INTERNATIONAL LOCALISATION REPORT

An international study from Croud exploring attitudes towards localisation in France, Germany, China and Japan.

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INTRODUCTION

In this ever transforming digital world, there is seemingly one objective that binds the majority of businesses – growth. Growth takes many different forms, but with most of the world's largest brands being global, and digital transformation in full swing, it's no surprise that international expansion is the goal for many businesses.

The pandemic has accelerated the global shift to digital, and over the past 18 months, we've seen countless brands transform their online approach as a result. Others, such as Amazon and UberEats have maximised global opportunity and successfully delivered localisation at scale.

This report, which has been developed by Croud, explores attitudes towards localisation, featuring a survey of 1,600 people across China, France, Germany and Japan. To sit alongside the survey, a quantitative analysis of companies across finance, software and retail was conducted to explore the realities of brand localisation. These companies had all expanded across the four markets surveyed.

Amongst the many considerations (affordability, legal requirements and economic or political differences – to name a few), it is considerations around cultural nuances, currency and language, which will need to be determined.

First impressions are everything, yet our research found that 57% of respondents had experienced or noticed language or cultural issues with using a brand's local site. Furthermore, across markets 26% of people said that they would be less likely to purchase from a brand if they found untranslated, or badly translated copy, on a website, whilst 23% said inaccurate cultural references would prompt them to seek alternatives.

What's clear from this research, is that one size does not fit all. Different users want different things, and different cultures have varied, sometimes extremely different, expectations. When modifying and adapting behaviour, content, and strategies to suit specific markets, a well-planned and executed localisation campaign is your roadmap for success. In this report, we explore the attitudes of consumers and the impact that localisation – or a lack of it – can have on both brands and consumers.

I hope this report is a useful guide to global consumer attitudes, but also to your approach to localisation and scaling internationally.
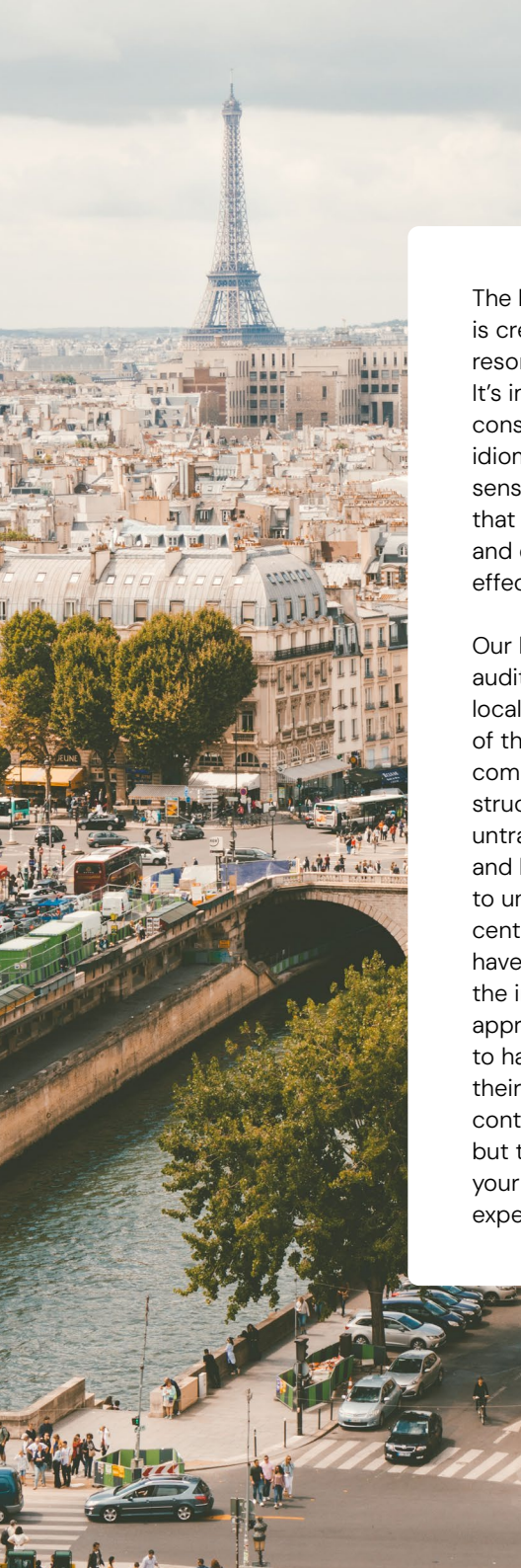
Izzie Xu
Head of Localisation, Croud

"The beauty of localised content is creating something that truly resonates with the local target market."
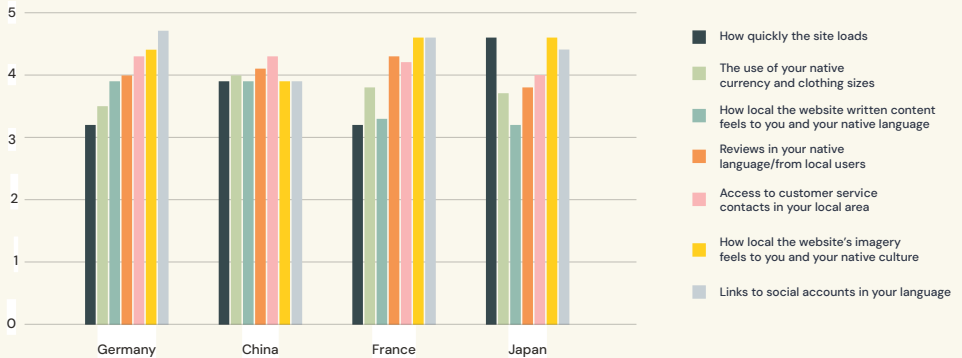
THE IMPORTANCE OF LOCALISATION

Localisation involves taking a product or service and making it linguistically and culturally appropriate to the region where it will be used and sold. This is something basic translation doesn't always do, so it should be a vital part of your global digital marketing strategy.

The beauty of localised content is creating something that truly resonates with the local target market. It's imperative that you take into consideration all local expressions, idioms, cultural nuances, beliefs, sensitivities, and colloquialisms – so that you set the right first impression and ensure your marketing efforts are effective.

Our key observation from the brand audits was the inconsistent quality of localisation across sites. An example of this was from a global software company who had incorrect sentence structure and spacing in Japan, untranslated testimonials in France, and links on the German site linking to untranslated pages. The lack of a centralised localisation strategy could have been at play here and highlights the importance of a cross-market approach. It's common for brands to have local teams who manage their sites and map out each pages' content and translations globally, but this approach is risky. Having your website checked by in-market experts greatly reduces these errors.

When browsing a website, how important are the following factors for you?

Legend:
- How quickly the site loads
- The use of your native currency and clothing sizes
- How local the website written content feels to you and your native language
- Reviews in your native language/from local users
- Access to customer service contacts in your local area
- How local the website's imagery feels to you and your native culture
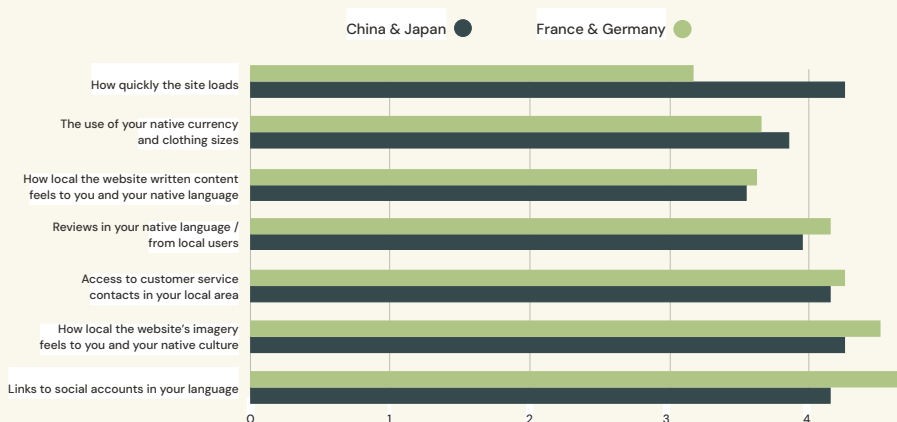- Links to social accounts in your language

Respondents were asked to rank, from most important to least important, the most important factors to them when browsing a website. This chart shows the average ranking of responses where the higher number indicates greater importance

When it came to the most important factors when browsing a website, responses across markets were varied. In Japan, site load speed and how localised the website's imagery felt, received the highest average score with 4.6. This dropped to 3.9 in China, and 3.2 in Germany and France.

Access to customer services in their local area ranked highly across markets, with both German and Chinese respondents averaging at 4.3, France (4.2) and Japan (4).

When comparing results across Western Europe and APAC, we founds that site loading speed was the key priority for APAC, with an average response of 4.25 (compared to 3.2). Whilst in Western Europe, links to social media channels in the local language ranked the highest with an average score of 4.65 (compared to 4.15) The use of native currency and clothing sizes was similar across both regions, with an average score of 3.65 in Western Europe, and 3.85 in APAC.

When browsing a website, how important are the following factors for you?

China & Japan ●   France & Germany ●

| Factor	Value
How quickly the site loads	
The use of your native currency and clothing sizes	
How local the website written content feels to you and your native language	
Reviews in your native language / from local users	
Access to customer service contacts in your local area	
How local the website's imagery feels to you and your native culture	
Links to social accounts in your language	

Comparing response from Western European and APAC regions about the most important factors to respondents, when browsing a website.

Language and translation

Respondents were asked how finding untranslated or badly translated copy on a website would affect their impression of that brand. The research found that across all markets, a lack of translation would have an overall negative impact, and in many cases, prompt the consumer to look for alternatives.

How would finding untranslated or badly translated content on a brand's website affect your impression of that brand?
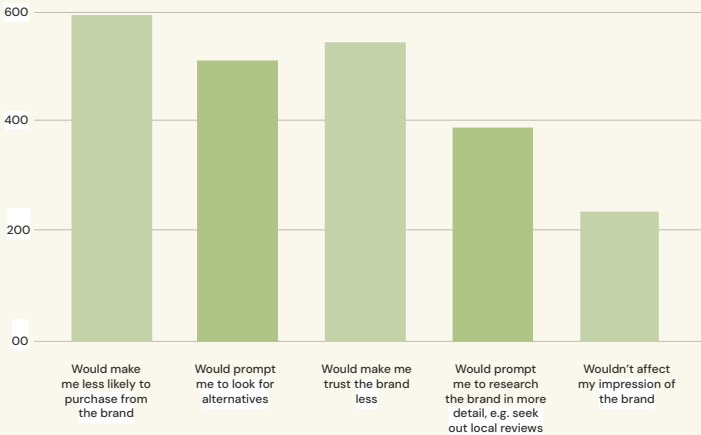
Respondents were asked how they would act and respond, after finding untranslated or badly translated content on a brand's website.

Across markets, 26% of consumers said that finding untranslated or badly translated copy would make them less likely to purchase from the brand, whilst 24% would trust the brand less, and 23% would be prompted to look for alternatives.

Localisation is key to brands who are looking to grow in a specific region, as well as those looking to expand their products or services globally, enter new markets easily, go up against local and global competitors, build brand trust and loyalty, and increase customer satisfaction.

For one of the software brands audited alongside the report, instances were found of web pages being successfully localised to German, however, many of the links throughout the copy were feeding through to a page on the UK site. This distracts the user journey and forces users to question whether services are available in their market. As a result, brand trust is likely to be affected which could mean that consumers look for alternatives.

Using Google Translate

If you are travelling and need to ask for directions in a foreign language then Google Translate can be a lifeline, but it's a different situation when you need to translate important content that might end up as the first point of contact for consumers. It's really important that brands understand the subtle nuances of source language, as solely relying on Google translate won't provide the required standard.

That being said, there are ways to utilise Google Translate at scale. Airbnb is an example of a brand using Google Translate across their site. They use machine translation for their users' comments on properties listed on their websites, as they are just informational purposes and less accuracy is required.

"Marketers often make the mistake of equating translation to localisation – and may find themselves in difficult situations because of this misconception. We've seen time and time again that using Google Translate is not a reliable method of creating localised copy for your website or social content, as the output you receive will often include inaccurate or irrelevant translations. Which does fundamentally affect your ability to convert"

Chris Ford
Head of CRO, Croud

How would finding untranslated or badly translated content on a brand's website affect your impression of that brand?
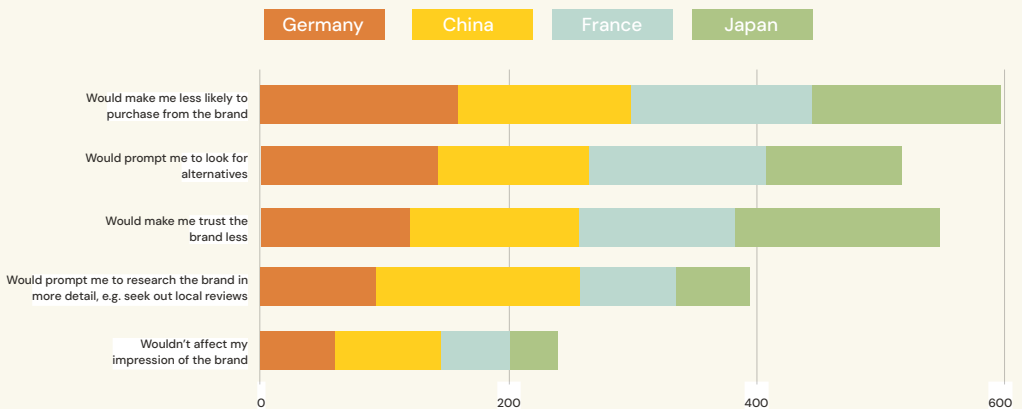
Broken down by market, respondents were asked how they would act and respond, after finding untranslated or badly translated content on a brand's website.

Breaking the data down by market, we found that when coming across untranslated or badly translated copy, 40% of German respondents stated they would be less likely to purchase from the brand, with 36% prompted to look for alternatives. This feeling of mistrust is mirrored in Japan, where 44% of respondents would trust the brand less, 16% would look for reviews online and 29% would look for alternatives. In China, 42% would seek out local reviews for reassurance. Chris Ford, Croud's Head of CRO, says "There are often underappreciated, and vitally important aspects to consider when operating in foreign (to you and your teams) territories. Understanding that consumer's culture, behaviour, needs, wants, the market nuances and the competition are all key to driving success and connecting with your target market. Especially if launching into a new territory. You (arguably) only get one chance to make a first impression."

Typos and punctuations were a common error found during the brand audits. This can be bothersome to consumers and undermine a brand's authority. "This is the kind of issue you see often on foreign sites" added a member of our network, who is based in Japan.

Case Study

For one client, we noticed there was a distinct lack of performance when it came to our client's paid search in comparison to other territories, as well as other brands in the same vertical/territory.

Through auditing their site, we found localisation issues that stretched across use of grammar, spelling, legibility, tone of voice and consistency (across site). When compared to the UK site (i.e. the brand's native territory) it was clear that the German copy sounded more formal and was quite literal, thus more translated than localised.

We hypothesised that through localising the site, amending all the mistakes around grammar/punctuation/spelling and matching the UK style and tone of voice, users would find the proposition more appealing and would be more inclined to enquire. After building these changes in an A/B testing tool (e.g. Google Optimize, Optimizely, VWO etc.) we were able to analyse the differences in user behaviour, and of course measure the result in a more efficient manner. The work resulted in a +155% improvement in CvR.

## +155%
Improvement in CvR%

For a test using localised language vs literally translated language for an international B2B client

Local market reviews are key

In China, if consumers came across untranslated or badly translated copy, 42% would research the brand in more detail through local reviews. This dropped to 24% in Germany and 20% in France. Whilst reviews are often the backbone to many consumer choices, such research could potentially add another level of complexibility for the consumer, especially if your brand is not yet established and you have limited local reviews available.

How important are testimonials/reviews from people in your local market and/or in your native language on a site?

Legend:
- Very important
- Slightly important
- Important
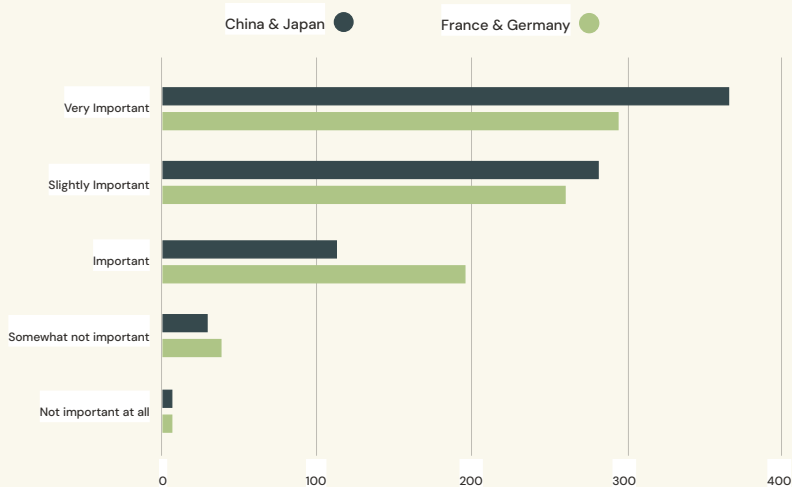- Somewhat not important
- Not important at all
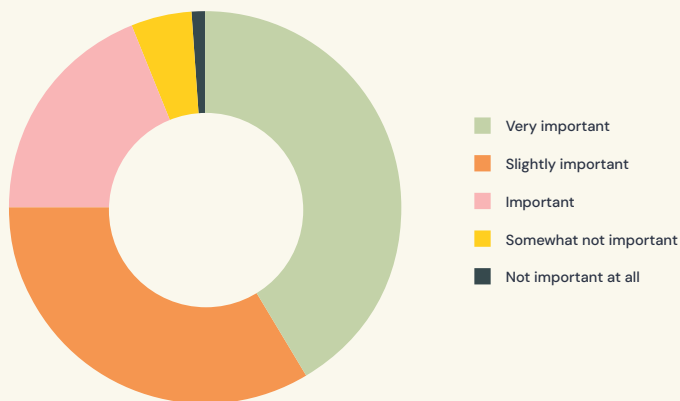
Respondents were asked how important testimonials/reviews from people in their local market and/or in their native language.

Looking across markets, an overwhelming majority of respondents placed significant weight on having testimonials and reviews from people in their local market, and/or their native language, with 42% saying it was very important, slightly important (34%) and important (19%).

Breaking this down further by markets, respondents across China and Japan, responded with 51%, and 41%, respectively, when asked how important testimonials and reviews from locals were in their market. This was a contrast to France (38%) and Germany (36%).

Ada Luo, Croud's Head of APAC says "The findings of this report are very close to what we've experienced in Asia, especially in Japan. A website with Japanese customer testimonials often results in a higher conversion rate and average time on site. This effect also echoes with the huge influence in Asia of so-called KOLs (Key Opinion Leaders). We've seen so many success stories from retail brands utilising those influencers (often an individual who is native to the market and holds a relatively large follower base) to drive brand discovery when breaking into a new market. Users follow their endorsements and recommendations.

As an English reader, would you find an English testimonial or a Japanese testimonial more appealing from a Japanese brand that wants to sell in the UK?"

China & Japan ● 　　　France & Germany ●

|	China & Japan	France & Germany
Very Important		
Slightly Important		
Important		
Somewhat not important		
Not important at all		

0　　　100　　　200　　　300　　　400

Comparison of responses between China & Japan, and France & Germany, when asked how important testimonials/reviews from people in their local market and/or in their native language are.

57%

of respondents have experienced language or cultural issues on a website

Localisation faux pas can put you at risk of losing out on key opportunities to scale your brand globally. According to our survey, 57% of respondents across all markets have experienced or noticed a language or cultural issues with using international websites. These types of indiscretions can have lasting effects on your brand image and growth potential.

Positive Responses by market to: Have you ever experienced or noticed any language or culture issues with using international websites?

Germany	China	France	Japan
55%	56%	59%	57%
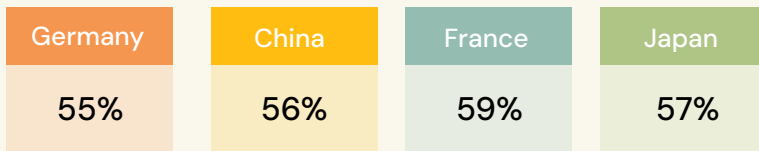
Cultural references

Inaccuracies in culture references or content can put brands in a difficult situation that they may not be able to bounce back from. Across markets, 24% of respondents said that inaccurate cultural references or content on a brand's website would negatively impact their impression of a brand to such an extent that they would trust the brand less, and 23% of respondents shared that they would look for alternatives in the market.

How would finding inaccurate cultural references or content on a brand's website affect your impression of that brand?
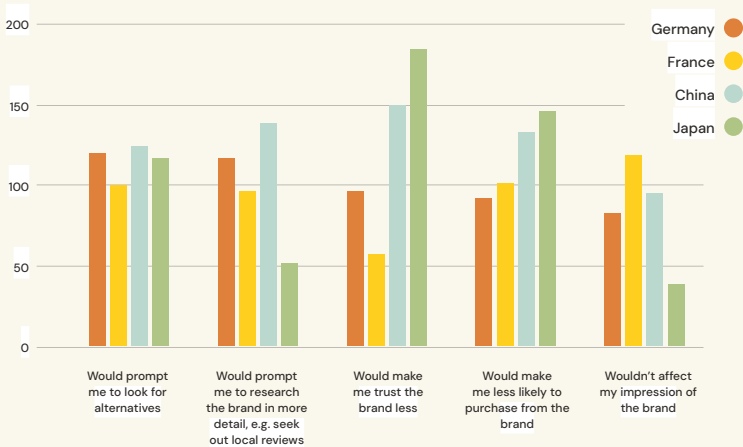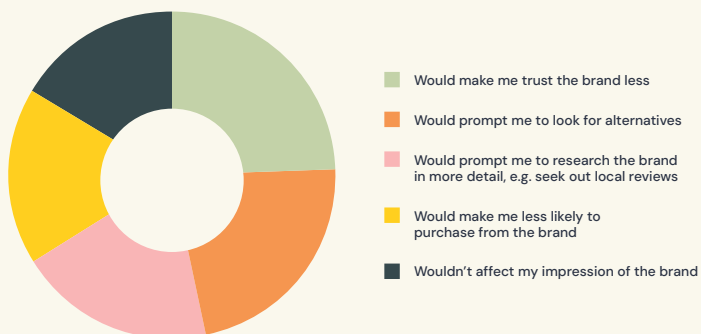

Respondents were asked how finding inaccurate cultural references or content on a brand's website would affect their impression of that brand?

When looking at the responses by market, in Japan both these figures rose to 48% and 30% respectively, highlighting that cultural sensitivities were particularly important. Likewise, in China, 24% of respondents said inaccurate cultural references would make them trust the brand less. We can see a divide here in responses between the APAC regions and Western Europe, where inaccurate cultural references or content was less of a sticking point. In France, 25% of respondents said it would not affect their impression of the brand, this dropped down to 16% for Germany.

That being said, in France 21% still said that it would make them less likely to purchase from that brand.

When looking to expand into a new market, a good place to start is often by taking a look at similar brands within the market. Brands need to do more than transcend cultural barriers, they need to familiarise themselves with every aspect of a culture.

How would finding inaccurate cultural references or content on a brand's website affect your impression of that brand? (select all that apply)

- Would make me trust the brand less
- Would prompt me to look for alternatives
- Would prompt me to research the brand in more detail, e.g. seek out local reviews
- Would make me less likely to purchase from the brand
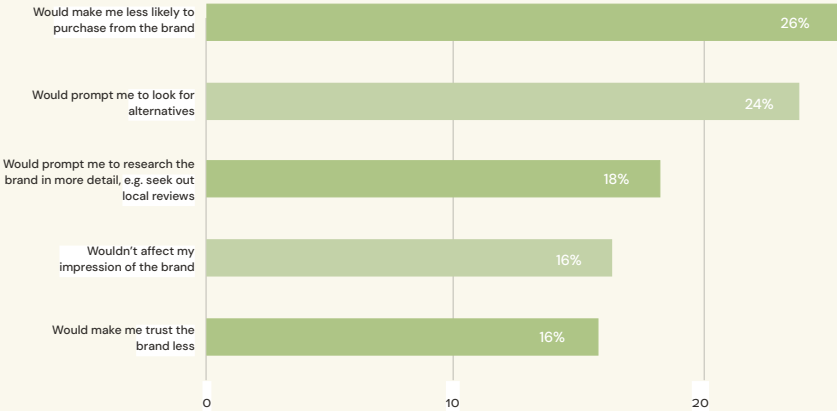- Wouldn't affect my impression of the brand

Looking across markets at how respondents would feel finding inaccurate cultural references or content on a brand's website.

Currency

When marketing your products and services to consumers in different regions, offering them the option to make purchases in their local currencies is critical in ensuring a seamless user journey. According to Croud's survey, 26% of respondents across all markets would be less likely to purchase from a brand who was using non-local currency on their website.

"Every currency has its own format and display"

How would finding that a brand's website was using non-local currency affect your impression of that brand?

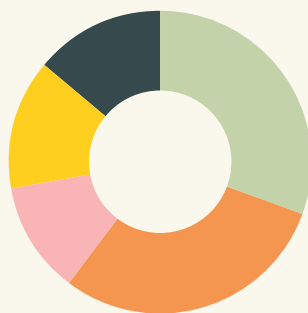| Category	Percentage
Would make me less likely to purchase from the brand	26%
Would prompt me to look for alternatives	24%
Would prompt me to research the brand in more detail, e.g. seek out local reviews	18%
Wouldn't affect my impression of the brand	16%
Would make me trust the brand less	16%

Across markets, respondents were asked how they would feel finding that a brand's website was using non-local currency.

Price is not just the number, and in order to avoid currency confusion, brands will need to have a complete understanding of the market currency and bear in mind that every currency has its own format and display. Whilst in the UK, we would put the GBP sign ahead of the number (£10,000), in Germany or France you would add the Euro sign after (10.000€), and replace the comma with a full stop.
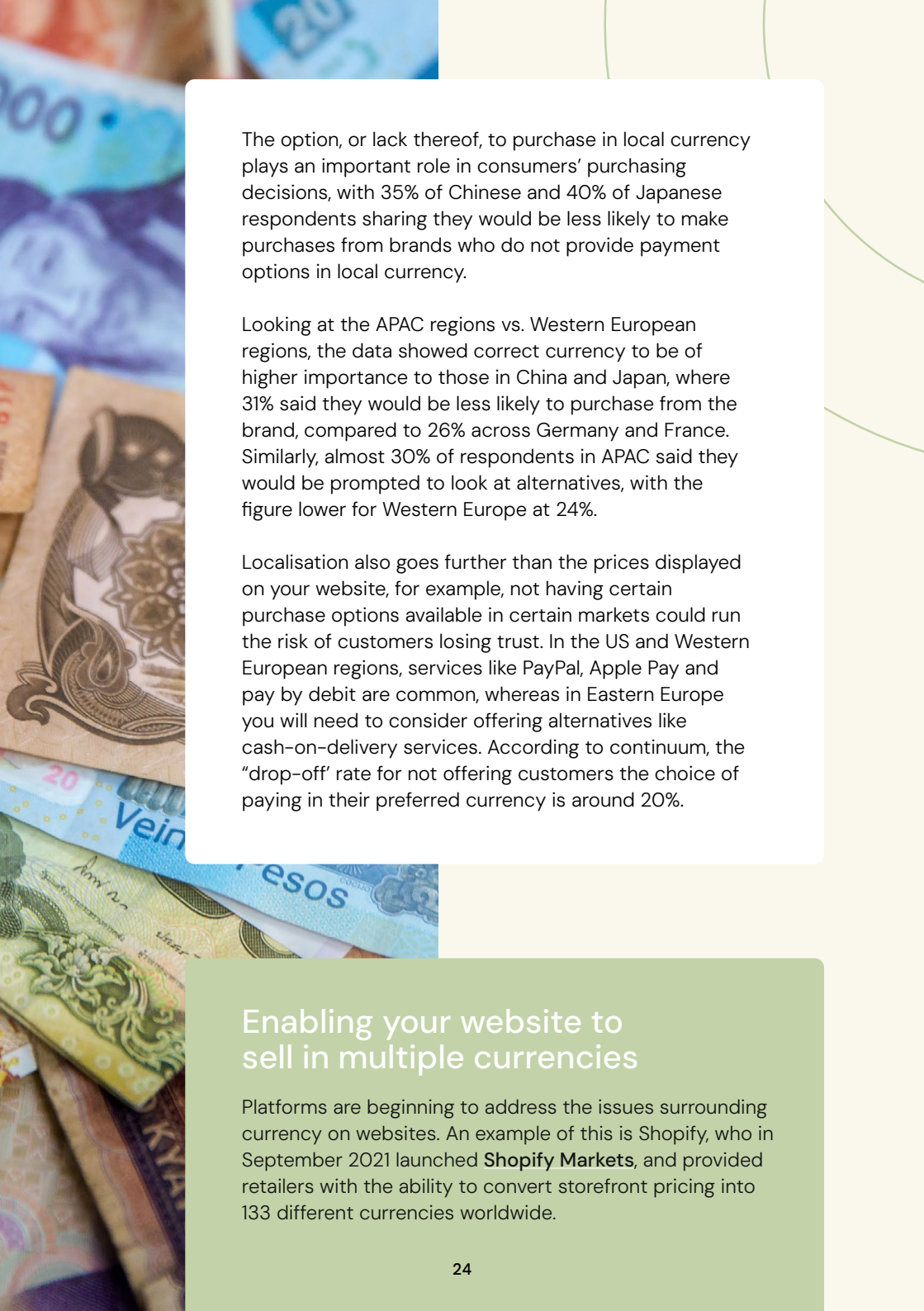
Western Europe
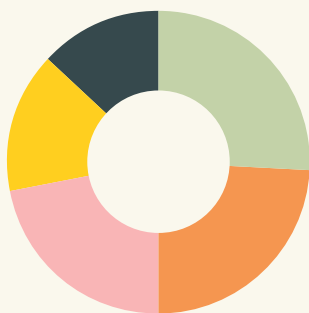
APAC

- Would make me less likely to purchase from the brand
- Would prompt me to look for alternatives
- Would prompt me to research the brand in more detail, e.g. seek out local reviews
- Wouldn't affect my impression of the brand
- Would make me trust the brand less

Comparison of responses between APAC (China & Japan), and Western Europe (France & Germany) respondents, when asked how their impression of a brand would be affected, if non-local currency was used on a website.

The option, or lack thereof, to purchase in local currency plays an important role in consumers' purchasing decisions, with 35% of Chinese and 40% of Japanese respondents sharing they would be less likely to make purchases from brands who do not provide payment options in local currency.

Looking at the APAC regions vs. Western European regions, the data showed correct currency to be of higher importance to those in China and Japan, where 31% said they would be less likely to purchase from the brand, compared to 26% across Germany and France. Similarly, almost 30% of respondents in APAC said they would be prompted to look at alternatives, with the figure lower for Western Europe at 24%.

Localisation also goes further than the prices displayed on your website, for example, not having certain purchase options available in certain markets could run the risk of customers losing trust. In the US and Western European regions, services like PayPal, Apple Pay and pay by debit are common, whereas in Eastern Europe you will need to consider offering alternatives like cash-on-delivery services. According to continuum, the "drop-off' rate for not offering customers the choice of paying in their preferred currency is around 20%.

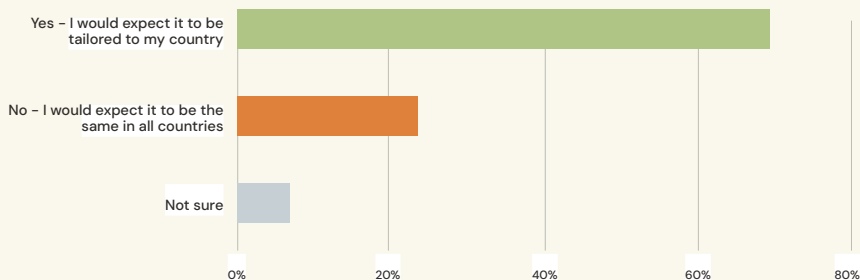## Enabling your website to sell in multiple currencies

Platforms are beginning to address the issues surrounding currency on websites. An example of this is Shopify, who in September 2021 launched **Shopify Markets**, and provided retailers with the ability to convert storefront pricing into 133 different currencies worldwide.

Videos and imagery

It's not enough to just localise your copy. Visual content holds just as much power as written content, sometimes even more so. According to recent research, the human brain can **process images 60,000 times faster than text**, meaning marketers should ensure their visual content is relevant to their audience's culture. Brand imagery can convey and evoke powerful emotions, which can leave lasting impressions on a consumer, especially when the piece of content is personalised and tied to the audience's cultural beliefs, values, and customs.

Do you expect international brands to tailor their video and imagery to your local market?

Response	
Yes – I would expect it to be tailored to my country	████████████████████████
No – I would expect it to be the same in all countries	███████
Not sure	██

0%   20%   40%   60%   80%

As beneficial as visual content is to marketers, you need to be equally careful in making sure that your content is not offensive or irrelevant to the particular audience you're marketing to. Across all markets, we found that 69% of respondents expect international brands to tailor their video and imagery to their local market. However, it seemed to be more important to respondents in APAC, as 85% of respondents in China and 70% of respondents in Japan shared they would expect tailored visual content. While this is still an important factor to European respondents, only 52% of German respondents and 67% of French respondents agreed with this majority sentiment.

To avoid creating potentially offensive content, brands should avoid publishing imagery that includes hand gestures, which can mean different things in different cultures. It's best to stay on the safe side and avoid including these. Additionally, when viewing a piece of content, the audience more often than not, prefers to see individuals who look and live like them. It allows them to better connect with the brand and build brand trust.

We audited a British founded online luxury fashion retail platform who had expanded into China. The general visuals and images across the site were good, but there was a lack of Asian models in their imagery. We also audited a global software brand whose website text had been translated to a high standard, but the text within their images were still in English – leading to a massive disconnect.

For example, if your global brand is running ad campaigns across Germany and China to celebrate New Years, you will most likely need to use two different sets of visuals, concepts, and models. While for the German campaign you may include visuals of fireworks, parties and champagne, it would be more effective to depict red paper envelopes, lanterns and family for your Chinese campaign. These campaigns will notably also need to run at different times of the year, as most people in China celebrate New Years according to the Lunar calendar.

For video content, it's best to make sure any narration or dialogue between actors are always localised to the target audience. If there's a disconnect between the video and the audience in terms of language, idioms or cultural nuances, your content may not be effectively resonating with viewers.

THE DIGITAL USER JOURNEY

As part of our study, we also explore where consumers start their digital journey, which channels are prevalent over others, and what this means for your digital marketing strategy.

When looking to find out information on a brand's offering or products online, where do you usually start your digital journey?

German ●   Chinese ●   France ●   Japan ●
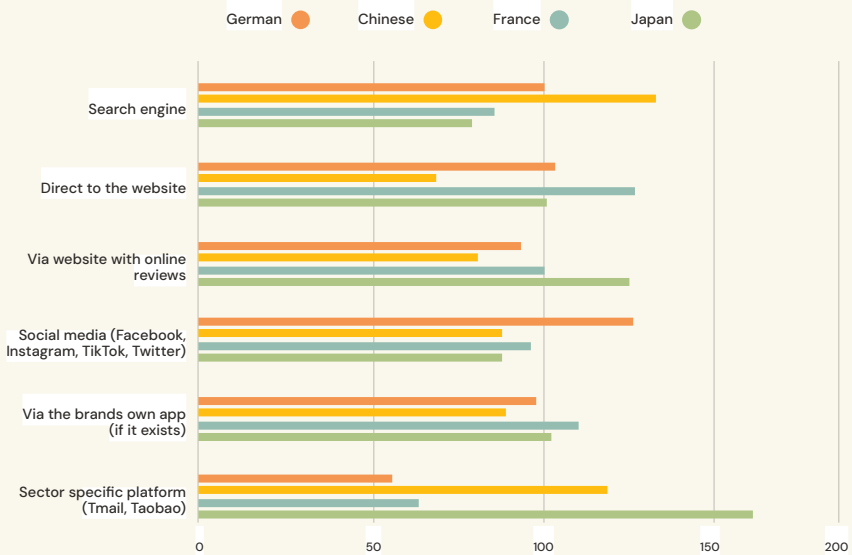
Selected starting points for consumers when starting their digital journey by market. (<100 means the market under–indexes. >100 means the market over indexes for that factor).

Direct to the website

Looking across markets, being able to access information directly on a brand's website is high on the agenda – 23% of respondents said they would start their digital journey this way. In France, it was a key first step, as 30% of respondents selected it as their first choice. The case was similar in Japan, at 27%.

Search engine

Many (23%) respondents also said they would seek more information about a brand's products or offering via a search engine. This response was most popular in Germany, with 34% of participants selecting this as their first choice.

Social media

Whilst social media was lower in consideration in Japan (10%), Germany (14%) and France (16%), in China, social media seemed to be the dominating channel through which users typically began their digital journey with a brand. For those who understand the widespread capabilities and popularity of social media apps in China, such as WeChat, Douyin and Weibo, it's no surprise that 46% of respondents stated social media as their preferred digital entry point.

Localisation doesn't just refer to language, culture, imagery and currency, you also need to consider localising the user experience.

CONSUMER EXPECTATIONS

Localisation is just one of the many factors feeding into how consumers will see your brand. It's also important to consider the user journey; how smooth and efficient the process is for consumers to discover and engage with your products and services, as well as considering the different user journeys needed for different markets.

Site navigation

The way a website is structured, from its header and footer to its menu and links, can have a significant impact on how users view your brand. Not only can this help offer a seamless user experience, but it can increase conversion rates, drive sales, and build brand trust.

How important is navigation structure on a website?
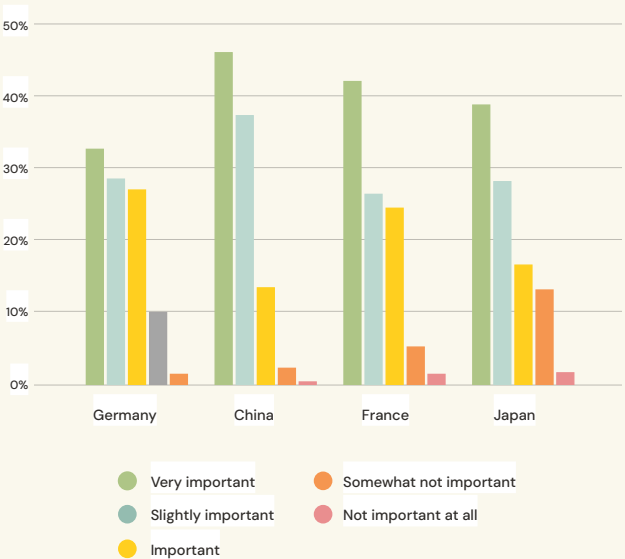
How important the navigation of a website was to respondent across different markets. This included things such as headers, footers, menus and links.

Unsurprisingly, across markets, the navigation structure of a website was very important to respondents, with 70% saying it was either very important (40%) or slightly important (30%). If visitors can't find the information they are looking for quickly, especially if they are unfamiliar with the brand, they're not likely to spend time on your site looking for answers. Utilising elements such as sub-navigation to help break down the information, will alleviate confusion and help with direction across the site.

When comparing responses from the Western European and APAC markets, the data showed that those in APAC seemed to placed greater importance on site navigation, that those in Germany and France. Of those surveyed in China and Japan, 76% of respondents said that site navigation was slightly or very important, whereas this dropped to 65% for German and French respondents.
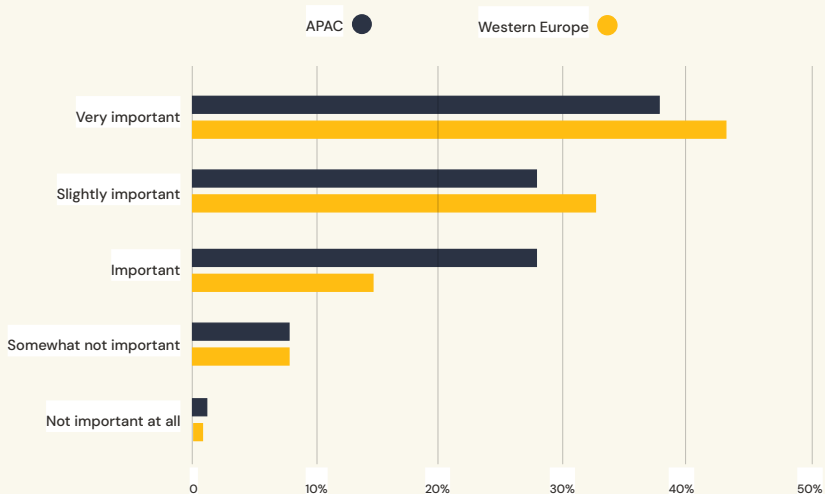

Comparison of respondents from Western Europe vs. APAC regions when asked the importance of site navigation.

Site speed

A potential customer can form an opinion of your business in 50ms, according to a study by Google. This means that as a first step, you want to ensure that your website, which can often be an initial customer touch point, is optimised to perform and load effectively and efficiently. It's important that your website is designed to leave users with a good first impression of your brand – and forcing them to wait too long for your webpage to load is not a good place to start.

How long would you typically wait for a website to load before giving up?
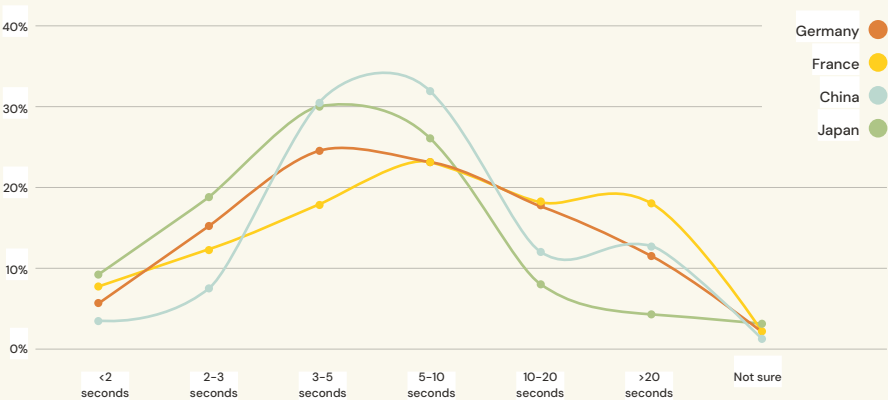
How long website visitors would typically wait before a page to load, before giving up

Across markets, 37% of users were typically willing to wait 5–10 seconds for a page to load before giving up, with 3–5 seconds being the second most popular response. Site speed, however, seemed to be more important to users in the APAC region, with 43% of respondents stating that they would only wait 3–5 seconds and 41% of respondents stating they would wait 5–10 seconds before leaving the website altogether. On the other hand, only 31% of European participants responded that they would spend 5–10 seconds waiting for a site before giving up, which was the most popular response, and 29% said they would wait 3–5 seconds.

Both Chinese and Japanese respondents said that how local the website's written content feels to them in their native language was most important.

Mobile optimisation

According to Statista, the number of unique mobile internet users reached 4.32 billion in 2021, indicating that over 90 percent of the global internet population use a mobile device to go online. With key trends like social commerce platforms, AR/VR capabilities, and mobile wallets expanding quickly, we can only expect more people to access the online web via mobile. This makes it all the more important that brands have fully optimised their websites for mobile devices.

We asked participants of our survey how important it is for a website to be optimised for a mobile device. Across all markets, 32% of respondents replied that website optimisation was very important, with an additional 23% saying it was important and 36% replying it was slightly important.

We broke this down further and discovered that website optimisation for mobile devices was slightly more important to users in Germany and France (94%) in comparison to those in China and Japan (88%).

How important is it for a website to be optimised for a mobile device?

	Western Europe	APAC
Very important	33.8%	31.9%
Slightly important	32.6%	38.9%
Important	27.3%	18.2%
Somewhat not important	5.6%	9.9%
Not important at all	0.8%	2%

In-depth page localisation

In 2021, Croud developed and launched a fully localised content plan and structure for a commercial real estate client in China. The aim was to assist Chinese users in navigating through their site and content. A strategy of in-depth page localisation saw the implementation of a Baidu embedded mobile landing page, as well as changes to create a better user experience – such as optimised page content, introducing a pop form fill, and icons localised for the Chinese markets. Following the updates, the page saw a +107% conversion rate, compared to the official mobile page.

CONCLUSION

Understanding consumer culture, behaviour, needs, wants and market nuances is key to driving success and connecting with your target market. Users are increasingly seeking out brands who provide personalised content and experiences.

When launching into a new market, get on the ground and learn as much as possible first hand. Understanding your audience will be the key to success. That being said, your research should be on-going, as the innovation and transformation of digital will continue to challenge and evolve.

Methodology

We surveyed 1,600 online consumers in Germany, France, China and Japan to find out their attitudes towards site localisation, brand image and the digital user journey. The survey was supported by audits of global brands, who had exported into these countries. The survey was carried out on behalf of Croud by Attest.

About Croud

Croud is a global, full-service digital agency that helps businesses drive sustainable growth in the new world of marketing. With a rich heritage in performance, we apply that mindset to everything we do; brand planning, strategy, integrated media, social, creative, and data.

Founded in 2011 with the mission to reinvent the agency model, we combine 500+ in-house digital experts with a global, on-demand network of marketing specialists. This agile, scalable model gives us more time to really understand our clients' businesses, and deliver truly incremental growth.

Part of the Croud Group, which also includes luxury specialists VERB Brands and social-first agency Born Social, Croud is proud to partner with leading global brands, including Audible, Vans, IWG, and AllSaints.

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