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## Why localization could make or break your entry into emerging markets:

### Smart thinking for mobile technology providers

What do you think of when you hear the words “emerging markets”? You might focus on market volatility or political instability. More positively, you might imagine the possibilities presented by rapid growth, an expanding middle class, the transition to digital economies and the attraction of foreign investment.

If we’re concentrating on the opportunities of emerging markets, it’s easy to overlook that all of these are underpinned by one key factor: language. In any market entry, success relies on the ability to communicate with target audiences in a language (or languages) they understand.

So, at the same time you are trying to understand the demand for a potential product or service in a new market, analyzing the demographics, considering the logistics and maybe developing a marketing plan, it’s crucial that you don’t forget to consider key localization factors from the outset.

For example, what language will this market need for localization? Do they share the common languages already frequently used? Do they have their own dialects, culture and sensitivities that need to be understood and adapted for? These are all things that need to be considered when catering to a brand new market your company has never worked with before.

So, first and foremost, you need to identify these shiny new markets. Keeping an eye on the financial and business reports is always good practice when looking for potential customers, but it’s also important to keep up with

**Alpha CRC HQ**  
St Andrew’s House  
St Andrew’s Road  
Cambridge  
CB4 1DL  
United Kingdom

+44 (0)1223 431000

@alpha\_crc

Alpha CRC



current events, innovations, and other rumblings within and without your specialist industry.

Understanding the needs and wants, and future needs and wants, of a new market is key. With global changes happening all the time, it's important to see the niche and to figure out how to fill any gaps. Language and localization plays an important part in this.

### **Global mobility**

One potentially massive emerging market comes with the changes in mobile coverage in various places across the world, including African, Latin American and Caribbean countries, and the effect this will have on digital consumership. With the rollout of worldwide 5G in development for 2021, and 4G still growing, more and more people will be able to connect to the internet reliably for the first time.

With so many emerging economies gradually becoming more stably connected, and improved access to smart technology, it is vital to companies trying to reach these new customers that they speak their language. The rising availability of decent signals and smartphone ownership means that even people in some of the most remote areas could become frequent online consumers, from social media to e-commerce.

With drones and roving connectors acting as mobile cellphone towers, remote areas could be provided with sporadically scheduled or consistent internet connection. With projects like American start-up [Wisconsin Telelift](#), for anything from recreation and education to emergency response, this innovation could revolutionize how people all over the world use the internet.

### **Africa**

Even before COVID-19 rocked the world, a growing emphasis on mobile coverage, smartphone ownership and e-commerce onboarding was causing the first shifts of some emerging markets in the mobile sector. Back in 2017, adult [smartphone ownership](#) was an average of one third in African countries like Ghana and Kenya, and as low as 13% in Tanzania; 20-25% had no phone at all, and basic cellphones bridged the gap.

Since then, and with the pandemic making digital connectivity even more necessary, the phone trade has increased in Africa, led by Chinese manufacturer Transsion and South Korean giant Samsung.

In the first two quarters of 2020, [vendors shipped](#) 20.1 million smartphones to Africa, and ownership is slated to increase from 6.6% of the global population to 7.1% in 2023, with South Africa as the highest percentage. Though the average smartphone ownership is mostly centered around those with a higher income, the economic difference being very prevalent in many



African countries, vendors are producing more affordable cell phones for more of the population to be able to purchase. [GSMA](#) predicts Sub-Saharan Africa will make up the majority of new 5G subscribers.

While phones are mostly used for shopping and entertainment in these regions, there is also the serious problem of underbanking – the difficulties faced by people or organizations to access banking services – which is very prevalent in some emerging economies. A powerful response to this has been the development of [mobile money](#), which is experiencing a rapid growth in the face of increase connectivity and smartphone ownership, giving Fintech companies a huge new opportunity.

African countries are some of the most diverse in the world when it comes to language, with seven different groups throughout the continent. Business languages are slightly different, mostly English, Romance languages and Arabic, but customers would [prefer](#) content to be in their first language, which is rarely one of the above. Research is a must when dealing with the African market, and quality localization will only help your endeavors.

## Latin America

The social media phenomenon has taken the digital world by storm, with over 53.6% of the world's population as active users, and parts of Latin America are gradually becoming potentially key figures for consumership in this area. According to a [2020/2021 report by Hootsuite](#), Argentina was found to have the 17<sup>th</sup>- highest proportion of active social media users, with a massive 79.3%, and Mexico has the 23<sup>rd</sup> highest with 76.6%, just below the UK. The US was 31<sup>st</sup>, with 72.3% of the population being active on social media, and UAE was ranked #1 highest with 99%.

[Studies show](#) that customers in Latin America are the least likely to see targeted advertising as an invasion of privacy, making SEO and SEM more lucrative. This, and the very concentrated age group of most online users is 25-34 (with the higher earners sitting in this bracket as well), is an excellent way to understand how the digital appetite is developing.

With the most popular apps including Facebook, Instagram and TikTok, entertainment and advertising are fully integrated into the digital experience. 82% of the population use at least one type of gaming, streaming service and/or social media platform, and young people often have more disposable income for e-commerce.

The impact of COVID-19 has been severe in these regions, and so the need for socially distanced communication has been an ever greater necessity. With spotty and costly broadband in Central and South America and the Caribbean, the rollout of 5G has the potential to greatly impact those regions with far less reliable and/or accessible internet connections. Ecommerce transactions [skyrocketed](#) in 2020 and, though they are declining now as



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restrictions ease and shopping becomes safer, the appetite and interest is clear.

The various languages, dialects, demographics and cultures Latin America encompasses are primed for proper localization that is relevant, valuable and enriching to those able to experience and enjoy it. Getting to know each country and its demographics, wants and needs when their connectivity is improved, could be a real boon.

### **The wonders of connection**

5G has the potential to revolutionize connectivity in even the most remote places. Evolving markets such as [Russia](#) and [China](#) could expand from the more concentrated demographic of urban and higher-income individuals to more rural areas with more accessible means of using the internet.

With all these potential markets, and their corresponding languages to localize for, having in-country experts is vital to bridge the links between e-commerce habits and communication preferences. Having linguists and subject matter experts who know the market and its language(s) is the very first step in accessing and maintaining footholds in new and emerging markets for the foreseeable future.

### **Interesting in learning more?**

Check out a couple of case studies on how we have localized for [new markets](#) and [e-commerce](#).

Contact Alpha CRC at [globalservices@alphacrc.com](mailto:globalservices@alphacrc.com) to see how localization could boost your market entry.