Taylor: Combined, Mexico and Canada can increase your reach by 50% versus the US alone.

Narrator: This is AdLab performance marketing dissected, decoded and delivered.

Gavin: What's happening? Listeners, thank you for joining me in the AdLab. I'm your host, Gavin Flynn. And if you've got marketing questions, we've got marketing answers. Before we jp in today, we've got something special for the AdLab listeners. If you're looking for fresh ideas to grow your business, head over to AdLab Podcast for a free marketing review from the team here at LP, plus a special discount if you decide that we're the right fit again, that's AdLab podcast.

Gavin: Now let's get into today's episode. Today, we're talking about one of the biggest growth opportunities available for brands right now, expanding beyond your home market. Whether you've already started selling internationally or you're just beginning to explore the idea, there's a ton to consider from where to start, how to prioritize markets to how AI is going to change conser behavior, and how it's shaping global commerce.

Gavin: It's a lot. So later in the show, I'm going to be joined by none other than Taylor Grey, international growth consultant at Google. And he's going to be breaking down what brands should know before making that leap. But first, I'm joined by LP manager of client services Karly Scott for this week's Hot Headline.

Gavin: Karly, thanks for coming on for this week's hot Headline.

Karly: Thanks so much for having me.

Gavin: Okay, so we've got an interesting one this week. And I think it's part of a larger conversation and trend that's been happening in our digital marketing world. There was a pretty large sample size study pulled by Ahrefs and their data science team about factors that correlate with brand appearances in AI overviews. There's some pretty interesting findings. It was over like 75,000 brands.

Karly: Lot of brands.

Gavin: That the data was pulled from. But what was found was 90% of AI search citations are from third parties not owned media. When you first saw this, what were your initial reactions and thoughts?

Karly: I was actually really excited because it means that now consers are getting other people's opinions about brands like more, you know, conser opinions about brands as opposed to getting the brands version of who they are. So I feel like people, they make decisions more quickly sometimes now because they feel like they're getting neutral opinions.

Gavin: Not social proof.

Karly: Exactly. Social proof. That's a that's exactly what I was going for there.

Gavin: No. Well, and I'm totally with you, I think that there's more of a crowd sourcing mentality now in product research where people aren't doing their product research on somebody's website that they're crowd sourcing. Now, it brought up a few thoughts, though, and I think that these are worth airing. And hopefully getting the word out to brands is that there is a lot of work involved in reputation management.

Gavin: Yes. And I don't know, I'd be curious to hear your thoughts on this, but the wide variety of platfors that you need to make sure have unified messaging is incredibly important in these days, because we're talking Reddit YouTube fors, you need to have a presence. There is a brand these days to make sure that messaging is unified. I was kind of curious with your experience working directly with brands, how often does this reputation management conversation come up, and have you found that brands either have challenges handling that?

Gavin: I wanted to kind of hear your firsthand experience with brands on the reputation management side.

Karly: It's a very common topic, and it's it's very much so increasing. Now, to your point with the AI conversation, I do think brands struggle with it because it's also now becoming something where you have to make sure your present where your consers are. So if your consers are present on Reddit, you need to make sure you're there on Reddit and getting their their opinions.

Karly: And you need to make sure that the messaging that's out there about your brand is consistent across every single platform. So if you're gathering reviews via shopper approved on your site, or if you're, you know, you're on Reddit and people are talking about your product and there's a lot of conflicting opinions across those different platfors, then AI is going to mention that.

Karly: So it's a very common topic. It's coming up a lot more. And it's also something I think I mentioned this in one of our last hot headlines. Actually, the social proof conversation is very aggressively being promoted by Google and Meta, with those like partnership ad kind of situations. Social proof is more important now than ever.

Gavin: Yeah. Well, and the what you mentioned about the the steps that I would recommend brands taking, the first step is thinking about your conser base. And like you mentioned, identifying where they live, where do they conse their content. Because even after you've identified that, that's not the end of the picture, right? Monitoring brand mentions on these platfors, finding the subreddit that might house the conversation about your brand.

Gavin: Yes. And the other thing that I really want to make sure brands understand is participating in these channels as a community member.

Karly: Exactly, exactly. We're not trying to influence.

Gavin: No.

Karly: And you're part of the community.

Gavin: And you can spot it so quickly. I don't know if you've seen where it's like, hey, check out this new product. There's a promo code, and you're like, okay, this is clearly, you know, a brand representative acting in one of these changes.

Karly: It's very obvious.

Gavin: Participating like a community member, making sure that you're leading with expertise. Yes. Honesty and genuine interaction. You're always going to get dinged if it's like a sales pitch, corporate jargon, fake enthusiasm, because those social proof channels are going to spot that. And now it's going to become very apparent for who's actually showing up in the results. Another and actually, I think that you mentioned this, another piece of the study that I thought was really interesting was brands being found by LLMs.

Gavin: It's not that they've cracked like a technical loophole. All right. You know, it's about the actual quality of the product in the services. Now, during the research phase of getting on these social platfors, there are a few different ways to go about it. You can work directly as a brand and do that work yourself. There's also companies out there that will handle some of that work for you.

Gavin: Totally. I'm curious if you had any thoughts on when would be a good time to leverage maybe a third party to handle that reputation management, and when it would maybe be a good time to keep it in house and monitor those things in-house? I imagine vole might be vole.

Karly: If you were getting to the point where you can't handle it, hire someone. It's worth it. Because like, especially if you can't handle it now, in July or whenever this episode is actually being aired, you're not going to handle it in Q4. So yeah, it is. It's all about the vole. So if you can handle it right now with your, you know, a growing brand, you're smaller, totally great.

Karly: If you start to really realize your stretch, then get somebody in there who's an expert and honestly like if even if you can handle it, there's going to be a point where you can only get so much done because the AI, you know, ASU or what it's called out there now, that's what it is. I yeah, you know, it's a it's a new thing that's quickly changing.

Karly: And, you know, it's technical. So if you're not cutting edge in your knowledge you're going to quickly fall behind. So honestly, it's worth it's worth hiring the experts right now.

Gavin: Yeah. No. And one final thing to leave the listeners with the three part process to getting discovered, you have to be found. Map your audience sources, be understood, make sure those are consistent signals, and then you'll finally be chosen to be shown in those overviews. So all good advice to take or leave our listeners with. But great thanks for joining.

Karly: Thank you so much for having me.

Gavin: Thank you to Karly for joining this week's Hot Headline. Now let's jp into the deep dive. We're going to be joined by Taylor Grey at Google. And he works with agencies and brands around the world to help expansion into new markets, specifically international markets. So today we're discussing where brands should even start when they're thinking about this expansion opportunity.

Gavin: He also dives into a lot of detail about misconceptions around global growth. So keep an ear out for that. We also touch on how AI is changing the customer journey, along with a bunch of other topics. Join me in the lab. Let's go.

Gavin: Taylor, thank you for joining us today. Thanks for coming on the podcast.

Taylor: Thank you. Great to be here. Yeah. Thanks for making time your star today like you said.

Gavin: Yeah, yeah. And we've got a ton to get into. And we've got a lot of really good in-depth topics to cover. But before we get into the topic at hand. First, I wanted you to share a little bit of background on yourself, your current role at Google. And that will also lead us into the conversation around international expansion.

Gavin: But yeah. Tell us a little bit about your background.

Taylor: Yeah, I'll tell you how we got to this conversation today after leaving a short run in finance, which was not the life I saw for myself quickly, I worked at Media Link prior to coming to Google and what I saw there. I worked on all sides of the aisle. We helped agencies develop their sort of long term vision and their strategy, which included globalization.

Taylor: We helped brands and marketing teams build out organizations for the future, and then we also helped platfors and media companies with their go to market and commercialization strategy, and then figured out how do we harmonize all of these players. So therefore, about five years through two acquisitions and then got hired to Google as the chief of staff to our CMO of ads marketing, so went deep on the marketing side.

Taylor: It was global in scope, and it was really nice to understand how does a broader ecosystem play and then go really deep into one of the most cutting edge marketing organizations in the world, which is Google marketing, and sort of the through line through that. Both those roles was how important international was. So after being on the marketing side, I moved over to the international growth team here at Google, which is a specialist or that helps clients and agencies alike with their international strategy.

Taylor: Google saw it as a really important opportunity for our business about five years ago. So we built a lot of tools, infrastructure, testing and failing. And then what we realized was we could package that up and bring it to some of the best agencies in the world to help scale the impact, to help scale brands and clients going international.

Taylor: So that's how we're here today. And of course, Logical Position is one of our international growth agency partners.

Gavin: It's going to say we can get a little celebration graph in here.

Taylor: Yeah. This is what you can choose and all of it I can't hear the music now but no visioning.

Gavin: And I'm happy you mentioned that, because that move into international markets does need to be a pairing. And oftentimes agencies in the marketing tactics behind those moves are the growth engine that allows those moves to be successful. Now, I know that you have a ton of conversations with brand owners about the planning process for these international expansion moves, and I'm sure there's a lot of misconceptions, a lot of confusion, and a lot of myth busting that needs to happen, especially if somebody hasn't done a lot of their own research into what those moves look like.

Gavin: What are the most common misconceptions that you hear around international expansion? That if you could set the record straight. And get.

Taylor: The message, I brought my data and some facts and some thought to this conversation, I feel like it wouldn't be a proper podcast if we didn't do a little busting, so we'll keep it fun. I think one of the most common misconceptions or things I hear clients talk about is that coming out of Covid, globalization has slowed or it's become really stagnant.

Taylor: People talk about Covid as pulling forward decades of growth and squishing it into a really finite period. But what research shows and what we're seeing is that cross-border e-commerce, so that's commerce and purchases that's done. Cross-border is going to more than double over the five years coming out of Covid. So from 2023 to 2028, it's projected that that, again, cross-border purchases or e-commerce will double over that stretch.

Taylor: So that's sort of the counterargent or counter fact. I'll also say that I wouldn't be a marketing podcast that we didn't mention either Gen Z or AI. I'm sure we'll AI in a minute, but I did want to mention that in a recent research study on Google's almost half, 43% of Gen Zers buy from a retailer in other countries at least once a month.

Taylor: So it's not just that this growth is continuing to happen, it's actually happening in some of the most important audience segments to marketers today.

Gavin: Know those are huge. And even thinking about my own purchasing behavior. Yeah, I made a purchase from a from a French brand, not, but maybe a few weeks ago. And that conser behavior should be a good leading arrow for brands to follow if the market's there. Now, beyond that, there's a massive planning process for making that move into international markets.

Gavin: And I think a lot of people will end up and a lot of brands will end up in circstances where they like the idea, but they aren't quite sure where to start and they aren't quite sure how to get that ball rolling. What would be your recommendation for a brand who wants to start that process and start exploring doing research?

Gavin: Where would you advise them to begin those question asking processes?

Taylor: Yeah, look, it can feel globalization. Just a word I think is overwhelming. And then if you actually contextualize that to what does that mean for your business and where do you start. It's really it's quickly overwhelming. So what I'll often see or like some best practices is that if you're moving a physical product or you're needing to ship, start close to home, start thinking about expansion to Canada or Mexico.

Taylor: There's of course going to be a cost associated with moving product. So the closer you can stay to home, if you're again, shipping something physical is a great place to start. And combined, Mexico and Canada can increase your reach by 50% versus the US alone. So just those two markets again can be a great place to start. If you're shipping product, if you don't have that, you know, barrier to entry, I'll call it if you're selling software or if you have a digital product, start with the English proficient markets first.

Taylor: So think about Canada, UK, Australia and surprising indie India just due to how large its population is. One of the top most English proficient markets just by population size. So again, for someone who might be new to it, might not have, you know, a sales team that can speak other languages or have the shipping and logistics infrastructure that can go big internationally first, either close to home or think close to the native language that you've built your business on first.

Gavin: Yeah. Well, that also brings to mind what you just mentioned around hot topics in the marketing world, which is Gen Z and AI. I wanted to also talk about Gen Z in context of the fragmenting channels and marketplaces that are available to consers, which I think speaks to this idea that international expansion allows you to reach those pockets if you have strong pockets, if you have a strong following on social media, or maybe a particular social media channel, right.

Gavin: Right now, how is this fragmentation in your eyes affecting brands? And then in turn, how does the international peace play into that fragmentation of potential buying avenues and potential marketing channels? I wanted you to speak a little bit to that fragmentation and how brands.

Taylor: Can, of course. Yeah, and fragmentation can mean so many different things. And I think people you were loosely to describe a lot of different things. So I think from a platform perspective, there certainly have been new entrants that we know of in the last 5 or 10 years that haven't existed before, but in terms of where you can go to get reach or where the majority of that population is globally, and I'm going to tell myself as Google here for a minute, YouTube and Google remain nber one.

Taylor: You know, this is the third year in a row that YouTube is the nber one streaming platform. That means the most minutes streamed of any platform. And 77% of global consers report using YouTube and Google Daily. So from a fragmentation by way of not being able to reach a customer, that is a little bit of a misconception. I think it's a fragmentation in your marketing strategy and how to reach them and what it requires.

Taylor: And then there's the AI piece of this fragmentation to, again, it wouldn't be a good marketing podcast, and I feel like we've gotten pretty far before AI. Yeah, but you know, just thinking about AI and tool usage, that's a whole other avenue. So I think the misconception from a fragmentation standpoint is that AI is creating a more streamlined or faster path to purchase, right?

Taylor: Like I go in, I open Gemini, I do my research, I can quickly decide. Oh, I'm going to buy this product and here's how to do it. And I've compared prices. We actually see that users of AI assistants like Gemini have almost two times 1.8 times more touchpoints than those people who are shopping without using an AI assistant.

Taylor: So while consers think it's making faster and more streamlined, what it's really doing is, is removing that friction or that cost of having to check everything out in different places, and it's becoming an expansionary moment. So that is a valid understanding of fragmentation. If we talk about in the context of AI and what that means is, as this AI adoption is forecasted to increase, the amount of places for your brand to show up is going to increase as well.

Gavin: And then it's important to remember that the US, while we are a massive country, is not the be all, end all, and there's massive conser bases in these other countries. I know that you mentioned, even off mike, a few pretty remarkable stats about what the US actually holds in terms of world total internet usage. I'm trying to remember the nbers that you threw out.

Gavin: What? What?

Taylor: Yeah, I think it's true. We think of the US as is is certainly one of the largest economies in the history. Right. But when we actually contextualize that in the here and now of today and on thinking about online or digital advertising, just 5% of the world's internet users are in the US. You're doing. Yeah, I know it.

Taylor: Actually. I to be honest, I actually looked this up like 30 minutes ago so we could have a stat about this and I was expecting it to be much larger. But as you can imagine, over time, as digitalization has hit the world, that a portion of the US has shrunk. So yeah, it's only a small percent like you're missing 95% of online users, potential customers by doing a U.S. only strategy.

Gavin: And I think about conversations I'll have with brands, specifically in the marketing conversations, let's say on Google search or shopping or display. And a common stat that we'll come back to specifically on on searches, search, impression share, and market share. You know what? What percentage of the audience are we able to capture or at least get visibility into?

Gavin: But that is a measure of the targeting realm that you're operating within. So you might feel as a brand like, hey, we're kind of capping out on the potential market share. We're getting really good search impression, share metrics. How much more do we have available? And if anybody is feeling constrained, or maybe they're having conversations with an agency about constraints of potential demand.

Gavin: There's other ways to generate demand. But to capture that existing demand, there's a lot of existing demand overseas. You know, that we might not think of or to our neighbors to the north and the South that doesn't even need to be over a sea. Canada and Mexico are big conser bases that are nearby.

Taylor: That's exactly right. And when you think of, yeah, what is the frame or what is the scope of what you're evaluating, you know, the Tam or the total addressable market that's just, you know, demand that exists today, maybe in the language that you're able to support today in the markets you're in live. But as you start to undo those barriers or the constraints of that scope, that nber starts to increase, right?

Taylor: How are you thinking about not just capturing demand, but thinking of full funnel and creating and fueling that demand over time? Like we talked about? Like often folks who are expanding internationally for the first time, they're only able to go after English speakers because they don't have a non-English website, or they don't have a sales team that can speak other languages.

Taylor: You know, I also had to Gemini Google this app before, but, you know, more than 55% of the of searches. It's just Google to our non-English, right? So just by doing an English first strategy, you've already constricted that scope. You talked about before to, you know, only 45% of the total addressable audience.

Gavin: Yeah. So for the few minutes that we have left here, since we have an opportunity to chat with somebody who's at Google, I thought that this would be a great opportunity to just get a quick download from you on where you're at with current media and marketing best practices, regardless of what stage a brand might be in their international expansion journey.

Gavin: Because we've already talked about a few things in terms of full funnel coverage, maybe operations and post click optimization. What do you view in terms of best practices as paramount for brands to be looking at these days and in the current times?

Taylor: Yeah, look, I hit on this before, but I want to just put a quick, finer point on the full funnel pieces that yes, like often, you know, you want to prove out to your CFO or you want to prove out to your GM that international is a feasible strategy. So you just do bottom of funnel media. You capture existing demand.

Taylor: You say, hey, this is great. You invest more and then that dries up over time. So thinking about going in first full funnel is really important, especially because you're likely doing full funnel media here in the US, even though your brand is lesser known outside of the US. So you want to really like it's almost flipped on its head where how you want to go first throughout performance is the way you should.

Taylor: So make sure if you're thinking about a market, you're obviously testing it first, but you're taking a full funnel approach like any good marketer should from a localization and creative standpoint, right? Like beyond just scaling to languages beyond English localization and your creative is really important. I like to use this example like Germans are really pessimistic. So like on your landing page, say you're like selling software.

Taylor: It's really important to have like the security badges that like your software has been blessed and there's a lot of trust behind it. Otherwise you get fall off rates versus like that is a uniquely German thing. So like thinking about, yeah, not just localizing in the language or even having like the background or use cases that might be regionally different, like thinking about what are the preferences of that conser there and then.

Taylor: Yeah, like from a post click standpoint, your product page is like your checkout experience. Payment providers, these are all things post click that help boost performance you really want to think about. So yeah, those are sort of the three that transcend, you know, whatever stage you're in or whatever market you're in.

Gavin: Know those are those are big ones. The full funnel piece I think is especially important for maybe newer, smaller brands to think about because like you mentioned, it is very, I think tempting. And there is some logic behind really focusing on the bottom of the funnel, but this is really tying in the entire conversation that we had around fragmentation versus frictionless experiences for consers, how people are interacting with social platfors horizontally.

Gavin: Having all of that in mind, that will then lead to that brand recognition. Lead somebody to Adidas site, then how that DDC site matches with that international audience, I think is really is a nice, nice bow to put on that. If you were going to recycle.

Taylor: Yeah. A virtuous cycle.

Gavin: No. Truly, truly. So with all that in mind and you can get your big picture cap on here to close this out. If you were going to make any predictions, let's say, in the next five years for how international business growth specifically, let's say, in the e-commerce sector is going to develop, what is your prediction of how it's going to look different, let's say, in five years than how it looks today?

Gavin: That's going to be a good way to close this out. I wanted to get your big picture kind of projections here for where you think we're headed.

Taylor: Of course. And I'll caveat that this is not Google speaking. This is me speaking. Yeah.

Gavin: I think this answer. Yeah.

Taylor: I think one of the hot topics that we haven't mentioned yet and we don't have time to go into is a genetic right. And how like, who is that shopper or who is the person completing the purchase that I think that bifurcation between someone who is driving and like you and I before of purchasing abroad, you're actually doing it from start to finish versus how our agents involved.

Taylor: How do you optimize your website content from an, you know, a paid perspective from an SEO, an organic perspective to make sure that the person you're speaking to or the shopper you're speaking to gets the information they need. So whether that's an agent or yourself, I think that that's going to evolve so much. And laying the infrastructure to optimize for two different entities that are shopping, I'm really interested to see how that plays out, because it's going to need to happen all at once or at the wholesale level, which will include international.

Gavin: Which I was going to say. I think that I even set the time frame a little too wide. I'm talking five years. This is going to be within the next 18 months, and in the next two years, three years, like these are changes that are going to be happening, I think, quicker than people maybe realized. So it's good to hear from you even that this is this is happening.

Gavin: You know, that this looks like this is going to be a pretty, pretty clear move. You know, it'll be so.

Taylor: Yeah. So, so much every day now I feel like is, you know, we used to be weeks, five years ago in terms of the amount of progress or change. And that is great in terms of the advantages it's going to bring quickly, but also from marketer advertiser standpoint, keeping up with that, it can feel overwhelming. So I think you're I think you're exactly right.

Gavin: But everybody feels a little less overwhelmed hearing from you, Taylor, and having it in an in a digestible, easy to recognize, easy to understand format and system. Taylor, thank you so much for joining. This was great. This is great.

Taylor: I, I love it. Thank you for having me. And I didn't mention this at the top, but I do want to say a huge congratulations to Logical Position and the whole team for earning our new international certification. Less than 1% of agencies globally are even part of our program, and even fewer of those go on to earn this certification.

Taylor: So big kudos to you and the team for, like we said, helping advertisers and clients move at a time where speed is is so necessary for success in the coming 18 months and especially five years.

Gavin: I appreciate that. In a perfect word, to close this out on Taylor, thank you for joining and yeah, we'll see you again soon.

Taylor: Thanks, Gavin.

Gavin: That was great. Big thanks to Taylor over at Google for joining us and sharing his insights on international growth. Before we wrap up, don't forget to visit AdLab Podcast to claim your free marketing review and special listener discount. If you're wondering where your biggest growth opportunities are as a business, we'd love to help you find them and break our marketing expertise to the table.

Gavin: If you've enjoyed this episode, be sure to subscribe! Leave a review. It really helps more marketers discover the show. Thank you for listening and we'll see you next week in the lab.