Trust Issues: Are fintechs losing users because of poor localization?

Well, according to a report from September 2020, fintechs lose about 26% of users due to application abandonment during KYC (Know Your Customer) processes – a required step to access regulated services.

If the localization of the onboarding process is poor, the percentage of users who give up is bound to be higher. And what about the users lost **before** the onboarding process for the same reason? Or all of those first-impression campaigns and ads that don't work well in other languages?

The good news is that this problem can be solved with effective localization.

Trust

In any industry, **trust** is key. From initial consideration to customer loyalty, a brand must appear responsible and legitimate in order to achieve success, especially if the content is customer-facing. For the Fintech and Finance industry, this is particularly relevant, because, in one way or another, they are handling people's money.

Whether a company is an innovative fintech, a neobank, a challenger or a traditional bank, their users need to feel some sort of connection with that company and, in the end, trust them with their finances. It seems obvious, but there are a lot of factors involved to achieve that. And poor localization could, and will, ruin the whole thing.

In general, it's clear that fintech and finance companies put in a lot of effort to curate that trust-based relationship with their users. They are all aware that the **onboarding process** and **conversion rates** are essential, so strategies are constantly developed in order to achieve the best results.

But, are they sure these processes are being localized effectively for other markets and languages? We're not talking about just words here, but about making an amazing first, second and forever impression. That can only be done with effective localization processes that include linguistic, cultural and local market aspects, in addition to a full adaptation of the brand's values based on their target audience.

In 2014, Common Sense Advisory published a report investigating how businesses digested information, especially online, and this data has only become more prevalent. The report found that 56.2% of consumers felt that the ability to obtain information in their own language was more important than price. On top of that, 72.1% spent most of their time on sites in their native language – even those belonging to well-established companies.

So, localization is clearly a benefit when speaking to customers in different countries. Once a company is ready to make that step, however, they need to make sure that their localization processes (and the target message or assets created) achieve the same impact as in the market they were initially designed for. In this case, regular translation is not enough; there are a lot of different aspects involved and certain specialized processes are required to make that amazing first impression when going global.

What is effective localization, and how does it help fintech players?

Localization is similar to translation, but with a more local focus; i.e. getting customers on the business' side by literally speaking their language.

When handling people's money, no company can afford to come across as cheap and/or lazy. Talking to their clients through poorly-translated content, strange or inaccurate translations, forced English expressions in the target language, or misused specialized financial terms are all big red flags for local customers. Well localized global content does wonders for increased patronage, conversion rates and loyalty. All that means more users, and more revenue.

A simple framework to conduct effective localization for fintech players should include these 3 stages:

1. Preparation
- Get a comprehensive briefing from the client
- Request reference material and examples, if available, that match the intended style/format of the target piece
- Establish the target audience, as per the product/brand/campaign that is being localized
- Decide on the tone of voice with the client.

2. Development
- Select a group of professional linguists. They must be native speakers of the target language and be specialized in the subject matter
- Apply the client's style guide and other approved material to the target language localization
- Utilize technology, such as TM and CAT tools, to ensure consistency across similar or identical content, and update those resources in order to achieve a long-term quality scheme
- Coordinate the review process with the client's reviewers in the target language, when available. Provide back-translations and other reviewing processes to allow the client to understand the adaptations provided, when no local reviewers are available.

3. Delivery
- Ensure that the entire process is done to an appropriate scheduler
- Provide constant updates in order to meet deadlines
- Ensure deliverable content has been finalized in all relevant QA and LQA processes
- Have a final review with the client and make sure all needs have been met.

How complicated can localization get for fintech players?

Alpha CRC has been in the localization industry for decades, fine-tuning several specialisms of expertise. Alpha knows from experience that, as companies grow, the localization process can become a burden for them when done internally or dealing with numerous vendors.

One of our main fintech clients, currently one of the biggest players out there, started to expand fast and the localization process was slowing them down. Provided by our in-house linguists and subject matter experts, Alpha CRC was able to develop a solution adapted to our client's fast-paced environment. It was designed to escalate as needed, providing excellent quality across languages, working only with native speakers and delivering assets to make an amazing first impression. To this day, their brand enjoys one of the highest trust and loyalty rates from their users.

Back in 2008, we were able to not only localize their content, giving them the key to global growth, but we also saved them a huge amount of money. Now, we help them with well over 100 languages and dialects so effectively, they truly have the local touch everywhere.

So, what was holding them back from the start?

The problem was simple: too many chefs in the kitchen were spoiling their Translation, Editing and Proofread (TEP) broth. Multiple points of translation and LQA meant inconsistences, and mistakes that snow-balled with every step, causing a chaotic tangle. Exacerbated by an already stretched budget of $9m, and the request for 100+ new languages to be added, something needed to change.

Alpha CRC was able to consolidate the excess of steps – TEP, QA and LQA – and streamlined the process and structure to enhance our partner's speed to market. We created a cloud-based system, which meant there were no confusing older versions floating around, and made more time for our expert in-house linguists to create truly high quality localized content.

These changes meant there was enough time for the quality we always strive for, a high 30% saving (about $4m) which could then be reinvested in language extension. The improved workflow meant everyone involved was a lot happier and, therefore, more productive. Read the full story [here](#).

How do you avoid losing users because of poor localization?

With powerful quality – which isn't easy.

Companies always assure they provide quality, but only experienced localization experts, who have been localizing for decades and have dealt with every situation under the sun, have the fine-tuned know-how to really achieve it. Thanks to its 33+ years of experience in the industry, Alpha CRC is able to transform complex challenges into effective solutions, based on our partners' priorities. In the partnership above, we made sure that our client saved money but still received the seamless localization Alpha prides itself on.

On top of perfect localization from expert linguists, Alpha also has a stringent QA and LQA process, ensuring spelling, design and function work as effectively as the services themselves. After the translation process, a second linguist goes through the content with a fine-toothed comb and corrects any problems. Mistakes can come across as careless, not something customers want when deciding who to trust their money with, even if the localization is otherwise spot-on.

Do you need an experienced localization partner?

Alpha CRC is uniquely prepared to handle any localization project, going beyond the demanding Fintech and Finance industry's standards. With a global footprint, covering over 100 languages including specific, non-mainstream locales, a unique team of 400 in-house and a strong network of 6,000 external expert linguists, subject matter experts, engineers, designers and managers, Alpha CRC can bring any client's words, language, currency and culture to the world.

Want to know more?

Contact Daniel Jiménez, Director of Partnerships, Fintech and Finance at Alpha CRC, for more information.