
The Path to Internationalization for FinTech Companies: A Case Study of To B and SaaS Enterprises

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Abstract: In recent years, Financial Technology (FinTech) has demonstrated rapid development globally, gradually becoming a key force driving the digitization and globalization of financial services. Compared to consumer-facing (To C) payment and credit enterprises, To B SaaS FinTech companies targeting institutional clients possess stronger technological characteristics and higher entry barriers in their internationalization process. This study employs the case analysis method, selecting Broadridge Financial Solutions, Temenos, Fiserv/FIS, and China's Kingstar as research samples. Integrating internationalization theory and the dynamic capabilities perspective, it delves into their internationalization motivations, path selection, capability building, and strategies for addressing challenges. The findings reveal that the internationalization of such companies follows a logical path of "standardized technology export — regional localization — deepened mergers, acquisitions, and cooperation." Their core competitive advantages lie in SaaS-based architecture, compliance adaptation, and the construction of a global client network. The academic value of this research lies in expanding the scope of studies on the internationalization paths of FinTech enterprises, while its practical significance is providing actionable empirical insights for the overseas expansion strategies of Chinese companies.

Keywords: FinTech; Internationalization; SaaS; To B; Case Study

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1. Research Background

As an innovative product born from the deep integration of cutting-edge technologies and traditional financial services, FinTech is fundamentally transforming financial service delivery models across global markets. The latest industry report from KPMG (2024) reveals that global FinTech investment reached a staggering USD 100 billion in 2023, with institutional enterprise services accounting for more than 40% of total investments^[1]. Business-to-Business (To B) FinTech companies, which predominantly operate on Software-as-a-Service (SaaS) platforms, offer comprehensive financial technology solutions including but not limited to core banking infrastructure, securities clearing mechanisms, cross-border payment settlement systems, and sophisticated risk management frameworks. The international expansion of these companies extends beyond conventional business strategy considerations, as it inherently involves complex issues related to the interconnectivity and interoperability of financial market infrastructures across different jurisdictions.

Nevertheless, compared to Business-to-Consumer (To C) models, the internationalization process for To B FinTech companies encounters substantially greater complexity and multifaceted challenges. These include navigating divergent cross-border financial regulations, ensuring strict compliance with varying data protection laws across markets, establishing and maintaining institutional client trust in foreign environments, and managing long-term contractual relationships with multinational financial institutions^[2]. Such complexities are compounded by the mission-critical nature of financial services and the high stakes involved in institutional financial operations. Consequently, systematic research into the internationalization strategies and operational models of To B FinTech companies carries profound theoretical significance for academic studies in international business and financial technology, while also offering substantial practical value for industry practitioners navigating global expansion in this rapidly evolving sector.

2. Domestic and International Literature Review

2.1. International Research

Within the extensive research domain of enterprise internationalization paths, scholars have developed various theoretical frameworks to explain different patterns of cross-border expansion. The early foundational studies in this field are prominently typified by the Uppsala internationalization process model, which emphasizes that firms gradually enter international markets through an incremental “learning-commitment” mechanism, accumulating market knowledge and increasing resource commitments step by step^[3]. In stark contrast to this gradual approach, the more contemporary Born-global theory posits that certain innovative enterprises possess inherent international characteristics from their very inception, enabling them to rapidly expand into global markets shortly after establishment^[4]. Particularly in the emerging FinTech field, recent research by Forsberg and Hulsink (2024) has revealed an interesting hybrid phenomenon, indicating that some European FinTech companies exhibit characteristics that blend elements of both the Born-global model and traditional gradual internationalization approaches^[5].

The dynamic capability theory has gained widespread application in explaining how enterprises systematically build and sustain competitive advantages during their internationalization journeys. Teece (2014) comprehensively proposed that dynamic capabilities primarily encompass three critical dimensions: opportunity identification in volatile markets, strategic resource reconfiguration, and continuous organizational learning^[2]. Building upon this theoretical foundation, Hu et al. (2023) conducted in-depth FinTech case studies and made significant findings that dynamic capabilities play a particularly crucial role in two key aspects of international expansion: navigating complex regulatory compliance requirements and executing effective market expansion strategies across different jurisdictions^[6].

Furthermore, the network theory perspective provides additional insights by emphasizing the fundamental dependency of enterprise internationalization on establishing and maintaining strategic partnership relationships. Through meticulous study of technology firm cases in Latin America, Monroy Zambrano (2020) discovered that forming local cooperative alliances serves as a core method for overcoming resource constraints and institutional barriers in emerging markets^[7]. Parallel to this, recent research focusing on the internationalization patterns of Software-as-a-Service (SaaS) enterprises suggests their expansion path typically follows a distinct evolutionary trajectory: beginning with standardized product exports to minimize adaptation costs, then progressively transitioning towards more sophisticated strategies including product localization and targeted mergers & acquisitions to deepen market penetration^[8].

2.2. Domestic Research

Domestic research on the internationalization of Financial Technology (FinTech) predominantly centers on policies and the payments domain. Findings from iResearch’s studies (2025) indicate that the overseas expansion of Chinese enterprises is chiefly concentrated in payment and cross - border clearing services, while the Business - to - Business (B2B) Software as a Service (SaaS) model remains in its nascent stage^[9]. Zhang Ying (2022) stressed that the crucial challenges in the internationalization of Chinese FinTech pertain to cross - border data compliance and regulatory coordination^[10].

Overall, extant research demonstrates the diversity of FinTech internationalization; however, it lacks systematic case analyses specifically directed at B2B SaaS enterprises. This paper intends to address this research gap.

In addition, domestic studies often overlook the cultural and market differences that play a significant role in the internationalization process. These factors can greatly influence how FinTech solutions are received and integrated into foreign markets. Furthermore, there is limited exploration of the competitive landscape and how local and international players interact within the B2B SaaS sector. This paper seeks to delve deeper into these aspects to provide a more comprehensive understanding of the challenges and opportunities faced by Chinese FinTech companies venturing abroad. By doing so, it aims to offer valuable insights and strategic recommendations for businesses looking to expand their presence globally.

3. Research Objectives and Methodology

3.1. Research Objectives

This research study is designed to systematically investigate and analyze several key questions regarding the internationalization strategies of To B SaaS FinTech enterprises. Specifically, the study seeks to address: (1) What are the primary driving factors and underlying motivations that prompt To B SaaS FinTech companies to pursue international expansion strategies? (2) How do these enterprises differ in their approaches to path selection and market entry modes when expanding globally? (3) In what ways do dynamic capabilities and cooperative networks influence and facilitate the internationalization process of these FinTech firms? (4) What valuable insights and practical implications can be drawn from these findings to guide and inform the overseas expansion strategies of Chinese enterprises in the FinTech sector? The study aims to provide a comprehensive understanding of these critical aspects through detailed analysis and empirical evidence.

3.2. Research Methodology

This research adopts a comprehensive case study methodology, carefully selecting four highly representative business-to-business (To B) financial technology enterprises as primary research subjects. The investigation draws upon multiple reliable data sources, including corporate annual financial reports, peer-reviewed academic publications, authoritative industry analysis reports, and publicly accessible archival documents. Through systematic cross-case comparative analysis, the study meticulously identifies and examines both shared characteristics and distinctive features across these selected cases, aiming to uncover meaningful patterns and insights within the To B FinTech sector.

4. Case Analysis

4.1. Broadridge Financial Solutions

The primary driving force behind Broadridge's strategic international expansion stems from two key factors: the increasing globalization of its existing client base and the company's strategic pursuit of operational efficiencies through economies of scale. This expansion strategy has been systematically implemented through a clearly defined two-pronged approach that has evolved over time.

Firstly, Broadridge's international growth has been fundamentally built upon a series of strategic mergers and acquisitions. Following its successful spin-off from ADP in 2007, which marked a significant milestone in the company's independent growth trajectory, Broadridge strategically acquired City Networks and Lombard Risk. These carefully selected acquisitions served as critical entry points, enabling the company to rapidly establish a strong foothold in both the European and Asia-Pacific markets within a relatively short timeframe^[11].

Secondly, the company adopted a regional implementation strategy characterized by establishing dedicated Research and Development centers in key locations such as India and Singapore. This thoughtful geographical diversification served

dual purposes: it allowed for significant cost optimization through access to skilled yet cost-effective talent pools, while simultaneously enabling the development of deeper, more localized customer relationships through proximity to key markets.

Broadridge has consistently demonstrated strong dynamic capabilities throughout its expansion journey, particularly in three critical areas: its acute awareness and understanding of evolving regulatory landscapes across different jurisdictions, its keen insight into shifting customer demands in various markets, and its exceptional ability to effectively integrate and leverage resources acquired through its strategic M&A activities^[2]. However, the company's international growth has not been without challenges, with the most significant obstacles being the substantial variations in regulatory frameworks across different regions and the inherent complexities involved in post-merger integration processes, particularly when dealing with cross-border acquisitions.

4.2. Temenos

Temenos has achieved widespread recognition and substantial market success for its innovative Software as a Service (SaaS) core banking platform. The company's international expansion process, which has been both systematic and strategic, can be comprehensively analyzed through three clearly defined developmental stages:

(1) Export-centric Phase (Market Entry Period): In its initial international foray, Temenos successfully entered the European financial technology market primarily through the export and licensing of its sophisticated banking software solutions. This phase was characterized by a product-focused approach to international market penetration.

(2) Regional Implementation Phase (Localization Strategy): Building upon its European success, Temenos adopted a more localized strategy by establishing dedicated delivery and implementation centers in key Asian markets, notably Singapore and India. These regional hubs significantly enhanced the company's ability to serve clients across the Asia-Pacific region with tailored solutions.

(3) Collaborative Expansion Phase (Strategic Partnership Era): To accelerate its growth in emerging markets, Temenos formed high-value strategic partnerships with global consulting giants Deloitte and Accenture. These alliances enabled the company to leverage existing distribution networks and local market expertise.

Temenos's sophisticated global expansion framework, which is fundamentally supported by an extensive and well-established partner ecosystem, provides compelling empirical evidence supporting the theoretical foundations of network theory as originally conceptualized by Johanson & Mattsson in their seminal 1988 work^[12]. However, despite these strategic advantages, the company continues to encounter notable operational challenges including reduced negotiation power with large financial institutions and significantly higher-than-average system implementation costs in certain jurisdictions.

4.3. Fiserv and FIS

The two financial technology corporations successfully established a worldwide footprint through an aggressive and strategic series of mergers and acquisitions. Fiserv significantly bolstered its position in the international payment sector by acquiring First Data, a move that provided immediate access to global payment infrastructure and clientele. On the other hand, FIS dramatically enhanced its market standing by purchasing Worldpay, thereby positioning itself among the top-tier global payment processing entities. Their path to achieving international prominence has been driven by a carefully crafted dual-approach methodology that combines large-scale mergers and acquisitions with targeted regional expansion strategies. Both companies derive their competitive advantages from two key pillars: their sophisticated Software-as-a-Service (SaaS) platform architectures and their vast, well-established customer networks spanning multiple continents. However, despite these strengths, the post-merger integration phase frequently gives rise to significant organizational difficulties, including pronounced corporate culture conflicts and substantial technological integration hurdles, as highlighted in PwC's 2021 industry report on financial technology mergers^[13]. These integration challenges often require extensive restructuring efforts and prolonged adjustment periods before the full benefits of the mergers can be realized.

4.4. Kingstar

Kingstar, a preeminent information technology service provider concentrating on the Chinese capital market, is presently in the nascent stages of its global market expansion strategy. This internationalization endeavor is predominantly propelled by two pivotal objectives: first, to enhance the company's market valuation and fortify its standing in the financial technology domain; second, to more effectively cater to the burgeoning international business requirements of Chinese - funded securities brokers that are progressively expanding their operations overseas.

To execute this expansion scheme, Kingstar has taken tangible measures, such as the establishment of a wholly - owned subsidiary in Hong Kong, which functions as its international business center, and the forging of strategic partnerships with local enterprises across Southeast Asian markets. Nevertheless, the company's international growth encounters substantial impediments, particularly its restricted brand awareness in foreign markets and a conspicuous deficiency in specialized knowledge regarding cross - border data compliance regulations, which are becoming increasingly rigorous globally.

Kingstar's expansion approach is in close alignment with the theoretical framework of the Uppsala internationalization model, a well - established theory in the field of international business research. Originally formulated by Johanson & Vahlne in their landmark 1977 study, this model emphasizes a gradual, phased approach to foreign market entry. It posits that companies typically commence by entering markets with similar cultural backgrounds and institutional environments before venturing into more remote and dissimilar markets. Kingstar's current emphasis on culturally proximate markets in Southeast Asia exemplifies this prudent, incremental approach to international expansion.

5. Research Conclusions

Based on the analysis of the four cases, the following conclusions are derived:

1. Motivation Aspect: The internationalization of To B FinTech is predominantly propelled by client globalization and the pursuit of scale economies. Chinese firms also encounter pressure from capital market valuations.
2. Path Aspect: International giants tend to favor mergers and acquisitions (M&A) and regional strategic arrangements. European enterprises are highly reliant on partner networks, whereas Chinese companies mainly adopt a regional pilot strategy.
3. Capability Aspect: The core capabilities reside in the SaaS platform, compliance adaptation, and the development of a client network.
4. Challenge Aspect: Key challenges encompass cross - border regulation, data compliance, post - merger integration, and brand establishment.
5. Theoretical Contribution: This paper reveals that the internationalization path of To B FinTech presents hybrid characteristics of both the Born - global and the gradual/incremental models, with dynamic capabilities and network relationships acting as key explanatory variables.
6. Practical Implications: Chinese enterprises should initially concentrate on regional pilots, enhance their SaaS standardization and compliance capabilities, and utilize partnerships and capital market instruments to achieve breakthroughs.

Disclosure statement

The author declares no conflict of interest.

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