From Overwhelming to Organized: **Scaling Global Product Management**

Powered by TextMaster and Akeneo

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Intro: Are You Ready to Go Global?

Whether you're a retailer with hundreds of stores or a popular online business, you're likely setting your sights on new, international markets. Why not? Entering a new country is an excellent way to dramatically increase sales, especially when the domestic market is stagnant and saturated.

With the growth of online sales channels and the easing of restrictive regulations, retailers are facing less barriers than ever to sell abroad, especially in the European Union. From the consumer point of view, safer payment methods, stronger consumer protection, and streamlined logistics all contribute to increased cross-border online shopping.

Tantalized by the opportunities offered by international expansion? This guide is a practical tool that outlines how online retailers can organize their products and adapt their operations to new geographic markets.
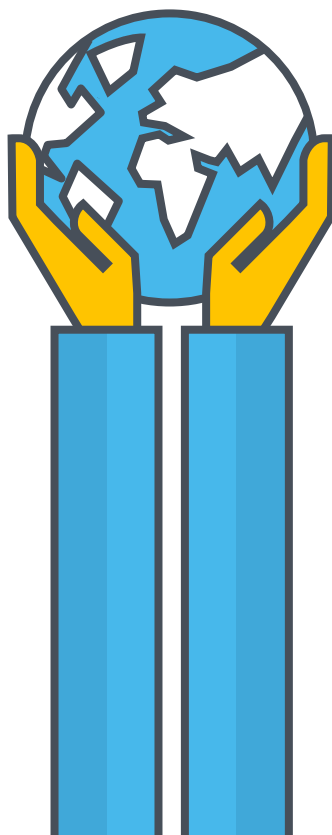
The Opportunity

Today's e-commerce figures show an enormous opportunity for retailers who are willing and ready to take on new markets.

E-commerce Europe reports **that total global e-commerce turnover** has grown 19% from 2014 to 2015 to **$2.3 trillion**. Europe accounts for nearly a quarter of this figure, $503 billion, and is growing steadily at an annual rate of 13%. It is expected to reach $564 billion by the end of 2016.
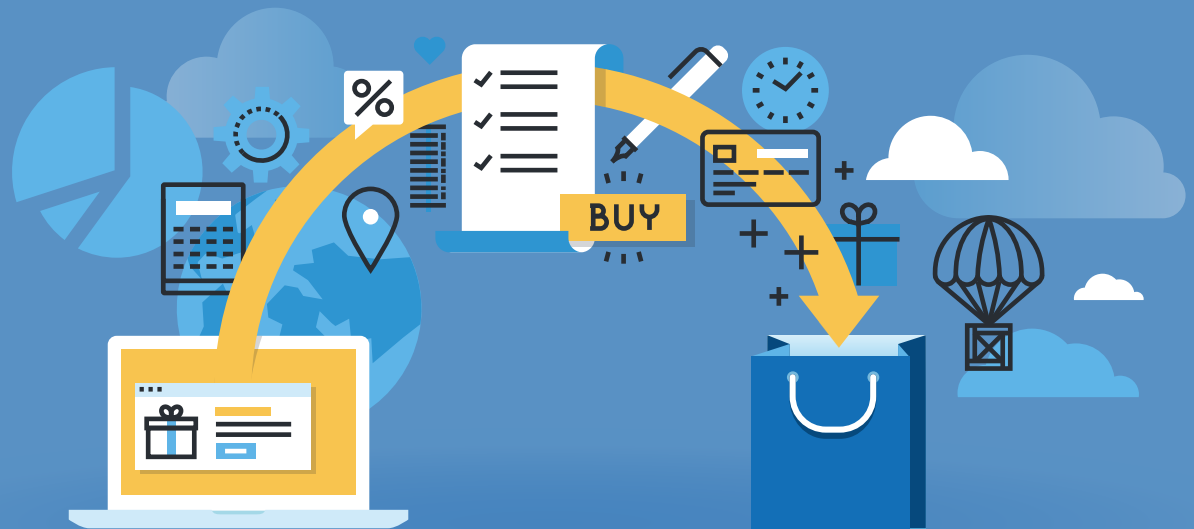
What's more, the value of **global cross-border e-commerce** was estimated at **$276 billion** in 2015. Cross-border e-commerce has become a global standard, with growth rates expected to accelerate until 2017 and then plateau in the double digits. By 2021, Forrester Research estimates that cross-border e-commerce will reach $424 billion[1].

Emerging markets in Latin America, Asia Pacific, Africa, and the Middle East will see the highest growth rate in the coming years, as opposed to North America and Europe, where cross-border e-commerce already has a significant amount of penetration.

One of the biggest drivers of cross-border sales are international marketplaces like Amazon, eBay, Rakuten and Alibaba. In Europe, more than half of cross-border shoppers buy from marketplaces.

We are entering into a golden age of cross-border e-commerce and retailers have a variety of markets to choose from.

[1] https://www.forrester.com/report/Global+CrossBorder+e-commerce+Sales+Will+More+Than+Double+In+The+Next+Five+Years/-/E-RES133599

What factors are promoting cross-border e-commerce growth?
Advancements in technology have played a huge role in cross-border e-commerce growth. Recent technology advancements have:

- Streamlined logistics

- Made payments more secure

- Created payment method alternatives (PayPal, Stripe, Sofort, iDeal)

- Sped up the checkout process (one-click payment)

- Provided the tools to quickly adapt product offering and marketing communications to customers by region

Facts & Figures: Top 5 Cross-Border Countries

US

Population: 317 million
Online shoppers: 171 million[2]
E-commerce sales 2015: $342 billion

» Cross-border sales are expected to grow 16% in the next 2 years
» 49% of international shoppers said prices were the main reason they shop in the US

China

Population: 1.34 billion
Online shoppers: 468 million[3]
E-commerce sales 2015: $672 billion

» Cross-border sales will hit $85 billion in 2016, up from $57 billion in 2015[4]
» 40% of Chinese consumers buy from international sites

UK

Population: 64 million
Online shoppers: 40.7 million
E-commerce sales 2015: $99 billion

» 58% of UK consumers purchased goods from foreign websites in 2015[5]
» Popular destination for cross-border shoppers from China and the US[6]

Germany

Population: 80 million
Online shoppers: 56 million
E-commerce sales 2015: $79.1 billion

» More than 50% of German online retailers sell cross-border
» The German digital buyer population is expected to surpass 49 million people by 2018

France

Population: 66 million
Online shoppers: 30 million
E-commerce sales 2015: $72 billion

» French shoppers spend $80 more from European companies than non-European companies
» 50% of retailers sell to international customers

[2]https://www.statista.com/statistics/183755/number-of-us-internet-shoppers-since-2009/
[3]https://www.statista.com/statistics/246032/number-of-online-buyers-in-china/
[4]http://www.alizila.com/chinas-cross-border-e-commerce-booming-85-76b-2016/
[5]https://www.pac-online.com/download/16288/156119
[6]http://www.pfsweb.com/blog/the-future-of-uk-ecommerce/

Difficulties Faced by Online Retailers

While the online cross-border figures remain promising, there are several obstacles that businesses must overcome in order to conquer new markets. These challenges include both internal and external issues.

External Challenges

Currencies: there are roughly 180 currencies worldwide and 13% of online shoppers will abandon their shopping cart if the price is displayed in a foreign currency.

Logistics: differences in road infrastructure, warehousing, and delivery methods can pose a serious problem for retailers.

Legal regulations: retailers need to be aware and comply with the legal obligations of the country from which their consumers are ordering. In some areas, consumer protection laws may lead business to change their return and exchange policies.

Consumer habits: motivations and preferences differ by country and even by region, making it crucial for retailers to understand the purchasing behavior of their target market.

Internal Challenges

Constantly changing content/product listings: companies need to ensure that all new collections, pricing promotions, and other changes are up to date across all markets.

Specialized industry content: many sectors like fashion, electronics, jewelry, etc., require knowledge of industry terms and concepts in order to accurately translate product descriptions, manuals, etc.

Adapting to every market: localizing your product information and content for every market means managing different languages, currencies, payments, measurements, etc.

Strategic SEO issues: entering a new market means starting your SEO from scratch.

Budget constraints: adapting your business to each target market requires time, staff, and money.

Foundations of a Successful International Strategy

The success (or failure) of any international expansion depends heavily on the analysis and planning that went into it. Before you begin to even look at new markets, it's important to do your homework and make sure that you are truly ready to go global by:

- Defining your goals & target markets

- Understanding and addressing issues of internal resources

Internal Analysis

It's important to have a clear picture of your business and the changes required to make your business international. Consider the following questions:

- Is your business stable in the domestic market?

- What kind of operational processes do you have in place and what will you need to do to adapt them to other markets?

- What kind of IT infrastructure do you have? Is it easy to localize?

- How much can you invest in adapting your content?

- Do you have people internally that have first-hand knowledge of the target markets?

- How many people can manage content localization now and in the long term?

Understanding your needs and available resources means that you will be able to make a realistic plan of action. Instead of targeting many countries all at once, you may realize that you only have the infrastructure and staff to handle one market in the beginning. It's better to be effective in just one or two countries than spreading yourself too thin across an entire continent.

Define Your Goals & Target Markets

It's crucial to tightly define which specific markets you are going to enter.

Identify the customer profile that you are trying to reach. Avoid just going into the market that is most popular – it may not be the one with the most opportunities. Start off by looking at your current customer base to see if there is a large portion in another country. It is often easier to enter a market where you already have a good reputation and presence.

You should also consider several other factors:

- What elements make a foreign market attractive for your company (population, GDP, Internet penetration rate, regulations, etc.)?
- Is there a demand for your product abroad?
- How strong are your competitors?

Once the relevant countries have been identified, you can begin assembling a team to manage the localization process.

Preparation: Laying the Groundwork

Adapting your operations and engaging new markets goes beyond just translating your existing content. It involves localizing and regularly updating multilingual product information, product catalogs, images, newsletter, etc.

Localization Team

The first step is to assemble a localization team, which often includes both internal and external members of the company. There needs to be an internal project leader that provides the content guidelines and sends new content for translation. You'll also need an external project manager that recruits a team of qualified translators and supervises the projects, ensuring on-time delivery.

A good team of translators is crucial to the success of any localization project. Not only should they have experience in translation and knowledge of the field (fashion or beauty products for example), but they also need to fit with the brand voice of your company. Ensure that you have translators whose style fits with your company's brand voice through a rigorous recruiting process.

Execution: Scaling your Localization through Technology

Now that you have identified your audience and assembled your team, it's time to get down to business. Before you get started though, there are two crucial enabling technologies that you need to put in place first.

Product Information Management (PIM)

Product information management (PIM) is a central repository for managing product information across websites, e-commerce platforms, print catalogs, points of sale, mobile applications, and more.

Your product information is the core of your business and it's vital to keep all of your information neatly organized so that you stay on top of changes like new collections, promotions, and existing inventory. This is especially important when expanding to new markets, as you will need to manage multilingual versions of your data, as well as different currencies, measurements, tax rates, and shipping fees.

PIM enables the efficient scaling of your product and localization teams across geographic and organizational boundaries.

There are a number of PIM platforms available in the market but for the sake of simplicity we will focus on Akeneo's PIM in this paper because it is the leading open-source PIM. It includes powerful APIs and integrations that are especially valuable when tackling cross-border commerce.

Human-Powered Translation Software

There are two traditional ways to translate product descriptions:

Manual translations: provide great "voice" and have high translation quality resulting in good conversion rates. However, these translations are very slow to market, expensive, and hard to scale or integrate with modern systems.

Machine translations: are fast, cheap, highly scalable and easily integrated but result in poor brand voice and therefore generate very poor conversion rates.

Both of these translation systems are highly inefficient compared to utilizing a hybrid system that integrates high-quality human-powered translations with computer pattern recognition and powerful automated workflows. Again, there are a number of solutions available but for the purpose of this paper we will focus on the market leader TextMaster, which also has an extremely tight out-of-the-box integration with the Akeneo PIM. This allows for easy integration with every major e-commerce platform including Mirakl, Magento, Shopware, Oro Commerce, Demandware, and Prestashop.

Technology Spotlight:

Translation Memory is an advanced tool that stores translations and analyzes repetitions within the current project and with previous projects. As the translators work, they receive suggestions based on content that they have already translated. This speeds up their turnaround time and increases the consistency of their work. Depending on the type of content, translation memory can reduce word count (and therefore time and costs) by up to 60%.

International Markets Love Local Product Information

Globalization may be a mega-trend in retail and B2B commerce but purchasing decisions are always a specific, and very local, journey for buyers. In order to thrive in a global environment, it is more necessary than ever for merchants to offer highly localized content and product information.

How important is it? According to the Harvard Business Review:

- 72.1% of consumers spend most or all of their time on websites in their own language.

- 72.4% of consumers said they would be more likely to buy a product with information in their own language.

- 56.2% of consumers said that the ability to obtain information in their own language **is more important than price**[7].

This doesn't just apply to monoglot countries like the US. A Gallup poll found remarkably similar results in polyglot Europe:

- **9 out of 10 Internet users said that, when given a choice of languages, they always visit a website in their own language.**

- **Nearly 1 in 5 Europeans (19%) said they never browse in a language other than their own.**

- **42% said they never purchase products and services in other languages.**

The bottom line? If you're going to compete in a local market, your product information must be in the local language or your conversion rates (as well as profits and revenue) will plummet. The more your product information is translated into local languages, units of measurement, and style... the better your conversion rates will be.

[7] Study of 2,430 web consumers in 8 countries. https://hbr.org/2012/08/speak-to-global-customers-in-t

Localization Example:

Think about merchandizing a single product in three different countries: a high-end baby sling being sold in Sweden, Ireland, and Turkey.

It's the same sling, but the ideal merchandising approach will be different in each location. The description talks about not only the physical attributes of the sling itself, but also gives a lot of emotional branding cues around the sling.

For example, you may merchandise the sling by helping the buyer imagine going for a walk or doing household chores with their baby. Another benefit you would want to mention, is the ability to breast-feed while the baby remains in the sling. For the Swedish and Irish markets, the ability to breast-feed while out and about is seen as a big plus. So the copy should discuss this feature in an on-the-go context. In Turkey, however, the ability to breastfeed while in the sling is still a plus, but is considered only appropriate in the privacy of the buyer's home. So, it is important to reflect these cultural differences and mindsets in the product description.

In addition, photographs of a model wearing the sling while breastfeeding their baby will help sales in Sweden exponentially. However, in Ireland and Turkey, these photographs would be considered in poor taste.

Luckily, weights and measurements are consistent across all three countries so these do not need to be modified, but this is something you would want to take notice of.

Better Data Quality = Better SEO

Many companies rely on organic search traffic for a large percentage, or even a majority, of their site traffic and revenue. Although it should be obvious, it's an often overlooked that consumers search in their native languages and dialects... and therefore the matching SEO tactics must be dialing in on specific search queries and phrases in those languages and dialects.

Entering a market with a different language means starting your SEO strategy from scratch. You'll need to identify the right keywords to use in order to rank well in search engines. This is another area where an experienced team of translators is important as they can help you identify synonyms and choose the most effective keywords.

Be aware that keywords and phrases can differ by regions as well, where the same word may have a different spelling or meaning. For example, "blue pants" means blue "pants" in North America, while in the UK it means blue "underwear".

Other regional differences include the use of English words instead of their local translations. For example, in Germany, the word "computer" is used more often than "Rechner". Creating a glossary with all of your relevant keywords and your brand-specific terminology is an important step in having SEO-ready content with a consistent style. By preparing ahead, you're actually saving a significant amount of time in the rest of your project. Assembling a team of translators and briefing them on your requirements: writing style, keywords, etc., ensures that they will be able to work efficiently and effectively.

What's more, if a retailer has a physical shop in a given locale, encourage local employees to suggest key phrases or descriptions that people within that specific sub-market use to describe your product or important features or benefits of that product.

Utilizing the embedded workflow in a good PIM implementation, a global PIM manager can see the suggestions and accept or reject them into the localized product description.

The most information-rich product descriptions, optimized for the keywords that people actually search for will always win the SEO battle. PIM, and translation tools like TextMaster, allow companies to cost-effectively compete.

How PIM Benefits Your International KPIs

PIM has a powerful impact on several aspects of your international business:

Increase Revenue with Multi-Channel across Multiple Countries

Just like in your home market, to maximize revenue and profits in new markets you must be where your customers are. That means multiple channels. Without PIM, when spread across multiple locations, multiple channels mean a massive multiplication of headaches.

However, a PIM like Akeneo can export your data wherever and in whatever format is needed. This means that you need only translate and localize your product data once and then automatically export your product data to as many e-commerce platforms or marketplace partners as you choose. This makes it practical to address the best channels for each region or country that you are targeting—not just the biggest ones in your home market. What's more, Akeneo has an InDesign plug-in that allows you to quickly export specialty or localized print catalogs or point of sale material.

Reduce Return Rates

As every retailer knows, high return rates can cripple profitability. On average, retailers can spend up to 8.1% of total sales on reverse logistics. This rate is even higher for e-commerce merchants who can have return rates as high as 50%.[8]

Better product information results in less customer disappointment and thus less product returns. Having accurate localizations prevents customer confusion. Having complete product information properly translated can significantly reduce return rates. This decrease in returns can have a dramatic impact upon profitability.

Time-to-Market

Retail is always a race to market. This can be especially important in segments like apparel, electronics, and other rapidly-changing industries. Having a PIM in place to organize your workflow can reduce the time needed for your overall product merchandizing as well radically improve the speed of your localization efforts by providing a standardized workflow and platform.

International Workflow

A properly customized PIM will include embedded workflow that allows your distributed teams to work smoothly within a single tool. For instance, product managers in the home office can enrich product data in their native language and then automatically push the relevant sections to your translation team or partners like TextMaster. The translated text gets approved by the regional team, additional multi-media and other localization elements can be added, and then sent to the home office for final approval and publication—all within the PIM. This allows for the efficient incorporation of a globalized and distributed workforce across organizational and geographic boundaries.

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[8] https://www.shopify.com/enterprise/102947142-how-to-reduce-your-return-rate-predict-exactly-what-customers-want

Structured Information: The Key to New Markets

The cumulative benefit of structuring your product information in a PIM is not just a matter of day-to-day efficiency but rather one of *transformational opportunity* when it comes to tackling new localizations and channels. If you think of the time and complexity of enriching your product data as a variable X, then each additional market and channel essentially becomes an exponential cost as complexity goes through the roof.

However, with the power of a structured product data in PIM, each new localization is merely an additive cost of less than X and each new channel is nearly cost-free with the exception of setup costs. In other words, **PIM needs to be at the heart of your expansion strategy.**
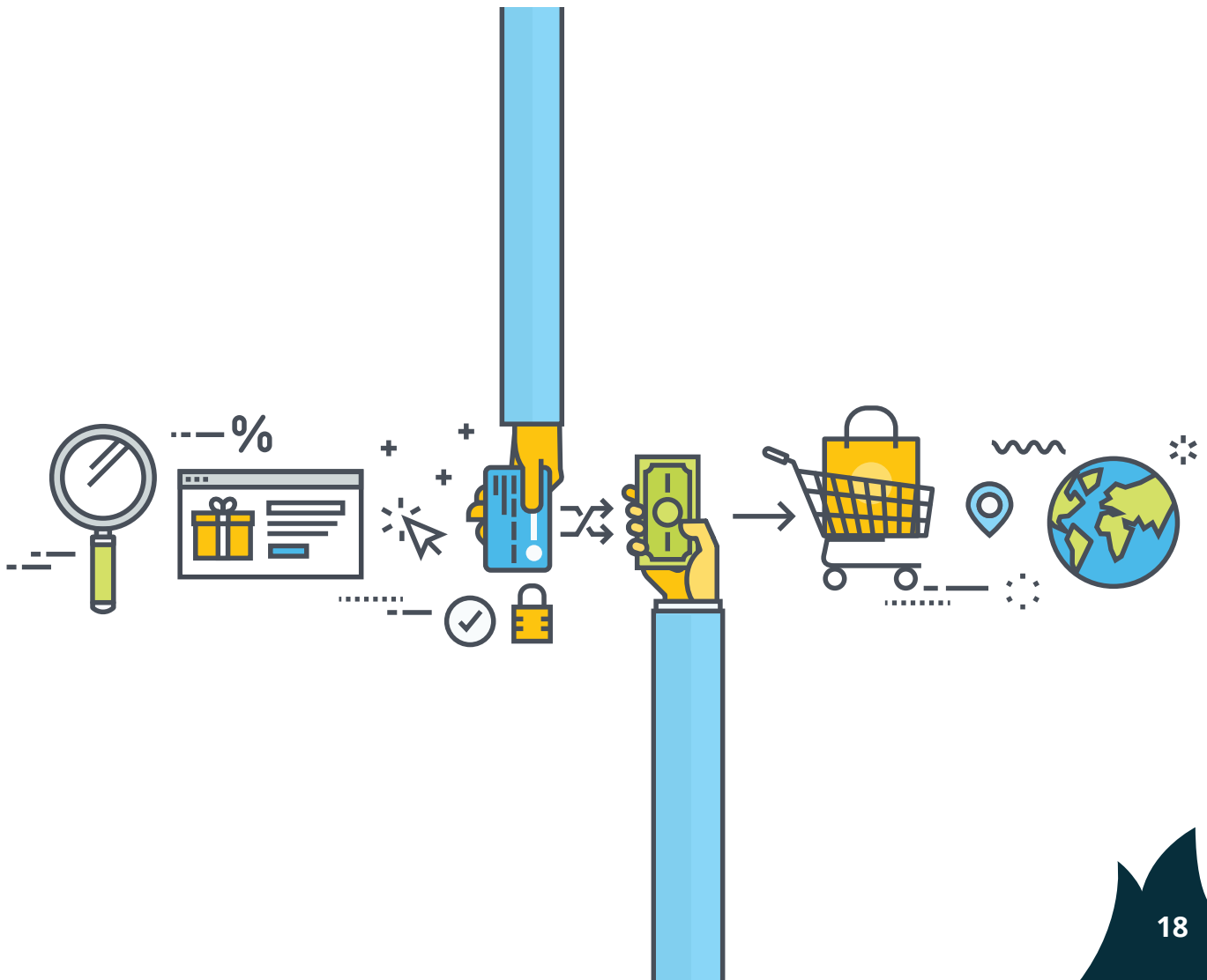
The Five Steps to Prepare Your Products for Localization

1. Translate the entire product description.

2. Modify models, photography, and multimedia for each market.

3. Translate or convert weights, sizes, etc. as needed.

4. Optimize for local SEO.

5. Ensure pricing, taxes, return policies, and shipping meet local standards.

Example: Translation through Akeneo + TextMaster

With the Akeneo/TextMaster integration, you can keep all of your product data for your catalog, website, print materials, and ERP in one place. From there, you can select which product listing you want to translate and then go deeper within each product by choosing which fields to include (like the URL, meta tags, title, description, etc.)

This step eliminates the need for the manual import and export of content. The information is sent automatically to TextMaster's platform, where you can add extra options, assign to your favorite translators, and communicate with your team. Once the work is complete and approved, it is reintegrated automatically back into your Akeneo PIM.

Translating your Website

If you use a PIM system to store and manage your e-commerce website, then most of your work is already done by the time you start translating your website. The remaining content changes are often marketing and SEO text to attract and persuade the buyer. It has to be well-written and match your brand voice, while incorporating the relevant keywords for the local market.

Your website also contains different elements that are easy to forget during the translation process, including:

- Text in images
- Buttons, forms, popups, error messages
- Headers, footers, menus
- URLs
- Meta data like alt tags

It's important to work with your web developer to have a well-structured system so that you can easily export these elements in a common localization file like .po, .yaml, .xml.

Translating Beyond Your Website

Print Materials

Translating your print materials – brochures, product catalogs, flyers – is an important step in creating a local presence in your new international market. These types of marketing materials require both an advanced editorial writing style but also some graphics work to make sure that the newly-translated content fits into the layout. Print materials have more restrictions than websites in terms of number of pages, spacing, etc. Often, text length varies from language to language; for example, a French translation of English text is often 30% longer! It's important to communicate these restrictions to your translator so that they can rephrase the content to fit into your print materials.

Content Marketing

Whether it's a blog article, look-book, or report, content marketing is one of the key ways that brands attract new customers and keep current ones coming back to their website. These projects require a lot of resources, making them difficult to localize for each international market. That's why it's important to analyze your international audience and evaluate whether you want to use a localization strategy or a content creation strategy.

Localization

Localization involves translating and adapting your content for local audiences. Your translator will need to make sure that their translation resonates in their home market by using vocabulary, examples and cultural references with which readers can identify.

Content Creation

Sometimes content that worked well in your domestic market (like a Super Bowl blog post) will fall flat abroad. In this case, there is no value in translating your content; instead, it's better to have a local team of content creators who can write articles, infographics, or other materials that fit with news and trends in the foreign market.

Customer Service Communications, Newsletters, and Automatic Emails

Online shopping requires a strong level of trust, which is built during the purchase process, and cannot be ignored afterwards. That's why it is crucial to localize customer communications like transactional emails, promotional newsletters and customer support messages. These types of communications contain important information on policies, prices, and technical aspects. Translations should also include localized elements such as tax rates, shipping information, and return policies that match legal obligations in the client's country. you want to use a localization strategy or a content creation strategy.

How to Translate your Product Catalog with Akeneo and TextMaster

1. Select the products that you want to translate and click on Mass Edit > Translate product with TextMaster

2. Choose the source and target languages and place your order

3. Go to TextMaster.com to customize your order with extra options such as translation memory, extra proofreading, rush order, etc.

Once you approve the submitted translations, the content is automatically integrated into Akeneo.

Conclusion

Going across borders is an incredible revenue opportunity for many e-commerce companies. In the near future, some sort of international strategy is likely to become a strategic imperative for virtually all e-commerce players.

The keys to being successful in your international efforts are:

Do your homework. Carefully analyze which countries and regions represent the best opportunities for your organization based on local appetite for your products, competitive and regulatory challenges, and your own internal resources.

Organize carefully. A proper localization effort can be a significant logistical challenge from both merchandizing and fulfillment perspectives. Be sure you have the right team in place.

Leverage key technologies for optimal workflow. The combination of good PIM and translation process significantly decreases the time, cost, and effort involved in localizing your products.

The Akeneo and TextMaster Partnership

Akeneo's philosophy has always been that a PIM system that exists in a vacuum is pointless. As the central repository of your product information, your system needs to be connected to a lot of data sources and third party systems (your ERP, your suppliers' databases, your e-commerce application, your desktop publishing system, translation and enrichment services, etc.). One company cannot possibly support all of the connections and customizations needed.

To support this, Akeneo is built as open source software with open APIs. What's more, there's a large number of experienced Akeneo integrators who are ready to build new or customized integrations as needed. On top of this rich eco-system, Akeneo has layered additional innovative technology and service partners like TextMaster.

The integration between Akeneo and TextMaster makes it possible to order translations directly through Akeneo in over 50 languages. Your product information will be sent to TextMaster's network of highly qualified translators, allowing you to benefit from TextMaster's sophisticated technology and workflow.

About TextMaster

TextMaster offers a professional online translation service that enables businesses to easily expand their international reach. By combining advanced technology with a network of verified expert translators in over 50 languages, TextMaster is redefining how businesses handle translation. Clients can access TextMaster through an online SaaS platform, API or a wide range of integrations and partners. More than 10,000 companies, from multinational corporations to SMBs, in 110 countries trust TextMaster to optimize their translation workflow.

To learn more about TextMaster's network of professionals and technology, visit www.TextMaster.com

About Akeneo

Akeneo is an open source Product Information Management (PIM) system designed for retailers looking for efficient answers to their multichannel needs. We have offices in the US, France, and Germany with implementation partners located across the globe. Akeneo is open source, so it's free to get started.

To learn more about Akeneo, visit www.akeneo.com