CAPITA

The Value of Language in eCommerce

Capita Translation and Interpreting - **WHITE PAPER**

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The Value of Language

Every day, millions of people around the world gain access to the Internet. Current projections show that by 2030 the whole world will be online. This means that the opportunities to drive sales through eCommerce are growing exponentially, and businesses from every industry sector need to adapt their business model to reflect the methods customers want to use to buy their products.

Capita Translation and Interpreting (Capita TI), one of the world's fastest growing Language Service Providers, works with many companies that rely on their online presence to drive sales in territories across the world. This increasingly involves our customers adapting their strategies to meet the local expectations of their audience, and the correct use of language is an essential part of this process.

Capita TI can provide you with some key considerations about the value and power of language and how your business can harness these benefits, as well as show you how to make some clear decisions about the direction your international eCommerce strategy should take.

How do you make sense of online business opportunities

The Internet continues to change the way we interact with the world.

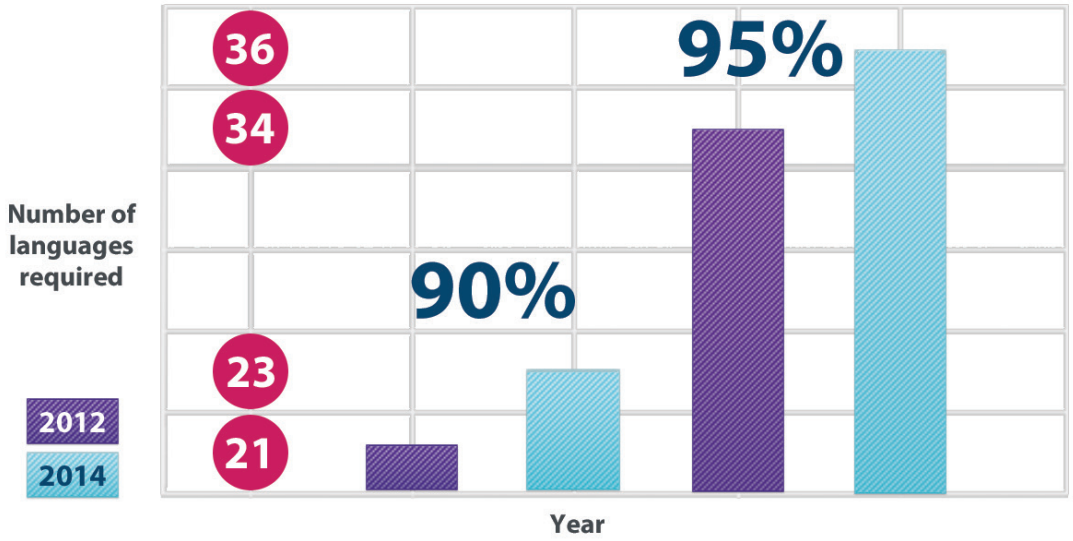
Statistics from recent research papers demonstrate the mind boggling rate at which the Internet is growing and seeping into the life of every consumer and enterprise. Recent analysis from factshunt.com shows that across the Internet there are:

- 510 million active websites
- 14.3 trillion live webpages
- 1 million people logging onto the Internet for the first time, every day
- 222 active languages on Wikipedia

The continuing spread of the Internet is affecting the value of language. It used to be accepted that English was the lingua franca of the Internet, but times have changed. In 2012, a web page in 21 languages would ensure 90% of global web users could understand the content, increasing to 34 languages for 95% of web users to understand the content. Just 2 years on in 2014, the situation has changed again with 23 languages now required to reach 90% of users and 36 languages to reach 95% of users. As the remaining parts of the world population gain online access, websites will need to cater for more languages to reach the growing numbers and rising diversity of frequent Internet users.

As the reach of the Internet grows so does the diversity of language required for users to understand the content at their fingertips.

Web Users vs. Languages Required



It is important to understand the impact that the diversity of language has online, because language availability on the Internet dictates the way Internet consumers make buying decisions. Analysis of the language used can also indicate likely online habits.

For example we know that a user in the US will spend approximately three hours a day surfing online, compared to users in China, who can spend up to 10 hours a day (source: www.mashable.com).

The question posed for many businesses, including the companies that approach Capita TI is that in this large, ever growing environment how do businesses make the right decision about what languages will work when trying to raise awareness of a brand, build trust among online buyers and sell your materials and services effectively to customers who no-one from your business will ever see face to face?

Knowing the languages to target when setting out an international sales and multilingual strategy can feel like a game of chance - and often discourages businesses from leaving their comfort zone. Indeed, there have been some high profile examples of how communicating in new languages can backfire.

Two examples which emphasise the perils of poorly executed localisation include:

Pepsi's Slogan:

"Come alive with the Pepsi Generation"

which, when translated into Chinese, reads:

"Pepsi brings your ancestors back from the grave"

Coor's Slogan:

"Turn it loose"

which, when translated into Spanish, reads:

"Suffer from diarrhoea"

As well as being a PR nightmare for the companies involved, sales figures took a hit in these markets (source: Ricks, David A. Blunders in International Business, 1993).

Sound planning can ensure your strategy does not suffer the same fate.

How to choose the right language for your objectives

There is lots of information and research available to help you identify which markets and languages are potential goldmines for your sector.

Understand the size of the challenge

Let's start with some basic overarching statistics

The largest markets for eCommerce sales are found in the United States, United Kingdom, Germany, France, China, Japan and Brazil. The US tops the chart with an annual online spend of $176bn or (£102.6bn) – by way of contrast, Brazil, a not unsubstantial marketplace, makes $8bn or £4.7bn annually through online sales – and China is by far the fastest growing eCommerce market.

There is another reason why these markets are important – the WOW factor, or World Online Wallet. This theory analyses the economic opportunity within a country's marketplace. In this overall example, the US and Western Europe only account for 12% of the world's population but they command 60% of the online buying power.

However, underneath these macro trends, complexities emerge.

For example, if you decided to make your site available to read in Simplified Chinese you will reach 22% of the online population but only 7% of the world's online spending power. Your money could arguably be better spent by translating your content into Japanese, as although that market only represents 4% of the world's online population it commands an impressive 10% of the buying power.

These trends slowly come to light when you compare and contrast online language preferences with spending power. Currently, to reach 80% for the world's population you would need online content in the following languages:

- Chinese - ZH
- English - EN
- Spanish - ES
- Japanese - JP
- Portuguese - PT
- Arabic - AR
- German - DE
- Russian - RU
- French - FR
- Indonesian - ID
- Korean - KO
- Italian - IT

However these stats alone can be deceiving, because to reach 90% of the world's economic opportunity you need to target 13 languages, as follows, with Swedish and Dutch coming in to the list and Indonesian not featuring at all:

- English - **EN**
- Japanese - **JP**
- German - **DE**
- Spanish - **ES**
- French - **FR**
- Chinese - **ZH**
- Italian - **IT**
- Portuguese - **PT**
- Dutch - **NL**
- Korean - **KO**
- Arabic - **AR**
- Russian - **RU**
- Swedish - **SV**

So what conclusions can be drawn from this information?

You have to choose the languages that fit your market place, and the products and services you sell. Setting your content in languages such as Macedonian, Estonian and Bulgarian based on the rationale that they are a part of Europe may not lead to you discovering a marketplace for your products and services there. Similarly, languages such as Arabic, Persian (Farsi), Indonesian, Hindi and Hebrew are often underserved on international websites and sales portals, yet are languages used by already large, growing populations hungry to buy goods, with matching purchasing power.

This highlights the importance of tailoring your localisation strategy to the sector you are in and the products and services you are marketing. Not every sector requires the same languages to benefit from localisation. Capita TI's experience and knowledge can guide you in making an informed decision when targeting markets further ashore.

How do you put in place and execute the right strategy?

Don't underestimate the scope

Businesses that succeed with multilingual web strategy often have a strong grasp that translation of content is only a small part of the overall internationalisation and localisation process. The foundation of a successful website localisation strategy is based on a thorough stage of evaluation and assessment. This can often develop into a far reaching exercise that involves:

- Website design and system integration
- Multilingual SEO
- Localisation of non-written content such as videos or sound files
- Development of a future-proof plan for updating and maintaining your content.

Effective localisation also goes beyond the website as a sales tool and incorporates other aspects of a business. Any localisation strategy also needs to consider factors such as:

- Easy shipping – do you have the logistical resource to ship your products to a targeted country?
- Format currency and payment – Is your business set up to accept payment in other currencies?
- Customer experience and aftercare – 74% of people would buy again from the same brand if the aftersales care is in their local language (source: The Common Sense Advisory, Can't Read, Won't Buy, Donald A. DePalma, Vijayalaxmi Hegde, and Robert G. Stewart, February 2014)
- Local URL and phone number –Will making your French customers call a UK telephone number improve or hinder sales and success rates?
- Legal requirements – Have you taken advice on local business legislation in your target country and assessed how this could affect business?

This list is far from exhaustive, for more considerations you might find the Capita TI blog on 5 Customer Service Opportunities to Safeguard ROI on Website Localization of interest.

Identify the right people

What these questions and factors show is that it is critical for an individual or team to be identified within a business to manage the entire process during implementation and then through the upkeep of translated content. IT departments, Marketing departments, Brand Managers and Sales are just some of the business functions that will have an interest in the success of a project.

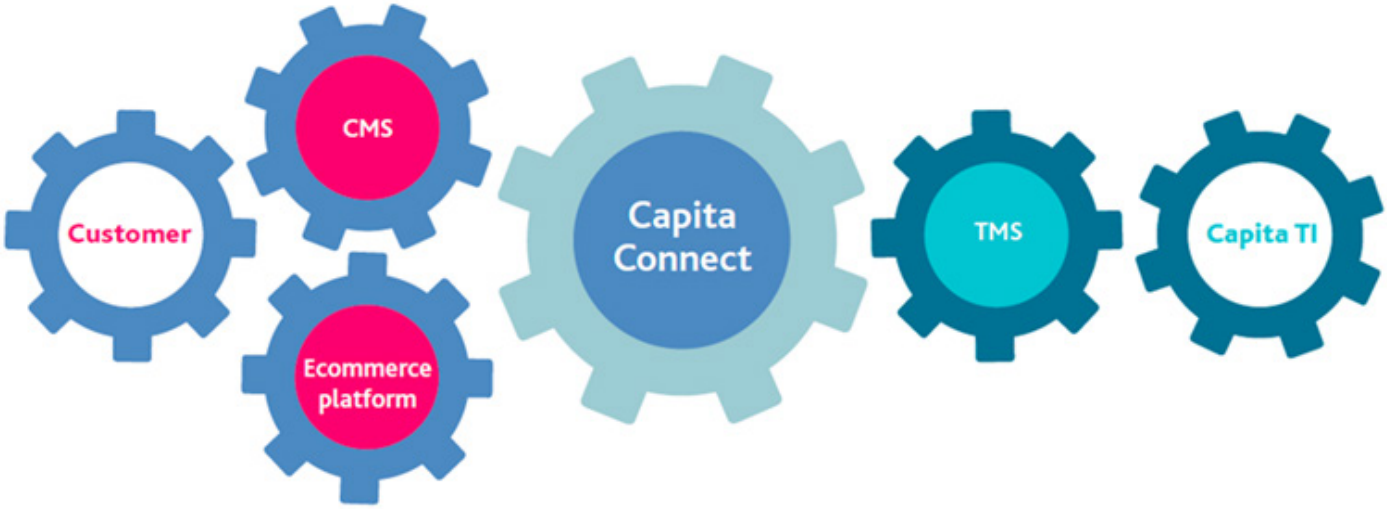
But even then, navigating the project through to completion is difficult without access to the necessary skill and experience.

At Capita TI, our localisation experts will help you move from simple translation to full website localisation, guiding and advising you with services such as design and integration, machine translation with post editing, localised multimedia services, international brand check services and multilingual SEO.

Turn to technology

Copy and pasting content from your website to an offline file belongs in the dinosaur era - Don't get left in the dark ages using valuable resources for such a time consuming and unnecessary task.

Large amounts of content can be effectively translated automatically, with a number of devices available to help join up the translation process between a customer and their language service provider. Capita TI, for example, offers CapitaConnect, which allows a customer to communicate with our online Translation Management System (TMS) directly through their own website Content Management System (CMS). This helps to reduce time consuming manual imports and exports of content required for translation, while also reducing reliance on sending files via different routes such as FTP systems or email.



Speak to Capita TI today to take you through how we will work with you to develop a solution which is a mix of technology, on the spot expertise, and experienced translation know how.

Localisation in action: Optimum Nutrition

Optimum Nutrition (ON) is a UK based manufacturer of sports nutrition products. Their products are available in 70 different countries, but when they approached Capita TI, the UK was their largest marketplace. ON were uncertain whether investing in website localisation was the best option to drive their international strategy and which languages to choose to provide the best return on investment. With a high number of new products being launched ON also needed a quick translation turnaround time to maximise the impact of their sales.

Having assessed the options and considered the sales strategy, ON decided to trial websites in French and German, their 2 largest markets. Capita TI worked with ON on translating the content and developed a service that met the quick turnaround requirements of the customer. To offer further peace of mind to ON, their chosen localisation team worked closely with Capita TI to select the translators that were used on the project through an interview process. This ensured that the selected translators understood and could do justice to the language of the ON brand, and interpret the complexities of the products accurately.

Having localised the ON website into just two languages, the eCommerce sales for ON doubled following a 30% increase in website traffic. The success of this trial brought their localisation plans for other key European languages forward by six months, allowing ON to target further new markets, more quickly.

"Working with Capita TI gives us close control over our localisation requirements, while Capita deliver quickly and efficiently.

Through using localisation and by working with Capita TI, we were able to double our online sales in 2012, which was a real success for us, and we look forward to developing this channel in other European markets during 2013."

Sara Trechman – Head of Marketing at Optimum Nutrition

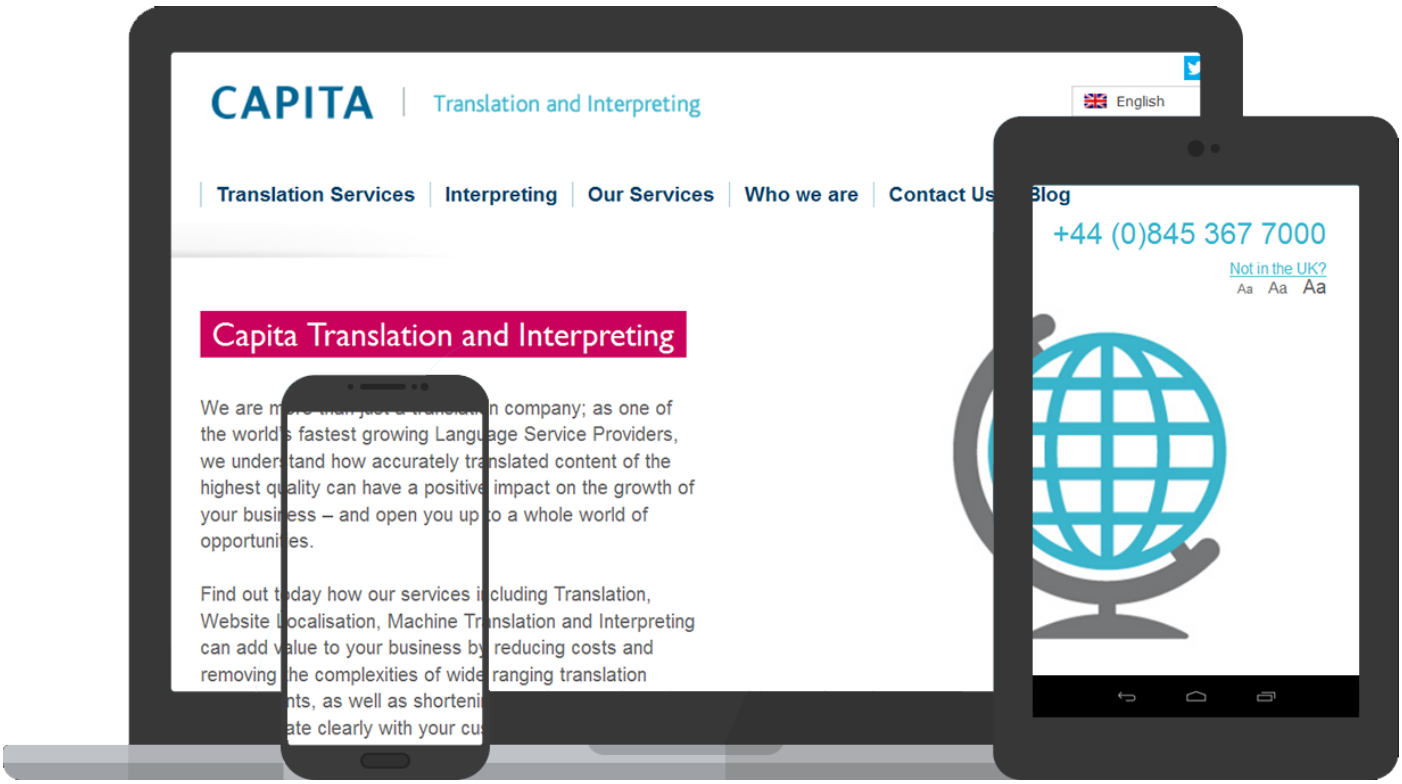
What next? Localising for the mobile market place

The digital world is evolving faster every year. In 2013, 93% of marketing professionals said they were using online video for marketing and communications; 62% of data traffic is now video streaming. And it's no wonder being that more and more people are viewing the web via a mobile device. It's estimated that the number of mobile phones will exceed the world's population by the end of 2014. 55% of China's internet users have made a mobile payment, versus on 19% of internet users in the US. This demonstrates the changing world of mobile technology.

(source: www.flimp.net)

When it comes to search engine optimisation, did you know that people in Russia tend to use Yandex rather than Google? And people in China use Baidu?

These are very important distinctions when you are planning to target a certain market and decide upon your SEO strategy.



The Value of Language

Setting out a strategy for localisation can be a daunting prospect, and poses problems for businesses of any size. Understanding the importance and value of language to your business objectives can ensure that you develop a localisation strategy that will be effective and will engage with your target markets.

There is a lot of information and research available on how the use of language affects online behaviour and eCommerce sales, and Capita TI is available to offer you guidance and advice on how to make decisions on which markets and target languages to focus on.

With localisation, planning and organisation is key to success, and a full assessment of how translated content can affect every part of your marketing, sales and business logistics will be an invaluable exercise to help you develop a scalable strategy that avoids hidden challenges.

There is a lot of technology available designed to make translation a smoother, faster process, and we recommend that you speak to experienced Language Service Providers to help you develop a solution that will not only meet your implementation objectives, but will provide the structure for future content translation, as an ongoing process.

If you have any questions regarding this report, or our localisation services please contact us enquiries@capita-ti.com

Capita Translation and Interpreting

Riverside Court
Huddersfield Road
Delph, Oldham
Greater Manchester
OL3 5FZ
United Kingdom

TEL (UK & EU) +44(0)845 367 7000
TEL (US) +1 (800) 579-5010

www.capitatranslationinterpreting.com

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