms such as cloud computing are now offering companies a cost-efficient way to internationalise more rapidly. Many new businesses are successfully internationalising within a short time of being created, and can be defined as born global businesses. These firms leapfrog the sequential stages of the traditional model of internationalisation and enter overseas markets at an extremely early stage of development.

Born global businesses typically share a number of characteristics (see Table 2).

Table 2: Characteristics of a Born Global Business

1	ACTIVE IN INTERNATIONAL MARKETS FROM INCEPTION OR SHORTLY AFTERWARDS.
2	TYPICALLY HAS RELATIVELY LIMITED RESOURCES.
3	PRESENT IN MOST INDUSTRY SECTORS.
4	MANAGERS WITH AN INTERNATIONAL PERSPECTIVE.
5	FOCUS ON NICHE MARKETS.
6	EMPHASIS ON SUPERIOR PRODUCT OR SERVICE QUALITY.
7	LEVERAGES IT SOLUTIONS AND PLATFORMS EFFECTIVELY TO SCALE OPERATIONS.
8	USES EXTERNAL INTERMEDIARIES IN OVERSEAS MARKETS.

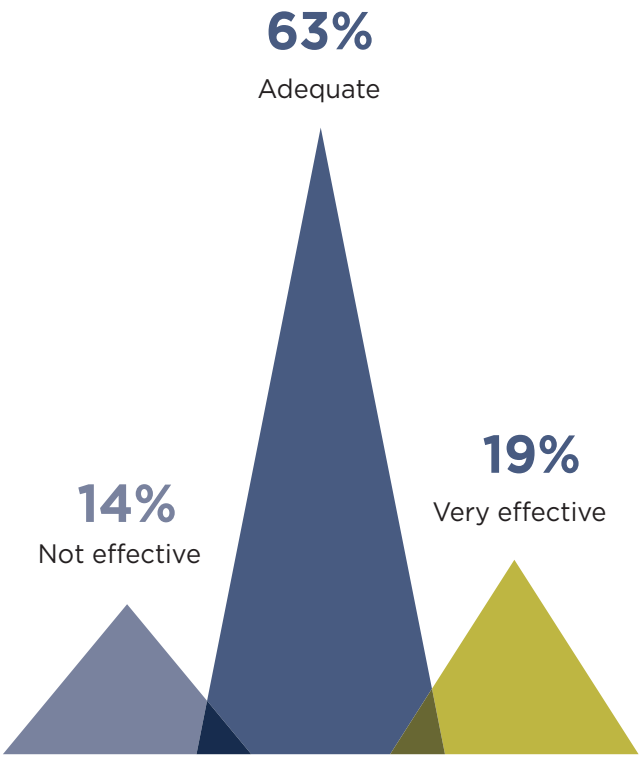
Source: Stoyan Tanev, Global from the Start: The Characteristics of Born-Global Firms in the Technology Sector

[8] The Uppsala model describes a gradual and incremental approach to internationalisation and postulates that firms internationalise in stages, starting off by exporting their goods and services before going on to set up a foreign establishment as they develop greater market knowledge.

One important feature of born global businesses is their ability to leverage IT platforms to quickly scale their business into overseas markets. For many organisations, however, adapting existing business systems that are often tailored to the domestic market to international operations could prove difficult. For example, financial systems may be set up based on the taxation and accounting rules applicable to the domestic market, but may not suitable for international markets. Use of different currencies in overseas markets can also make consolidation of accounting difficult, as can diverse auditing requirements in the various countries.

Our survey findings show that less than 20% of businesses that have expanded overseas found their existing IT platforms very effective in doing so, while 14% found them not effective. Hong Kong-based companies face the biggest challenges, where 31% of executives report that their existing business software is not effective in supporting international expansion.

Figure 10: Effectiveness of Existing Business Software in Overseas Expansion



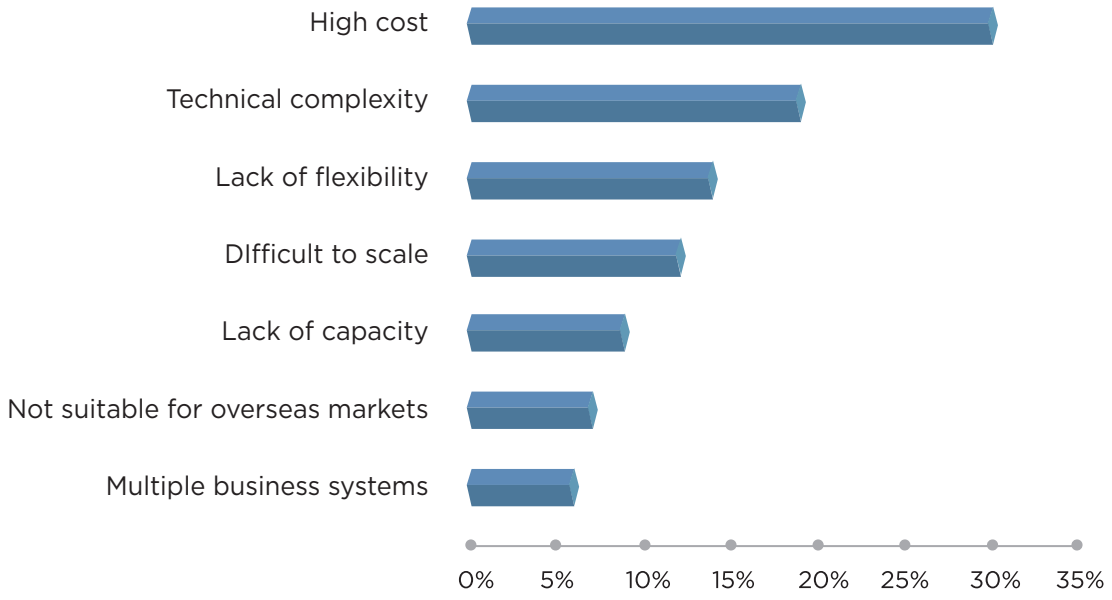
Source: Frost & Sullivan Survey of Senior Executives (2016)

As mentioned earlier, business system limitations are much less of an issue for cloud users than non-cloud users when expanding overseas. Almost 29% of cloud users found their existing business software effective when expanding overseas, compared to only 12% of non-cloud users and partial cloud users. Cloud computing, therefore, provides a platform that allows business to internationalise more quickly and efficiently than allowed for by on-premises systems.

CLOUD AS A WAY TO INTERNATIONALISE

Businesses use multiple software systems to manage various aspects of operations, such as finance and accounting, HR management and manufacturing management. Until the emergence of the cloud as an innovative way of delivering computing services, software was installed on-premises, requiring regular on-premises upgrades every time its functionality changed. Consequently, businesses cite a range of issues with their existing software, with high cost (i.e., licencing fees, support and upgrades) being the biggest concern. The high cost is a particular concern for businesses in the Philippines, where 43% of firms say it is a primary challenge with their existing software.

Figure 11: Main Challenges with Existing Software



Source: Frost & Sullivan Survey of Senior Executives (2016)

Cloud computing provides an agile, scalable platform that supports businesses in internationalising efforts, helping to stimulate the growth of born global businesses. Cloud computing enables smaller companies to rapidly expand operations internationally – giving them the ability to cost-effectively roll out new products and services, and serve customers across the world. The use of cloud-based software (known as software-as-a-service or SaaS) can support businesses in their operations overseas; for instance, dealing with local accounting and taxation requirements in a flexible, quick and seamless manner that on-premises software does not allow. A primary benefit of the cloud is this support for internationalisation – for example, 12% of non-cloud users believe that unsuitability for overseas markets is the major challenge with their existing software, compared to only 6% of cloud users.

As an example, in August 2015, the Australian government announced that GST would be levied on the importation of goods into Australia regardless of value (previously GST was only levied on goods valued at A$1,000 or more). The move is anticipated to impact particularly non-Australian online retailers selling into Australia that would now need to register for, report and collect GST, requiring significant changes to their financial systems. For organisations using finance systems accessed through the cloud, the change can be made seamlessly by their software vendor, whereas those using on-premises software would require time-consuming and potentially expensive changes to their installed software. For businesses looking to

internationalise, use of the cloud to access resources such as financial and accounting or ERP software can therefore make the process of expanding overseas much simpler.

The use of cloud-based platforms can provide a way for businesses to enter international markets and comply with local policies and regulations without the need to necessarily establish infrastructure in the overseas market. For example, functions such as accounting, order processing, taxation and statutory reporting can be undertaken using cloud-based software adapted for individual international markets. Nearly 80% of organisations believe that software that allows them to conduct business overseas without the need to establish infrastructure would be attractive for them.

SEEING MACHINES: LEVERAGING THE CLOUD TO INTERNATIONALISE

Australian-based Seeing Machines Limited is an example of a company using the cloud platform to support international growth. Established in 2000, based on technology spun out of the Australian National University, Seeing Machines provides advanced driver fatigue and distraction detection technology to the road transport, mining, rail and automotive industries. Seeing Machines was established as a born global business, with major markets for its technology lying outside Australia.

Seeing Machines now has 162 employees, and in 2007, listed on London's Alternative Investment Market (AIM). Seeing Machines has growth opportunities in a range of vertical industries, requiring it to have a presence wherever these industries operate. By 2015, Seeing Machines' technology was deployed in over 70 sites globally, with the company setting up a subsidiary in the US, as well as its main operations in Australia.

Seeing Machines leverages the cloud computing platform to support its international and multi-industry growth, using NetSuite's OneWorld platform to manage its core business processes, including financial consolidation, CRM, inventory management, work orders and assemblies, project management and fixed asset management. OneWorld's multi-currency capability allows Seeing Machines to easily support its growing international business, with sales in more than 10 countries.

Additionally, OneWorld's multi-subsidiary management capability allows Seeing Machines to easily manage its subsidiary in the US, automating transactions between them to remove double-entry of data and reducing the chance of human error. Consolidated reporting is also helping Seeing Machines gain real-time visibility across all its operations to assess how each is performing. As new overseas operations are established, OneWorld will support Seeing Machines in seamlessly consolidating the management of new businesses.

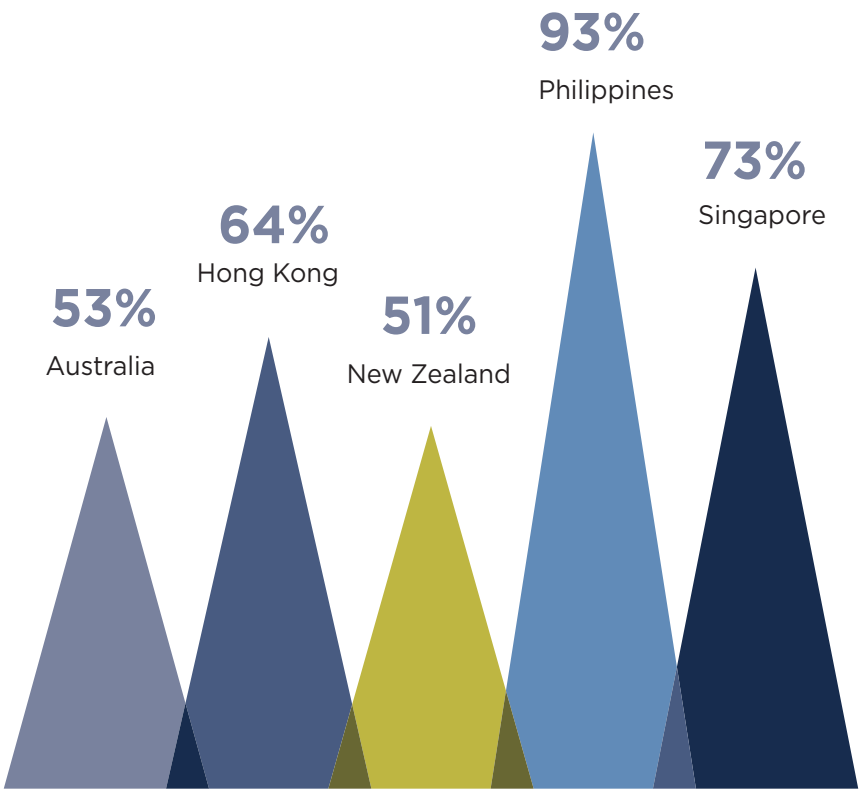
Use of the cloud platform is allowing Seeing Machines to rapidly expand internationally, with more visibility and control of international operations. According to Paul Angelatos, COO of Seeing Machines, use of cloud technology has given the company "a lot more control and visibility of what we are doing, which has enabled us to grow and diversify quickly, with considerably less pain than we could have done previously."

Through the use of the cloud, Seeing Machines has been able to internationalise more rapidly than on-premises solutions would allow, enabling the company to exploit its status as a true born global business.

CLOUD AS A SOURCE OF COMPETITIVE ADVANTAGE

Cloud-based software is increasingly attractive to businesses seeking to internationalise. Overall, 61% of companies believe that cloud computing offers an opportunity for them, with the notion particularly strong among businesses in the Philippines (93%). Most organisations currently using cloud computing see it as a source of competitive advantage over their rivals. Cloud is most strongly viewed as a source of competitive advantage by financial services companies (86%).

Figure 12: Percentage of Cloud Users that See Cloud as a Source of Competitive Advantage

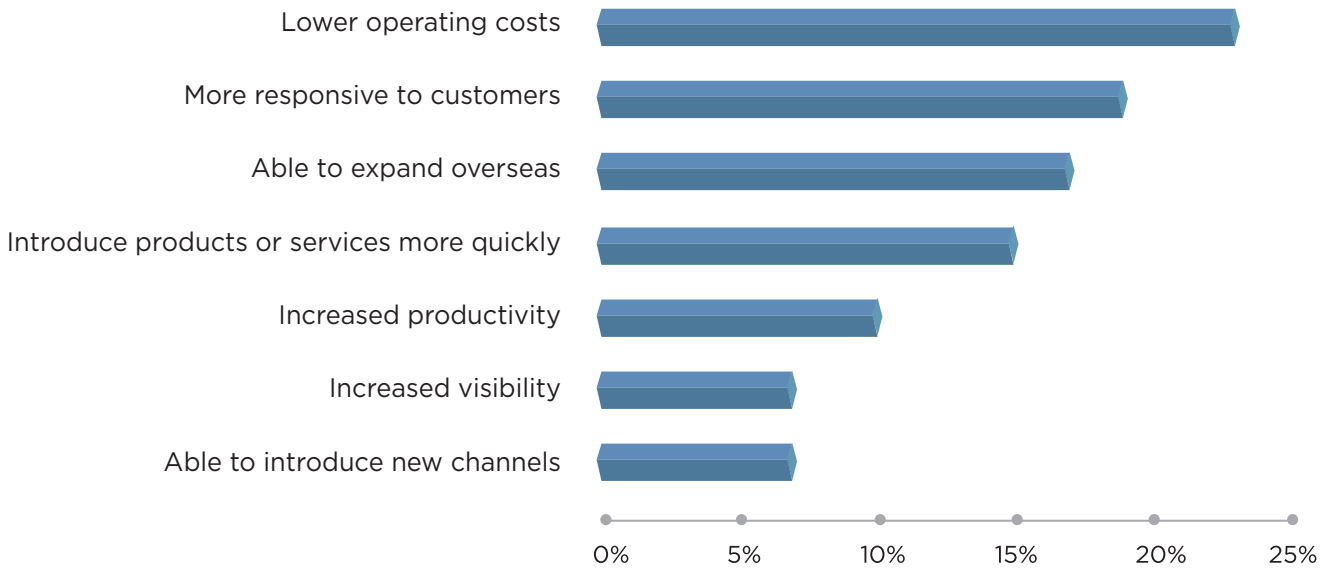


Source: Frost & Sullivan Survey of Senior Executives (2016)

The main competitive advantages cloud computing offers include lower operating costs, increased responsiveness to customer needs and an enhanced ability to enter overseas markets. However, businesses we spoke to pointed to other benefits as well, such as the ability to introduce new products and services faster and enhanced productivity.

Lower operating costs are seen as a major benefit of cloud particularly by businesses in Singapore (29% say that this is the largest advantage) and in the Philippines (25%). For companies in the Philippines, however, the ability to enter new markets has been the most significant benefit of using cloud computing (26%).

Figure 13: Main Business Benefits of Cloud Computing



Source: Frost & Sullivan Survey of Senior Executives (2016)

The enhanced ability to expand overseas that cloud computing offers is the main benefit of the platform for businesses in the financial services, mining, manufacturing and construction and software sectors.

Table 3: Main Business Benefits of Cloud Computing by Industry Sector

FINANCIAL SERVICES	1. 2. 3.	Ability to expand overseas Lower operating costs Introduce products or services more quickly
MANUFACTURING/ MINING/ CONSTRUCTION	1. 2. 3.	Ability to expand overseas Increased productivity Lower operating costs
RETAIL/ WHOLESALE/ DISTRIBUTION	1. 2. 3.	Lower operating costs More responsive to customers Introduce products or services more quickly
ICT/MEDIA	1. 2. 3.	Introduce products or services more quickly Lower operating costs More responsive to customers
PROFESSIONAL SERVICES	1. 2. 3.	More responsive to customers Lower operating costs Increased productivity
SOFTWARE	1. 2. 3.	Ability to expand overseas Lower operating costs Introduce products or services more quickly

Source: Frost & Sullivan Survey of Senior Executives (2016)

Cloud computing, therefore, continues to transform the nature of business expansion, by allowing new companies to internationalise rapidly and established businesses to scale their operations in overseas markets, overcoming system and infrastructure challenges that have been major issues in the past. Through the use of the cloud platform, businesses are able to expand overseas much more efficiently.

THE LAST WORD

Our research findings indicate that industry transformation continues to be a major theme for businesses in the Asia-Pacific region, and the perceived rate of change appears to be accelerating. Senior executives pinpoint multiple trends driving this change, including increasing business costs, digitisation, changing customer needs and the emergence of new business models.

A rapidly evolving business environment brings challenges as well as opportunities that require companies to become more nimble, adaptable and flexible to stay ahead. A critical area organisations are now exploring is international expansion, motivated by the increasing degree of regional integration that governments are supporting through initiatives such as trade pacts. Over the past 15 years, the number of trade pacts in the region has grown fourfold, with governments in Singapore, Australia and New Zealand leading the way. Many businesses in the Asia-Pacific region have yet to internationalise operations in a significant way, especially small businesses. However, a majority are planning to expand overseas in the next five years.

Traditionally, most companies follow an incremental expansion process, starting with establishing themselves in their home markets, gradually expanding to adjacent markets typically with the export of goods or services, and building an overseas infrastructure later. Recently, however, many businesses are rapidly internationalising after inception and expanding into new foreign markets at a faster pace than the traditional approach. These born global businesses signify a growing trend in the region.

Born global businesses display several characteristics, including leveraging IT platforms that allow them to easily and rapidly enter overseas markets. Traditionally, software and system limitations could pose a significant barrier to international expansion, given the different rules and regulations practised in various markets, let alone the diverse languages and currencies. Upgrading on-premises software to address these issues could prove a complex and costly task, and in many cases, businesses identify software limitations as a major hurdle to overseas expansion.

Cloud computing and internationalisation are clearly linked. Cloud users are more likely to be internationalised than non-cloud users, and to have entered or plan to enter additional overseas markets. For cloud users, system limitations are much less of a barrier to overseas expansion than for non-cloud users.

By leveraging the latest cloud computing platforms, businesses can now easily scale internationally, deploying software-as-a-service solutions that enable adaptability to local market requirements without the need for on-premises upgrades. The promise of cloud computing potentially lies in its adaptability, flexibility and cost-efficiency allowing Asia-Pacific region organisations to expand quickly and seamlessly overseas – enabling more and more businesses to be born global.

FROST & SULLIVAN

WE ACCELERATE GROWTH

WWW.FROST.COM

Auckland	Colombo	London	Paris	Singapore
Bahrain	Detroit	Manhattan	Pune	Sophia Antipolis
Bangkok	Dubai	Mexico City	Rockville Centre	Sydney
Beijing	Frankfurt	Miami	San Antonio	Taipei
Bengaluru	Iskandar, Johor Bahru	Milan	Sao Paulo	Tel Aviv
Bogota	Istanbul	Mumbai	Seoul	Tokyo
Buenos Aires	Jakarta	Moscow	Shanghai	Toronto
Cape Town	Kolkata	New Delhi	Shenzhen	Warsaw
Chennai	Kuala Lumpur	Oxford	Silicon Valley	Washington D.C.

ABOUT FROST & SULLIVAN

Frost & Sullivan, the Growth Partnership Company, works in collaboration with clients to leverage visionary innovation that addresses the global challenges and related growth opportunities that will make or break today's market participants. For more than 50 years, we have been developing growth strategies for the Global 1000, emerging businesses, the public sector and the investment community. Is your organization prepared for the next profound wave of industry convergence, disruptive technologies, increasing competitive intensity, Mega Trends, breakthrough best practices, changing customer dynamics and emerging economies? Contact us: Start the discussion.

To join our Growth Partnership, please visit www.frost.com.

GLOBAL

877.GoFrost myfrost@frost.com

APAC

(65) 6890 0999 apacfrost@frost.com

ABOUT NETSUITE

Today, more than 30,000 companies and subsidiaries depend on NetSuite to run complex, mission-critical business processes globally in the cloud. Since its inception in 1998, NetSuite has established itself as the leading provider of cloud-based financials/enterprise resource planning (ERP) and omnichannel commerce software applications for businesses of all sizes. Many FORTUNE 100 companies rely on NetSuite to accelerate innovation and business transformation. NetSuite continues its success in delivering the best cloud business management software to businesses around the world, enabling them to lower IT costs significantly while increasing productivity, as the global adoption of the cloud accelerates.

Please visit www.netsuite.com.sg for more information.