

Global Multilingual Commerce: Components of a Winning Cross-Border Strategy



Table of Contents

Introduction: The Growth in Global Commerce	3
Cross-Border Challenges	5
Getting Ready to Go Global	7
Tackle Translation	8
Beyond Translation	9
Conclusion: Creating Cross-Border Success	11
Resources	12
Take the Next Step: About Akeneo and Translations.com	13



Introduction: The Growth in Global Commerce

The world is changing fast and becoming superconnected.

Thought leaders in a range of industries agree that global commerce is going through a hugely transformative period. Technology and innovation continue to alter shopping experiences, both in-store and online, pushing consumers and companies alike to conduct more business away from brick-and-mortar stores. eCommerce sales surpassed \$2.8 trillion as of 2018 – good for roughly 12 percent of all retail sales – and are projected to rise above \$4.8 trillion, or 17.5 percent of all retail sales, by 2021.

As technology continues to exert its influence on commerce, we will likely continue to hear more about the crucial importance of addressing multiple sales and distribution channels.

In addition to these massive shifts across sales channels and marketing outlets, the makeup of the market continues to become more diverse and global. Many leading manufacturers and retailers are looking to cross-border markets as a source of revenue growth and a way to differentiate – and beat – their competitors.

Why is cross-border commerce important? Worldwide, the number of people making purchases online is slated to rise to roughly 2.14 billion by 2021. The countries with the highest growth rates include India, China, and Spain, but eCommerce is growing everywhere. This rapid growth in global digital sales – and its dispersion – underscores the dramatic changes the retail industry is undergoing.



Retail eCommerce sales CAGR forecast in selected countries 2019 to 2023

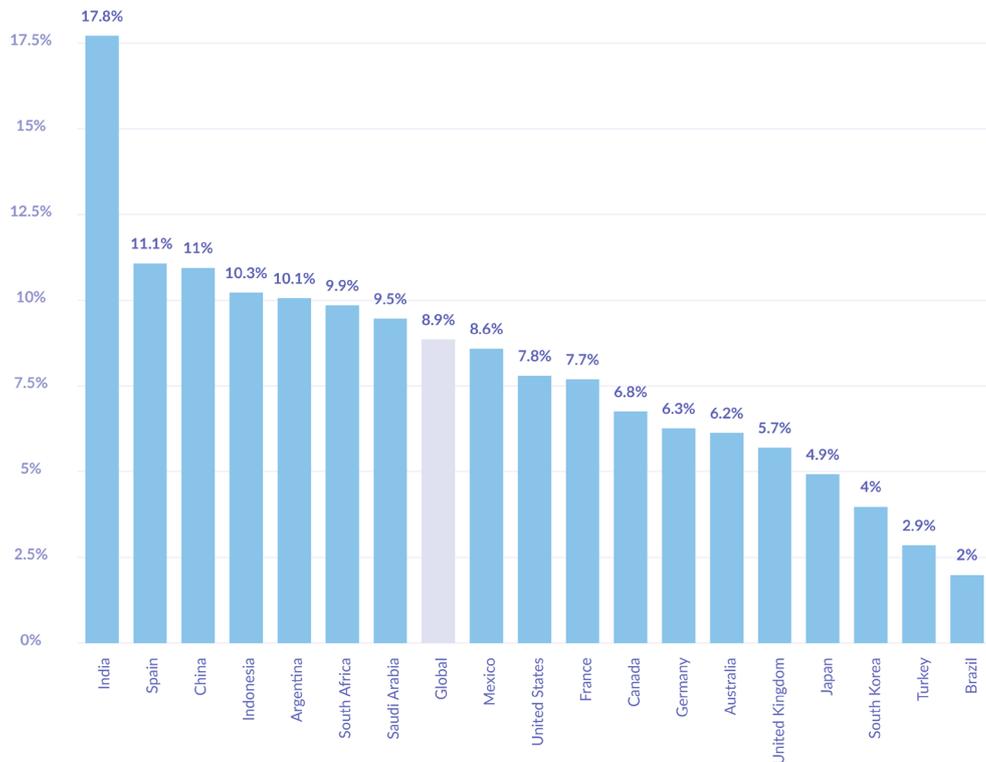


Figure 1: Rapid eCommerce sales growth is occurring worldwide

These societal and commercial developments are not just changing the methods customers use to complete their transactions – it's also changing where they make purchases from.

Increasingly, shoppers are turning to merchants outside their own borders when making purchases. More than 715 million consumers around the globe made a cross-border purchase in 2018, spending \$676 billion dollars. These figures are slated to rise to 943 million cross-border consumers spending \$994 billion – or nearly \$1 trillion – by 2020.

What's more, B2B buyers are also beginning to invest more of their purchasing budgets in the cross-border market. According to research released earlier this year, cross-border was a \$125 billion B2B business in 2018, and that number is projected to rise in the coming years as more banks, financial technology providers, and other B2B players invest in this quickly growing space.

What does all this mean for your business? It means that no matter who you serve or what country you call home, it pays to invest in cross-border commerce. As we'll see in our next chapter, finding success in cross-border commerce isn't as simple as just opening up a new online store and shipping to a new location.

Cross-Border Challenges

Technology has undoubtedly made it easier to connect with customers abroad – but these innovations have yet to completely conquer cross-border challenges. Revenue growth prospects, for example, are often significantly diminished by failing to cater to the local languages of a target country or region.

Only 25.2 percent of the world's population using the web today comes from English-speaking regions of the world. Reaching just 50 percent of the world's online population requires translation into English, Spanish, and Chinese at a bare minimum.

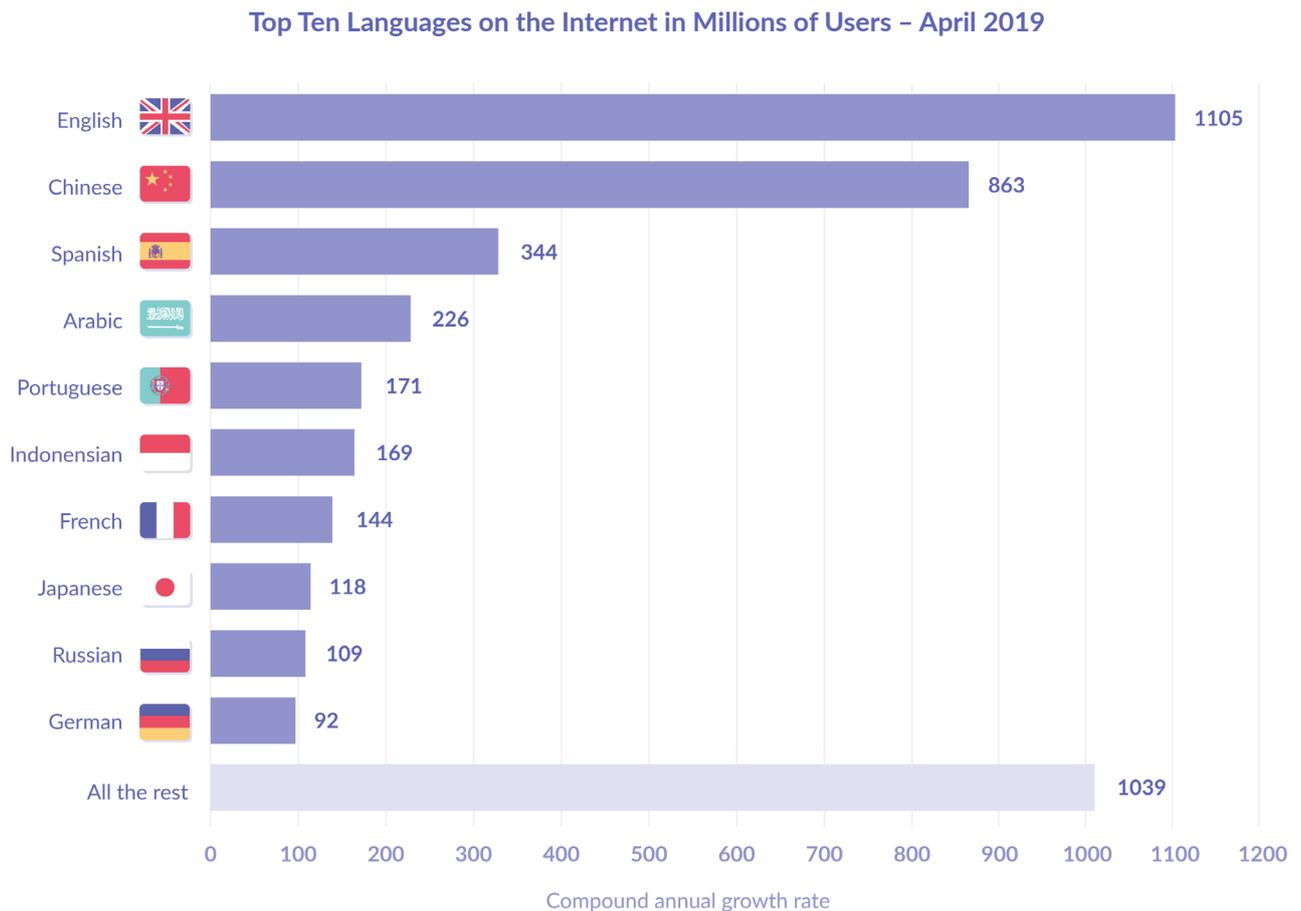


Figure 2: Most internet users do not speak English

Similarly, current internet penetration rates are already very high in English-speaking regions of the world. As these rates stagnate, internet penetration in non-English-speaking regions continues to grow at rapid rates. This means that as the total worldwide online population grows, the percentage of English speakers will continue to decline into the foreseeable future.

Internet World Penetration Rates by Geographic Regions — March, 2019 - Updated

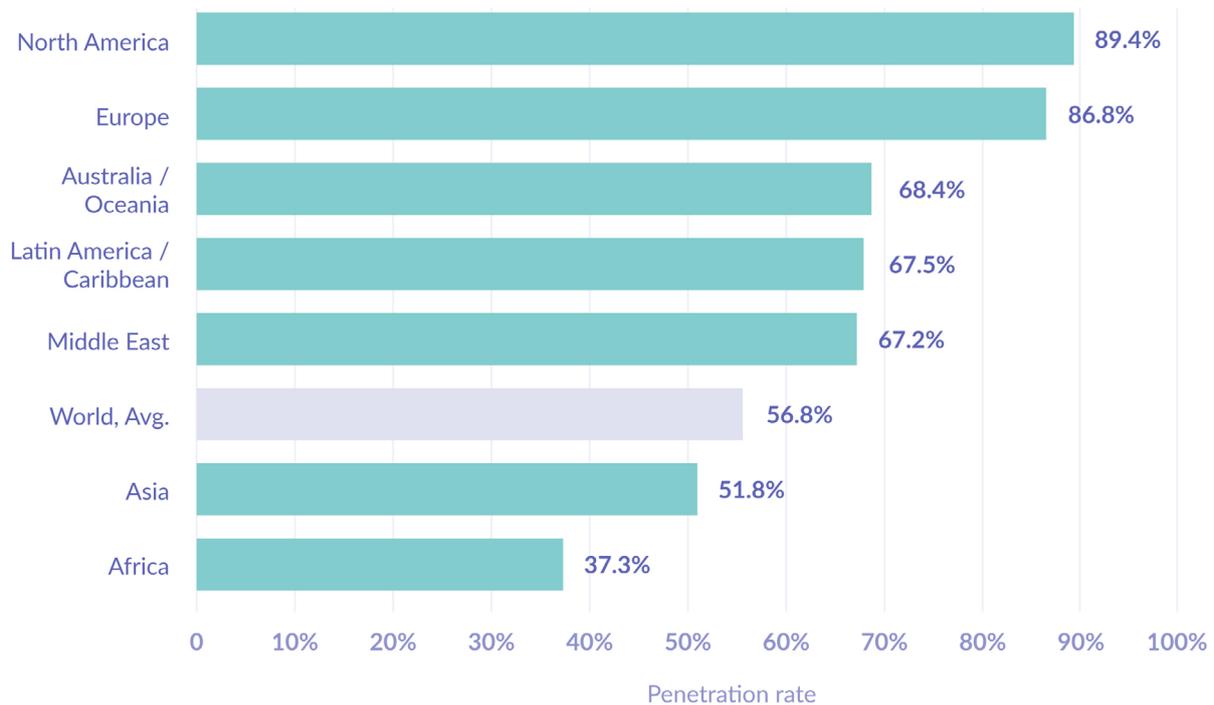


Figure 3: The number of internet users outside North America and Europe is on the rise

As a more diverse group of consumers and commercial buyers joins the online economy, it will become absolutely crucial that companies in cross-border markets translate and adapt their digital content and product information to their customers' local languages. Those that choose not to invest in this cross-border adoption, meanwhile, will limit their ability to expand their business.

Simply put, both B2B and B2C customers want, expect, and even demand the ability to conduct business in their native language. For example, according to a European Commission survey of internet users across the European Union, 9 in 10 internet users always visit a website in their own language when the option exists. What's more, the majority of consumers, even those who generally feel confident and comfortable buying products from other countries, will flat out refuse to do business with your company if you don't speak their native language.

Errors or inconsistencies in product data — information such as size, weight, or other measurements — are the leading cause for product returns, at 70 percent. If your product data is displayed in units of measurement that your customers aren't familiar with, it will almost certainly lead to confusion about your products' measurements or technical details, which in turn leads to increased return rates and decreased conversion rates.

To make matters worse, translating large volumes of product data is quite expensive. Most translators charge per word for translating text. If you have thousands of products and want to offer content in four or five languages, the costs rise quickly.

Beyond the cost, high-quality translation at scale still involves a human element. This means that the process is also time-consuming. On average, a competent professional linguist translates approximately 2,000 words per business day. If you have 100,000 words of content spread across 1,000 products, you will need 10 weeks of lead time to produce your catalog in each language. This has implications for time to market to ensure you don't miss seasonal buying periods and get new products launched on time.

Other common challenges corporations face when engaging in cross-border commerce include shipping, logistics, warehousing, and payment processing, among others. While we cannot help you eliminate all of these challenges in a white paper, there are two fundamental components your business can use to help ease the burden: a Product Information Management (PIM) system and a Translation Management System (TMS).

Getting Ready to Go Global

The reasons for going global are clear – but with challenges like those we discussed above standing in the way, how do you actually expand to new locales efficiently and effectively?

Just like in domestic commerce, selling products successfully in a new market requires your team to build relationships and forge a connection with your customers. While this is never an easy undertaking, it becomes all the more difficult to do when expanding to new locales and countries. That's because forging these connections with customers requires that companies first understand their customers, then seamlessly deliver appropriate product information and assets.

Customers need to feel that they can trust an organization and its products in order to make a purchase, and this trust cannot be built if they are struggling to read or even find product descriptions, understand product data, or view product assets. Fortunately, a good PIM system allows your company to more simply and efficiently localize product data for international markets. In this way, PIM serves as a fundamentally important component of your cross-border expansion efforts.

For example, PIM can help your team:



Increase localization efficiency across distributed teams

It may sound simple, but speaking your customers' language is the most important factor in the success of your expansion effort. A good PIM solution enables internal, global, and local marketing teams to work efficiently together, with each focusing only on the language/market and on the data they are responsible for. That's why Akeneo and Translations.com also provide translation management capabilities that can organize the job of translation without users ever needing to leave the PIM (we'll spend more time on why shortly).



Ensure quality control, legal compliance, and risk management

Expanding to a new country means new laws and requirements to comply with. A capable PIM can help your team stay on the right side of the law with features such as the ability to have different attribute values for different locales and support for specialized fields to hold product information specific to a locale. A PIM should also offer validation workflows and a rules engine that can leverage automation to better control product information quality and ensure products are properly represented across every market. What's more, by using PIM, organizations can ensure that these rules are met and as a result better manage their risk.



Accelerate time to market

In the modern age, speed is a crucial component of your omnichannel offering. Your customers expect, and demand, that your team be able to move quickly to satisfy their wants and needs. PIM helps you win this race against the clock by optimizing workflows and processes associated with collecting, enriching, and distributing your product catalog. Fully enriched and contextualized product information can be distributed to all channels, such as eCommerce storefronts, marketplaces, and print catalogs, in the required formats.



Improve conversion and return rates

The final outcome of all this hard work is more accurate, relevant, and compelling product information and improved product experiences that ultimately lead to better customer experiences. This naturally increases conversions and decreases returns.

Tackle Translation

Adopting a localization-ready PIM is clearly an important component of your cross-border commerce strategy. However, it is not the only component.

Global organizations require powerful translation solutions, complete with robust functionality and workflow capabilities that help drive efficiencies in all phases of the process. Strong translation solutions will help you and your team easily and efficiently launch and maintain multilingual product information. These solutions often integrate directly into PIM solutions, providing better translation experiences for your team and easier-to-use translation management interfaces.

That's not all your team will need from a translation partner, however. They'll also help with multilingual content management and offer AI-based assistance throughout the entire process. That's why efficient, effective, and high-quality solutions will also include a host of other features:

Increase efficiency with translation memory

No one likes to repeat work they've already completed. That's why a good TMS will offer a "translation memory" so that translations within your product catalog can be simply recalled, reused, or repurposed, rather than re-translated for each occurrence. When it comes to product data, a large volume of text is reused, typically 40–80 percent. With a translation memory, you only need to translate that text a single time – the system will prompt translators when a phrase is repeated to reuse the translation. The system also permits translators to reuse parts of translated phrases, further speeding up the translation process while decreasing costs.

Collaborate in the cloud and improve consistency

With a shared, cloud-based translation memory, teams of translators are capable of leveraging the same memory. The memory ensures the translators are translating product copy in a consistent manner while also enabling them to share their work. This means that a large volume of text may be translated by a team of linguists to help reduce turnaround times. When you use a translation memory in conjunction with terminology management, you also ensure that translators are consistently translating specialized or branded terms.

Step into the future with artificial intelligence

Translation is often a time-consuming and cost-prohibitive process. Slow time to market or an expensive expansion process can cripple even the brightest of cross-border fortunes. Artificial intelligence in translations means you are capable of training machines to translate the way you want your translations done. AI-powered TMS also help you with optimizing your supply chain by continuously seeking out new ways for you to save time and money on your translations process. Utilizing an AI-powered TMS sets you up for greater success in the long run.

Optimize your translation review process

Reviewing and approving translations of product information isn't as simple as rubber-stamping content, so make sure your translation partner gives you the ability to review and edit your translated content in a seamless manner. That way, reviewers are notified when translated text is ready for review. Revisions are automatically saved and applied to future translations – further reducing how long it takes to get your translated copy live. Multiple data points are tracked in the editing process to empower you with more insights about which languages or vendors have room for improvement. This data helps you improve not only your review process but also the quality of your suppliers, ultimately leading to a higher-quality translation for your customers.

Beyond Translation

While speaking your customers' language is critical, it is also important to localize your product content for your intended audiences. This means using local spelling and vocabulary, providing product data in local units of measurement, and adapting packaging, images, videos, other multimedia assets, and even your product selection for your new audience.

What's more, as we noted earlier, localized product information is also crucial when it comes to creating the compelling emotional connection with customers that leads to frequent purchases and high levels of loyalty. Without using localized vocabulary and content, your company will not be able to forge those meaningful bonds with a cross-border audience.

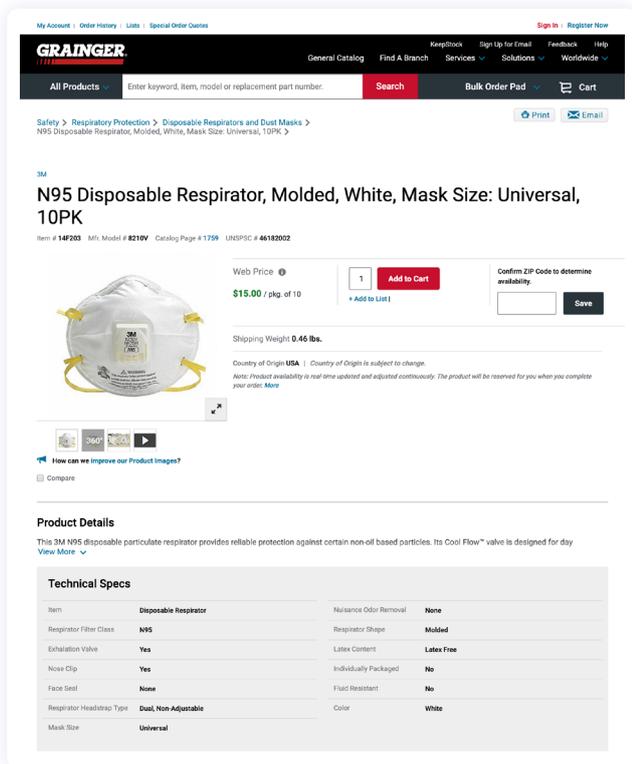
Sound dizzying? Don't worry – PIM can help your team easily and efficiently:

Adapt units of measurement to local standards

Even if you're speaking your customers' language, if you're using units of measurement that are unfamiliar to them, you may as well be speaking ancient Greek. A robust PIM solution will help your team to simply and efficiently localize product data for international markets by using bulk actions to, for example, set U.S. shoe sizes in U.S. channels and European sizes in European locales and channels.

Create and choose the right multimedia assets

Letters and numbers aren't the only parts of your product information that need a facelift to succeed across borders. Marketing teams must also ensure that product images are relevant and appropriate for new markets and that measurements are expressed in a way that would make sense to a local. PIM can help your team choose assets that will resonate with customers, making them more likely to become repeat purchasers.



Pick the right products

Sometimes it isn't only product information that needs to be adapted to meet the cultural standards and norms of a new market. Oftentimes, you need to rethink your entire product catalog when entering a new market, but adding or subtracting products from your catalog can be challenging and time-consuming. A good PIM will support different assortments by locale to easily and efficiently offer a product catalog for specific markets.

Feed the right information to the right locale

Spending all this time and effort localizing products won't do much good if customers in one country end up seeing content designed for a different population. PIM can help you tackle this final task with export profiles so that the final localized product information can be easily distributed to the appropriate eCommerce platforms, marketplaces, print catalogs, and other channels and storefronts. With the ability to export the right information for the right locale and right channel, a PIM streamlines the product information management process to more efficiently meet the needs of cross-border commerce.



Conclusion: Creating Cross-Border Success

The recent increase in cross-border commerce may seem like the product of modern trends coming together, and it likely is. But that doesn't mean it will be a short-lived fad.

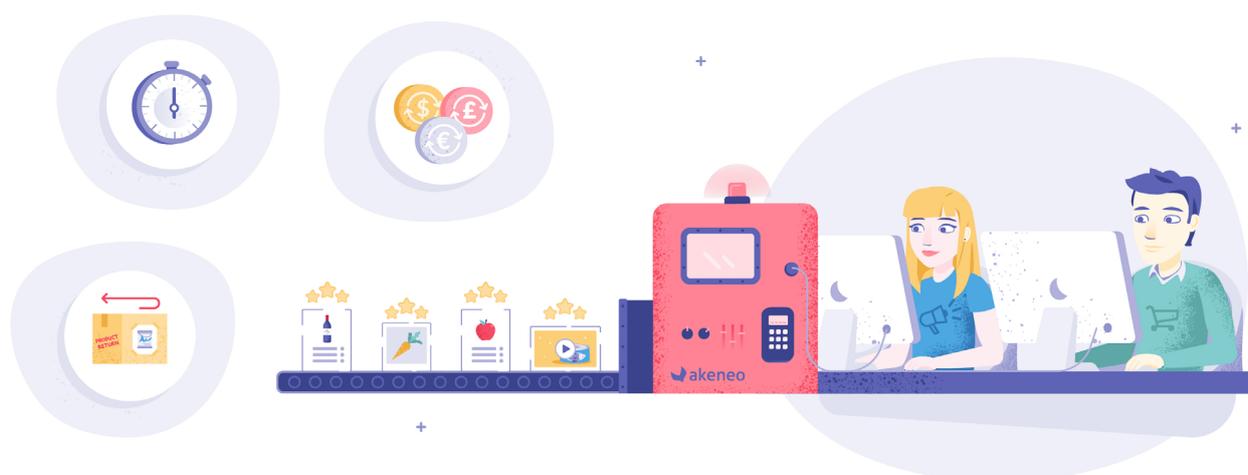
With new technology innovations giving a growing group of consumers and companies alike access to the internet and pushing commerce forward, it's clear that cross-border commerce is a trend that is likely to increase in the coming years. In fact, most researchers expect cross-border revenue to continue to rise.

Consumers are expected to spend nearly \$200 billion with overseas merchants over the course of the next two years as the number of cross-border consumers approaches 2.14 billion by 2021. Businesses, for their part, are also expected to continue to turn to international trade and commerce in the coming years, with the industry on course to hit \$6.7 trillion in total revenue during the same time frame.

But just as clear as the staying power of cross-border commerce are the challenges that stand in the way. The adaptation and translation of written product descriptions, product measurements and data, multimedia assets, and other pieces of product information is often a time-consuming, labor-intensive, and resource-heavy process, one that is often fraught with potential pitfalls and errors that could spell disaster for even the most well-considered cross-border expansion plans.

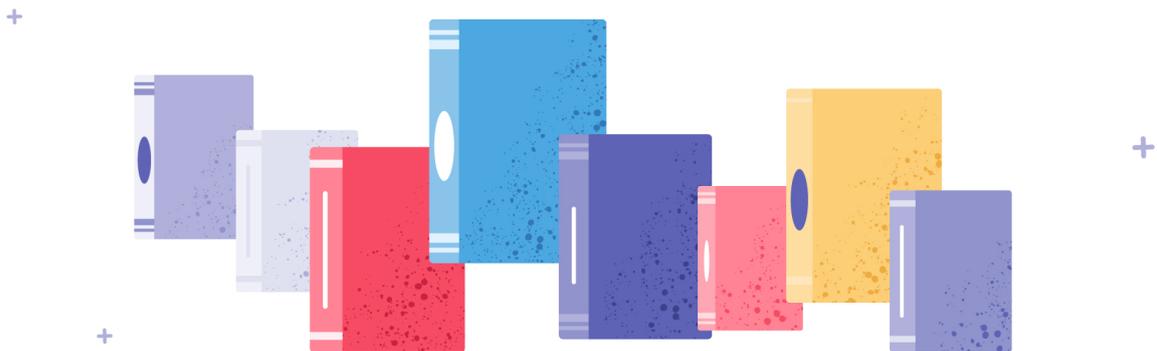
From simple language translation and unit conversion to more precise localization and even complying with the local rules and regulations, these roadblocks can slow down expansion efforts or cause brands and retailers to struggle in new markets. This is what makes it imperative to ensure that product information is comprehensive, relevant, and accessible — and why expanding businesses would be wise to invest in PIM.

By using a robust PIM solution and automated translation features, these processes can be made easier, more efficient, and more profitable for companies that do decide to take on the cross-border challenges. PIM solutions have helped many companies like yours become cross-border success stories and cut down time to market by as much as 300 percent, boost sales by 400 percent, and reduce returns, all while making your marketers more productive.



Resources

- Retail eCommerce sales worldwide from 2014 to 2021 (in billion US dollars)
- eCommerce share of total global retail sales from 2015 to 2021
- Annual retail eCommerce sales growth worldwide from 2014 to 2021
- Number of digital buyers worldwide from 2014 to 2021 (in billions)
- Number of cross-border buyers and volume of cross-border retail sales
- Cross-border B2B revenue
- Top ten languages of internet users and internet world penetration rates
- European Commission study on use of language online
- Consumers buying from merchants who present product information in their native language
- Reasons for eCommerce product returns



Take the Next Step: About Akeneo and Translations.com



About Akeneo

Akeneo is a global leader in Product Experience Management (PXM) solutions that help merchants and brands deliver a compelling customer experience across all sales channels, including eCommerce, mobile, print, and retail points of sale. Akeneo's open source enterprise PIM, and product data intelligence solutions, dramatically improve product data quality and accuracy while simplifying and accelerating product catalog management.

Leading global brands, including Sephora, Fossil, Shop.com, and Auchan, trust Akeneo's solutions to scale and customize their omnichannel and cross-border commerce initiatives. Using Akeneo, brands and retailers can improve customer experience, increase sales, reduce time to market, go global, and boost team productivity.

Akeneo is based in France, Germany, and the United States. For more information about our solutions: www.akeneo.com.



About Translations.com

Translations.com is the world's largest provider of enterprise localization services and technology solutions. From offices in over 90 cities on six continents, Translations.com offers a full range of services in 170+ languages to clients worldwide. More than 5,000 global organizations employ Translations.com's GlobalLink® Product Suite to simplify the management of multilingual content. Translations.com is part of the TransPerfect family of companies, with global headquarters in New York and regional headquarters in London and Hong Kong. For more information, please visit www.translations.com.



For additional information, please visit www.akeneo.com.