BAD LANGUAGE

How communications errors impact sales

LATIN AMERICA REPORT

SHERLOCK COMMUNICATIONS

INDEX

LANGUAGE MATTERS

Latin America is a booming region for e-commerce, representing a marketplace with an estimated 300 million online shoppers. While there are some strong operators in the region, all indicators point to continued sectoral growth. Opportunity abounds for international companies that enter the market cleverly, avoiding some rookie mistakes.

What is the best way to communicate with e-commerce consumers in Latin America? Aside from the plethora of regional cultural differences, there are many factors to take into consideration when deciding on the best words to choose. A comedic approach to marketing that uses bad or inappropriate language to appear 'cool' can offend customers and potentially damage a company's image and reputation in new markets.

Ofcom (2021) suggested that while bad language can help create a dramatic impact and brand distinction, many customers were concerned when their children were exposed to inappropriate jargon, or where such communications centred around negative stereotypes. A 2021 study by QuickSprout suggested that while bad language can drive consumer traffic to websites, it can actually lead to a decrease in sales. But, bad language refers to more than the use of expletives.

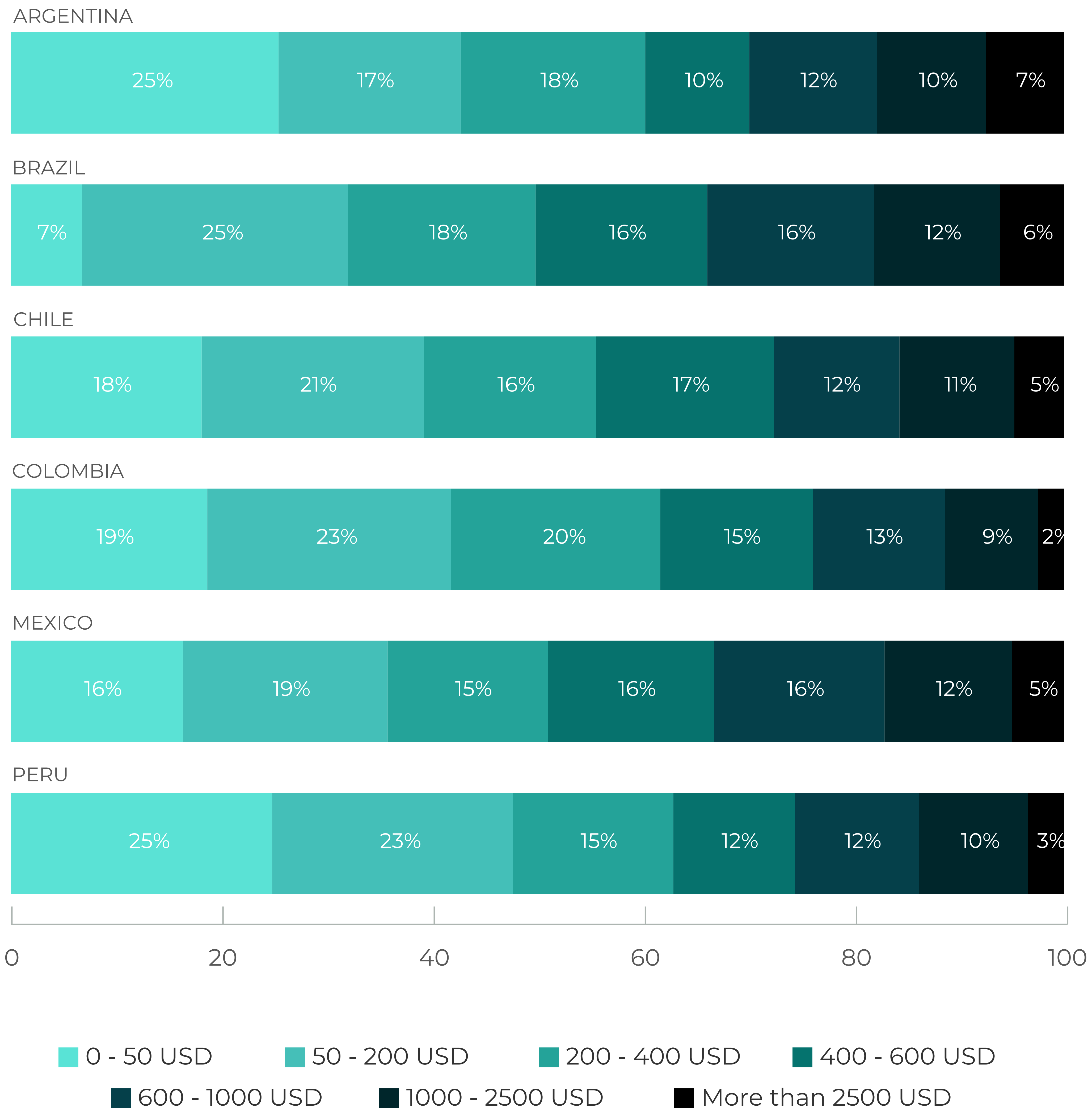
When selling to Latin American consumers, it is important to consider the language spoken in each market, taking regional colloquialisms into account. Customers should have a positive user experience when they visit your website. E-commerce depends on trust, and generic messaging in English can be an epic fail in a region like Latin America. How will customers feel comfortable buying online if they don't understand all of the lingo on your site?

To understand how Latin American consumers react to language and messaging when shopping online, we asked more than three thousand people in the region about their experiences when shopping online. A total of 3,194 people across Argentina (405 people), Brazil (859), Chile (403), Colombia (407), Mexico (713) and Peru (407) shared their opinions. These six countries combined represent around 76% of the joint populations of all Latin American and Caribbean countries.

Across the six countries surveyed, people reported spending an average of US$ 587 per year on online purchases, with Brazilans bucking the trend with a US$ 656 annual digital spend; the average online tally for Mexicans was US$ 513 per person; while in Argentina the average person spent US$ 273 a year; while their Chilean neighbours reported a twelve-month online per capita spend of US$270. In Peru, the annual spend per person was US$ 231; while Colombians reported per capita e-commerce transactions of US$ 228.

Our results show that Latin American consumers place a very high importance on the messaging they meet when considering online purchases. Consumers in the region placed particular value on accurate translations and appropriate use of language with cultural recognition.

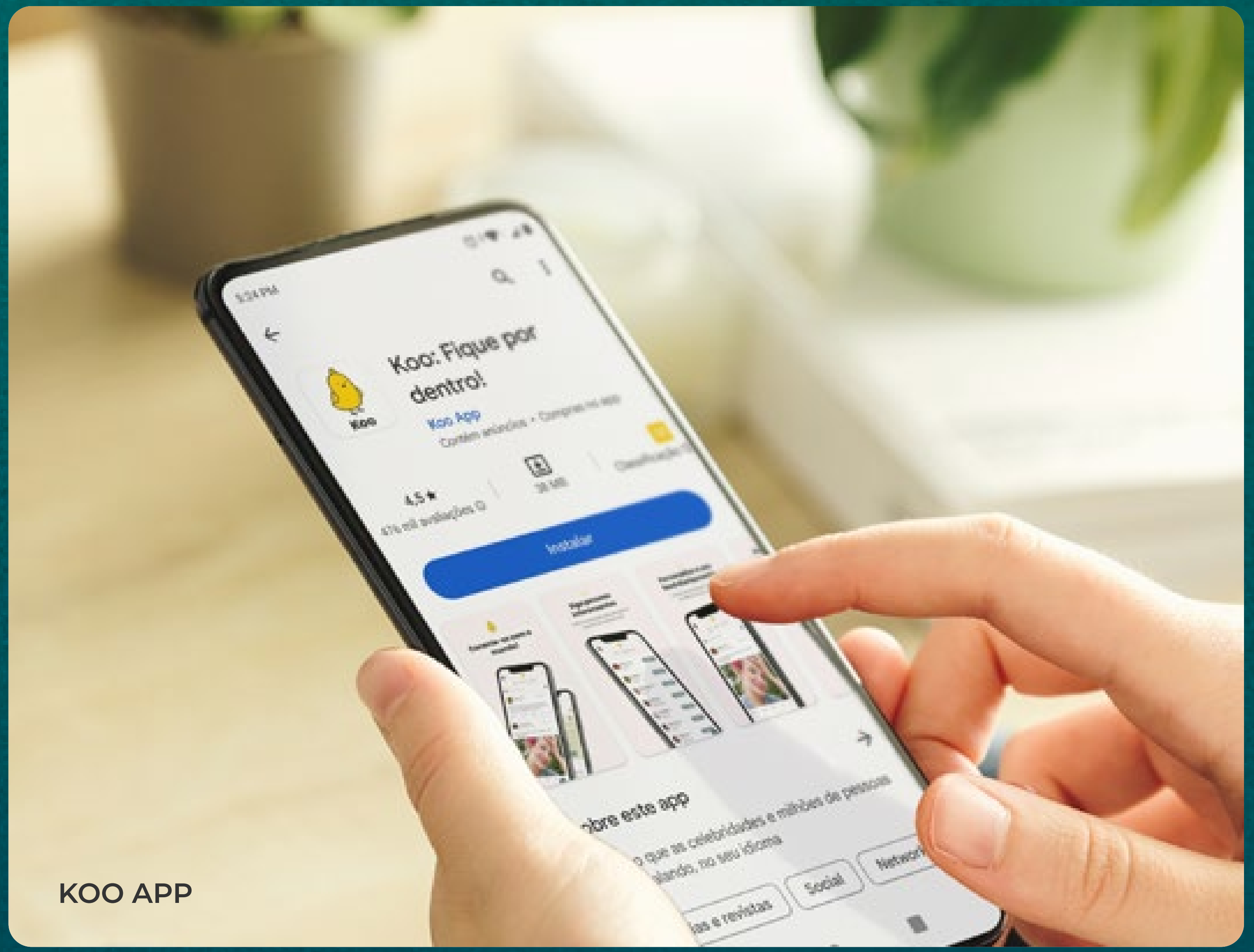
How much do you spend on online shopping over the course of a year?



* Amounts were quoted in local currency equivalent to the USD amount for the purpose of the survey

GAFFE ALERT!

FORD PINTO



KOO APP

In the Portuguese language, the word '*pinto*' translates into English as chick. So, it probably seemed a harmless enough product name for international giant Ford. However, the double-entendre only came to light when the Ford Pinto launched to great mirth in the Brazilian market. (In Brazilian slang, *Pinto* refers to male genitals).

Mistakes happen, and when they do, it's important to react appropriately. It's not clear whether Indian social networking service Koo engaged in market research before launching in Brazil. Probably not, as most companies would probably avoid marketing a product with a sound that closely resembles the Brazilian slang for anus. Known for their sense of humour, Brazilians went wild. Koo became Brazil's top app with millions of downloads (and memes) within 48 hours of its launch.

Koo founders didn't act embarrassed or shy away from the scandal. Rather, they launched a public survey to ask Brazilians whether they should change the app name. Brazilians were enjoying the joke, and a resounding majority (70%) wanted to keep the name as it was. Social media users found endless ways to bring the name of the app into random seemingly innocent contexts.

In all, it wasn't a bad way to get a lot of attention for a product launch, with scores of viral memes running across social media. Was it done deliberately by Koo founders? Maybe, but they were lucky Brazilians were not offended and saw the joke.

Either way, companies should research their potential markets and engage with local translators before launch. Although it was a humorous turn of events for the Koo folk, cleaning up bad press is generally best avoided.

LOST IN TRANSLATION

It is widely accepted that time spent on a site is a good way to gauge consumer interest and content engagement. However, the average consumer spends less than one minute on a website, so their initial visual experience is crucial.

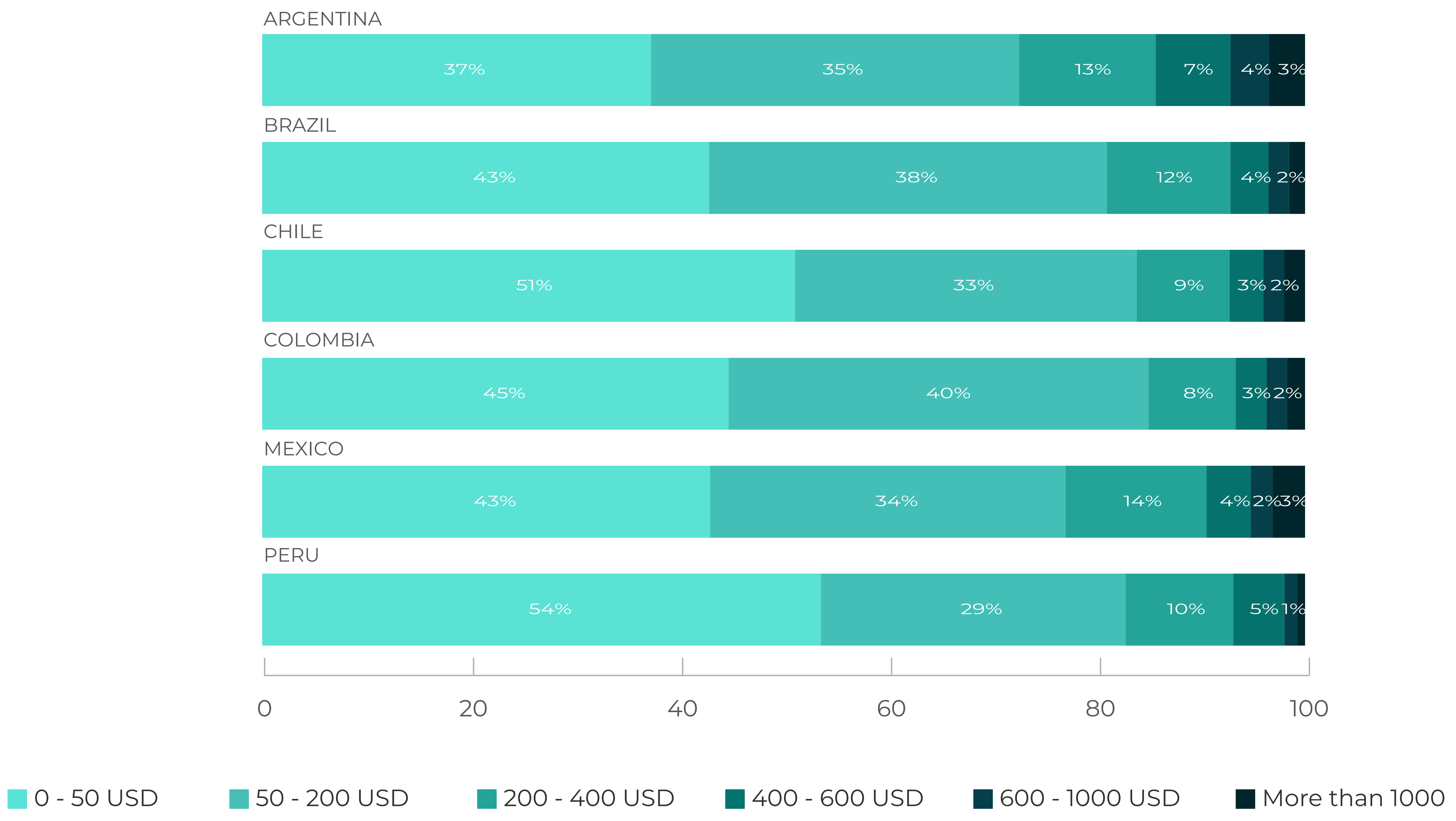
There are several ways that international companies can ensure that Latin American consumers stay longer on their site, and investment in user experience (UX) is just one of those mechanisms.

However, too many companies ignore the critical significance of communicating with material that is relevant and meaningful when connecting with Latin American consumers. A one-size-fits-all approach is a common and potentially very costly error. Many online traders take lazy short-cuts, with generic global messaging. Others use online translators to attempt to present content in local languages, ignoring linguistic nuances and often sending out messages that are ripe with mistakes.

DO SLOPPY TRANSLATIONS REALLY IMPACT SPENDING HABITS?

Across the region, 77% of survey respondents said they had decided not to buy a product from an international company, due to the messaging on the traders site, whether due to poor or automatic translations, non-representative imagery, and other fully avoidable seller errors and short-cuts. In this context, international e-commerce traders lost out on an average of US$ 154 per person, merely because their site was not good enough.

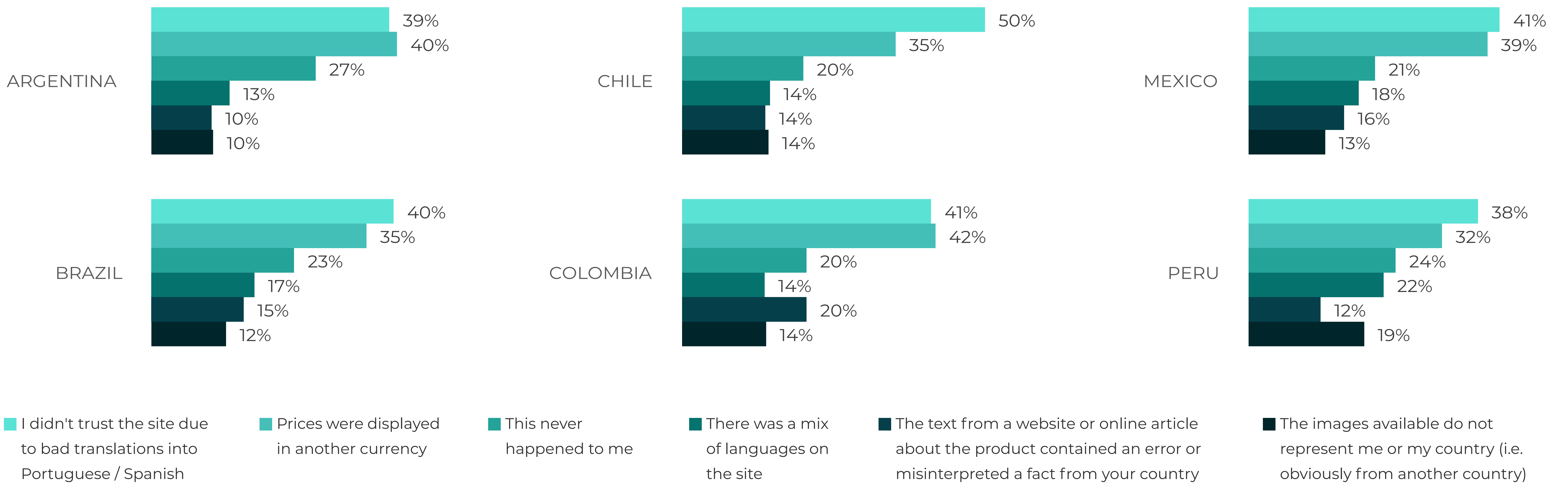
If you decided not to buy [a product from an international company due to issues on their site], what was the value of the product the last time it happened?



Half of Chileans (50%) reported not trusting or buying from international companies when site translations were not accurate. In fact, across all six markets in Latin America, 41% had avoided purchasing from an international company when the website text was poorly translated into their local language. A further 17% across the region had veered away from buying from sites with a mix of languages. Four of ten people in Latin America (37%) said that prices displayed in another currency had caused them to desist from buying from a foreign trader, with 42% of Colombians citing this as a reason they had detracted from an online purchase.

Across the region, 15% said text errors or misrepresentations regarding their country had caused them to avoid buying from international companies, while 13% were put-off by non-representative imagery (clearly relating to another global market).

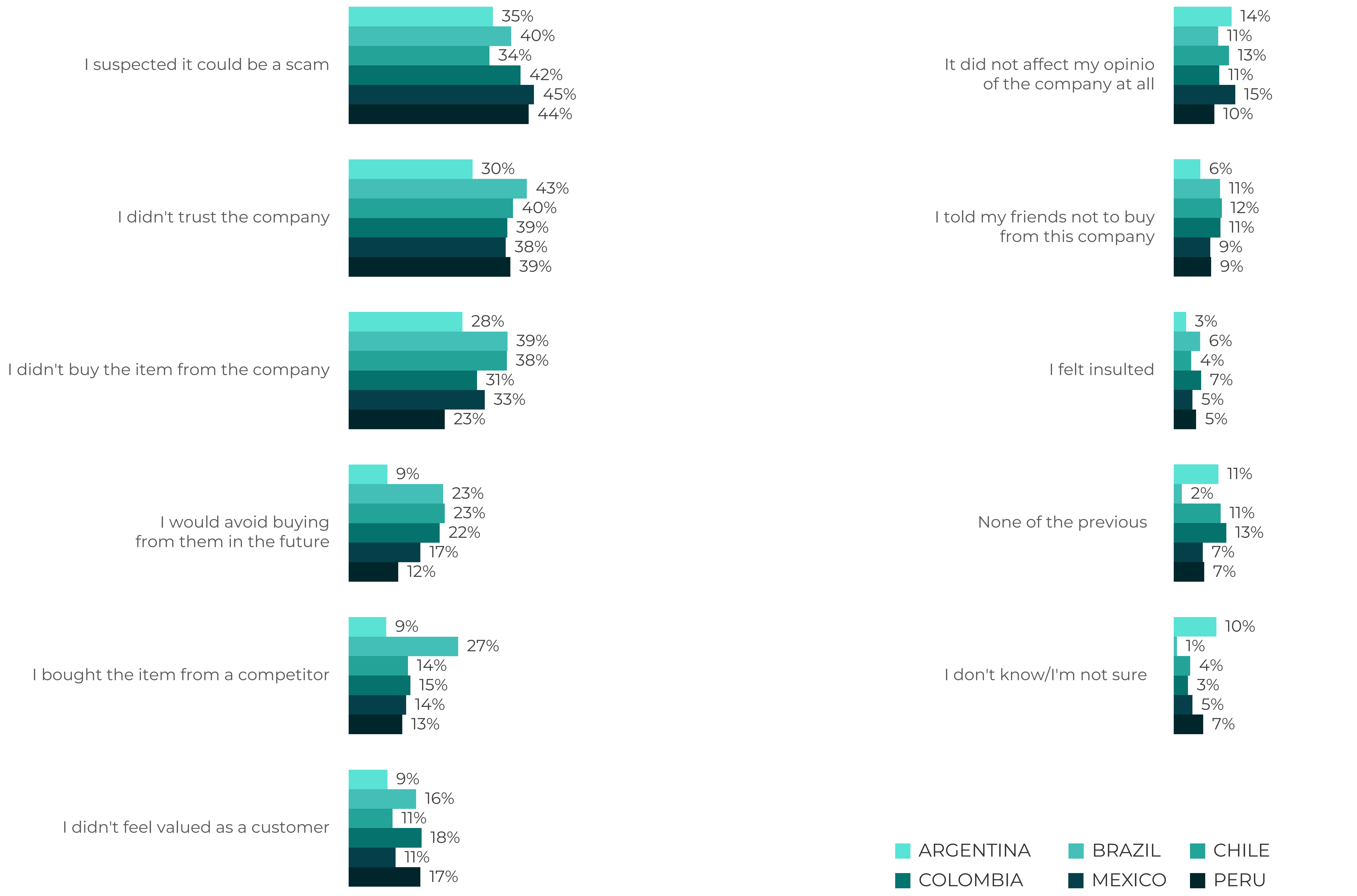
Have you already decided not to buy a product from an international company because (choose up to two options):



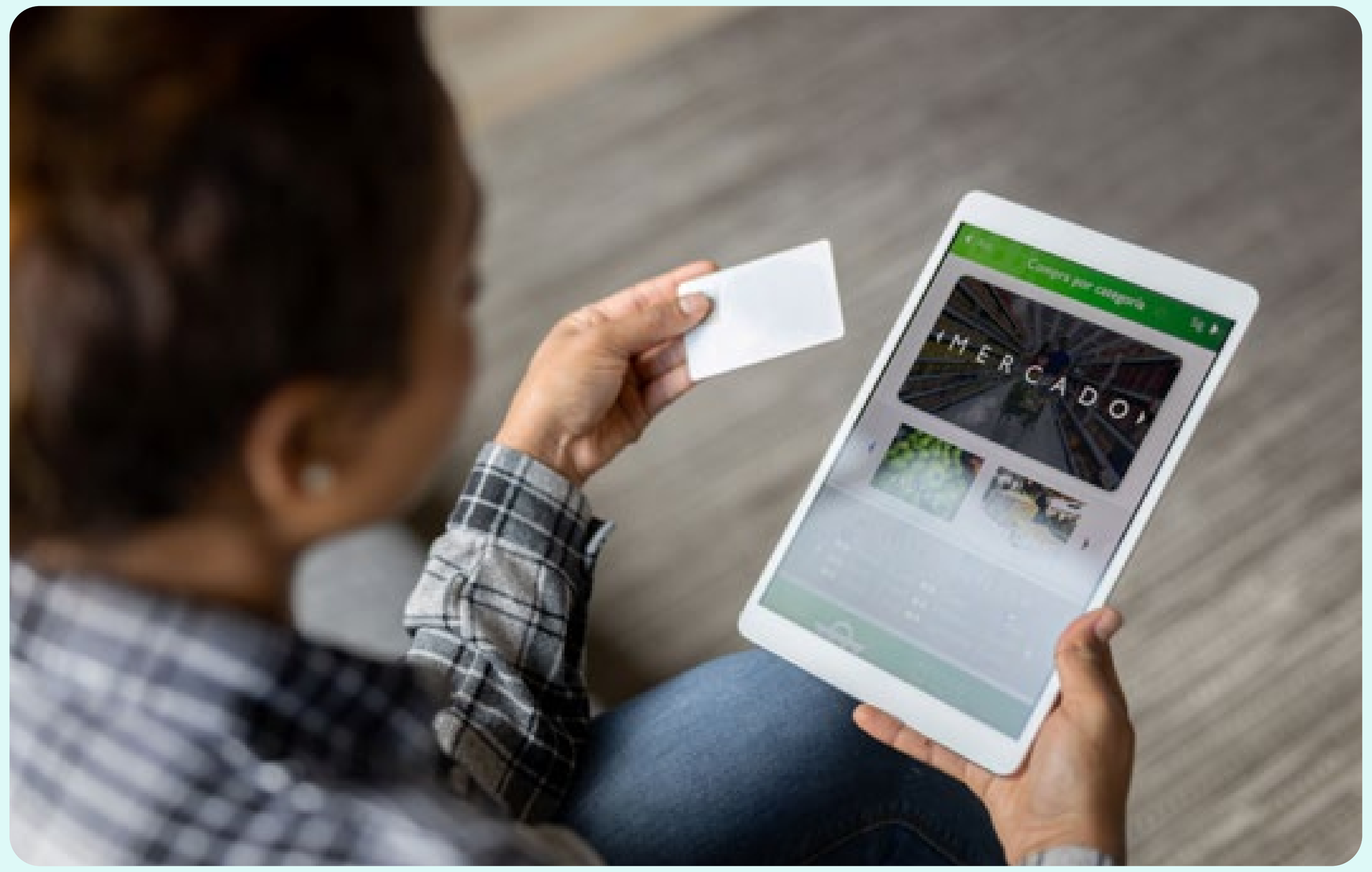
Such online inadequacies had a proven impact on consumer behaviour, with 45% across Latin America saying that text and imagery errors raised suspicions that the site may not be genuine. They avoided buying from the company, fearing it was a scam. There is little space for consumer forgiveness, and more than one fifth (21%) of Latin American consumers said they would avoid international sites in the future if they spotted errors and communication inadequacies; 18% reported buying the product they wanted from a competitor, and importantly, 16% said they did not feel valued as a customer in such scenarios.

Fashion traders have most to lose with 28% in Latin America saying they had decided not to buy goods or services on fashion sites due to communications gaffes, 18% said such errors on retail sites were enough to make them rethink a purchase, along with 16% on health and beauty sites, and 14% on sites selling entertainment or games.

If you decided not to buy [a product from an international company due to issues on their site], how did that make you feel about the company? Tick all that apply:

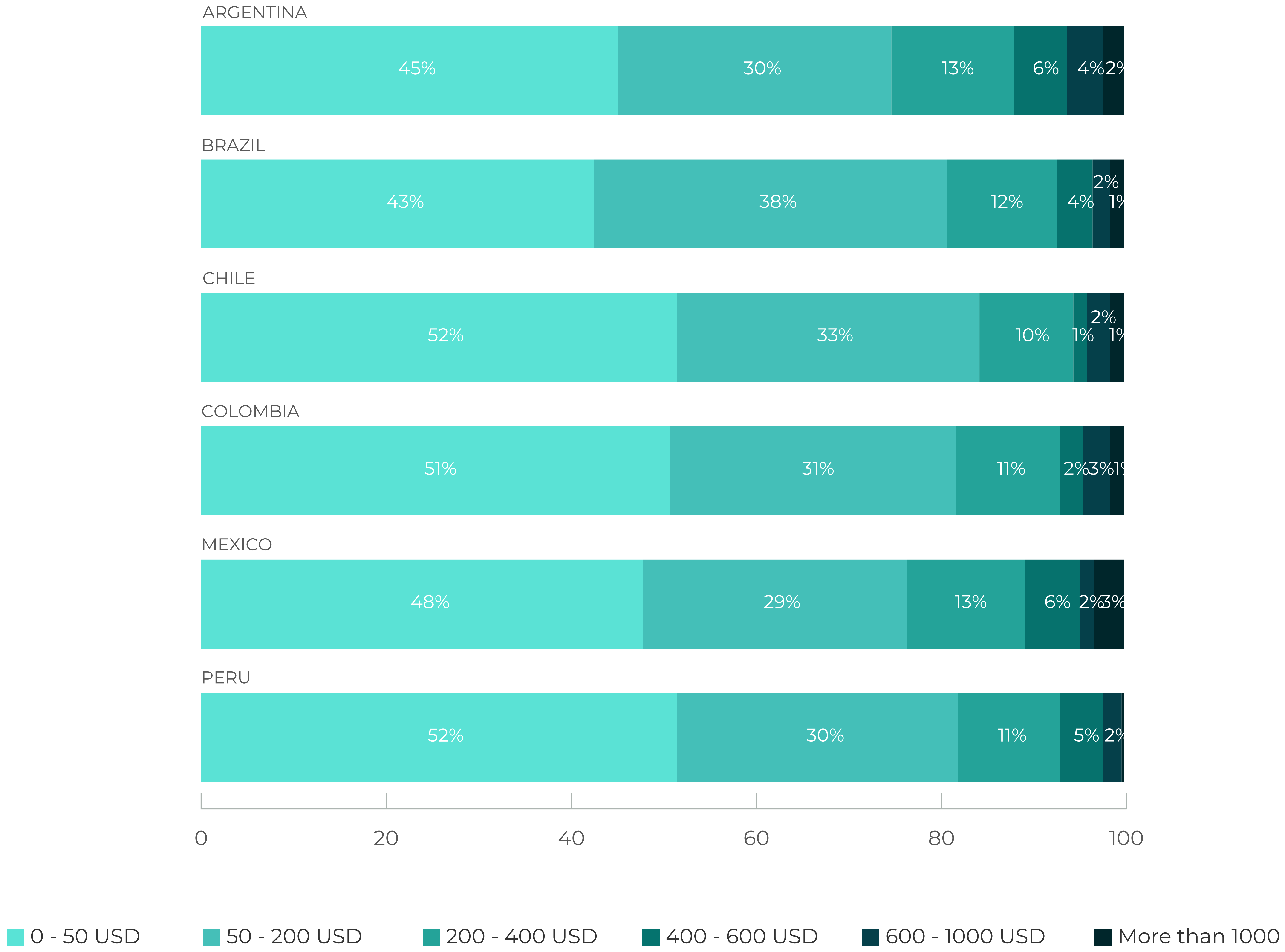


ADS MATTER



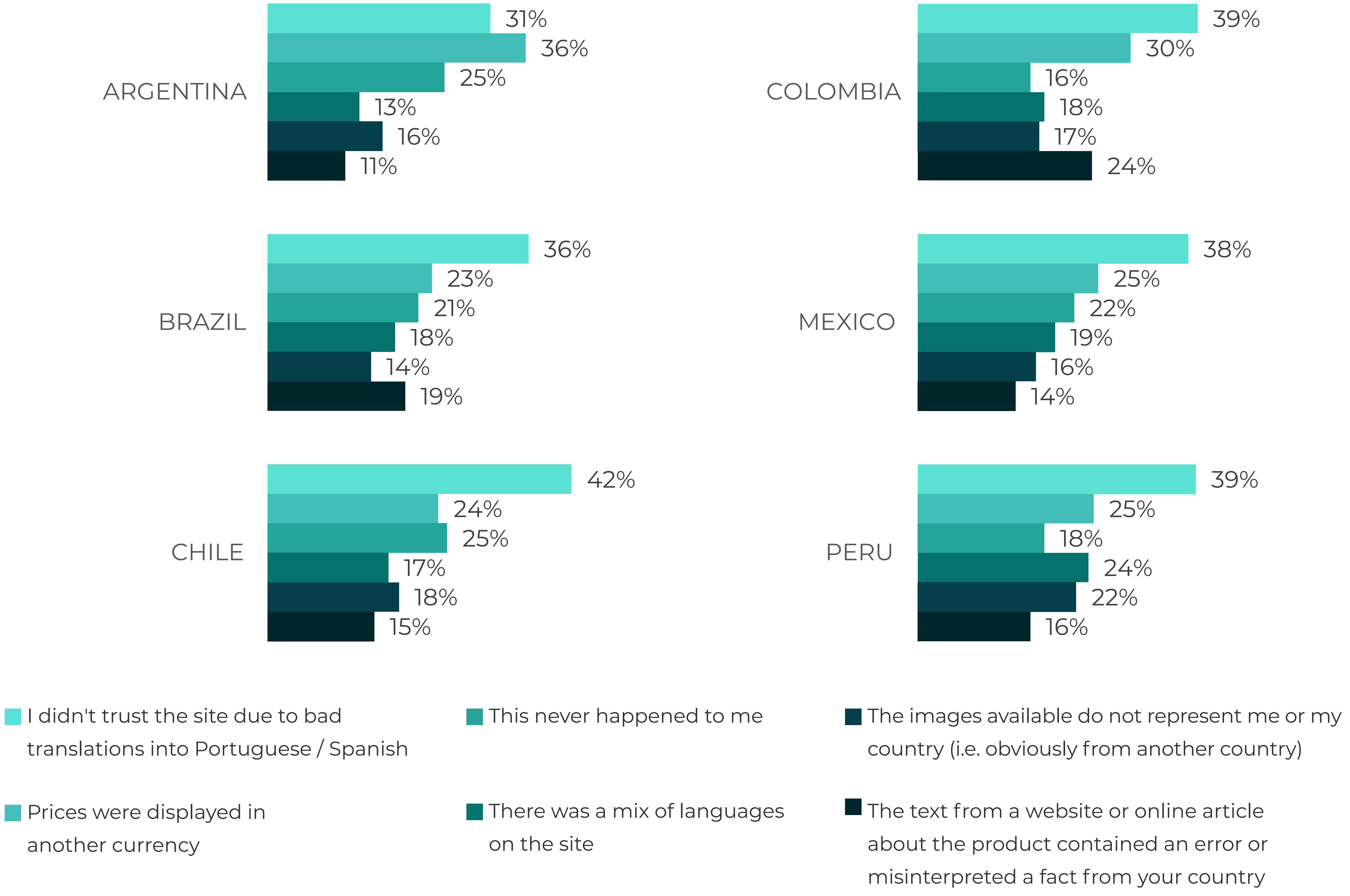
Consumers in Latin America expect to have website messaging directed to them in their own language, taking cultural nuances into account. But, what if they never even get as far as the company website? Four out of five (79%) people in Latin America reported that they had averted from clicking on an online advertisement for an international company due to poor messaging on the ad. In this context, survey respondents said they desisted from buying a product from an international trader to the tune of an average of US$ 155 the last time this happened. One in four (25%) reported this happening with online fashion ads, while 17% said they are put off by ads for health and beauty products, and for retail items, respectively.

If you decided not to click [on an online ad (Google/social networks) from an international company due to site isues], what was the value of the product the last time it happened?



Latin Americans were clear in their feedback, and 37% across the six biggest markets said they had opted against clicking on an online advertisement, because they did not trust the link due to poor translations into their home language. This opinion was strongest in Chile, where 42% of survey respondents said they had already decided against clicking on online advertisements once they perceived that the translations into Spanish were not perfect. In Colombia and Peru, 39% said the same, respectively, as did 38% in Mexico and 36% in Brazil. While Argentines were least put-out by bad translations on online ads, 31% there still reported that this had already served as a disincentive to clicking through.

Have you already decided not to click on an online ad (Google/social networks) from an international company because: (choose up to two options):

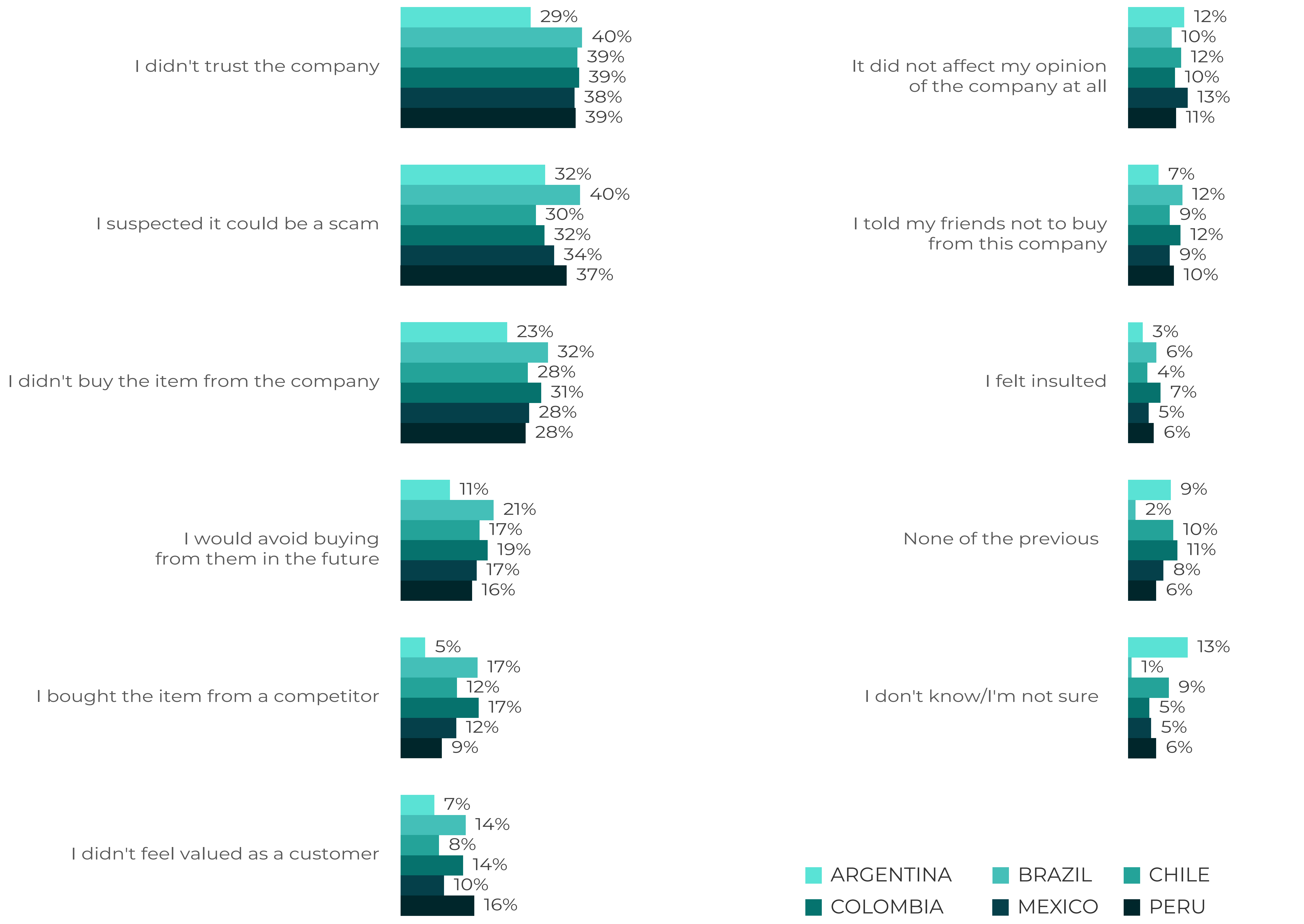


When reviewing advertisements with characteristics like poor translations, communications and imagery that did not reflect their country, or prices displayed in another currency, 42% in Latin America said they did not trust the international company in question, and 39% reported suspicions that the ad could be a scam. Brazilians emerged as the nationality that was most impacted in trust terms, with 40% saying their trust would be broken by poor ad communication, and a further 40% reporting that they would suspect a scam site in such a scenario.

While only 6% in Latin America said they felt insulted by such communications errors, they were still enough to drive away business and 32% said such errors caused them to not buy from an international company in the past, while 19% said they would avoid the same company in the future based on such experiences. In addition to not buying from an international company for these reasons, 11% in Latin America reported that they had advised friends against buying from such companies in this scenario, and 14% said they had decided to buy from a competitor instead.

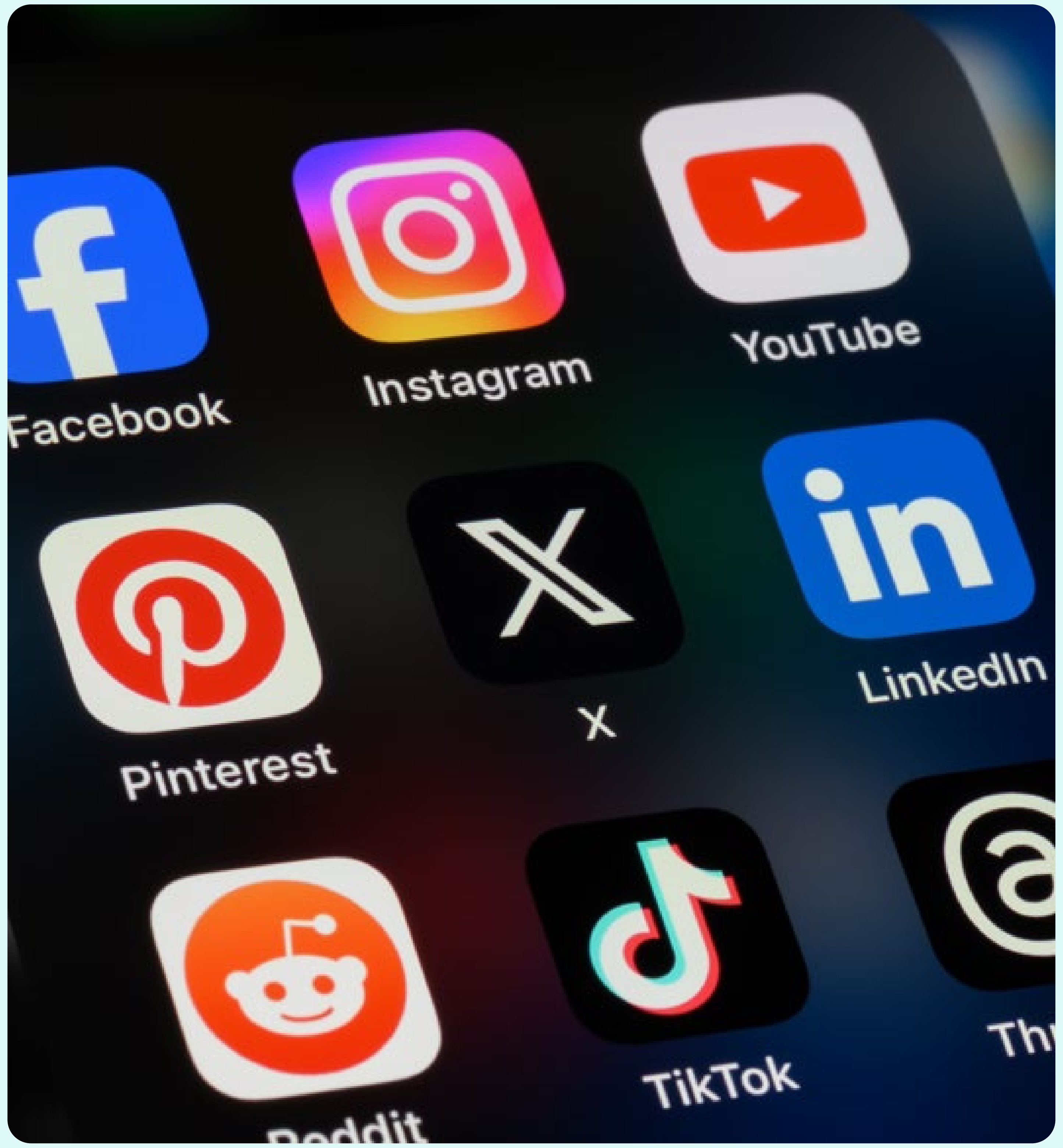
Mexican consumers were most understanding of online advertising gaffes by international companies, with 13% saying such errors would not impact their online behaviour, slightly above the Latin America average of 11%, and 10% of Braziians that said the same.

[If you decided not to click on an online ad (Google, social networks) from an international company due to site isues], how did that make you feel about the company? Tick all that apply

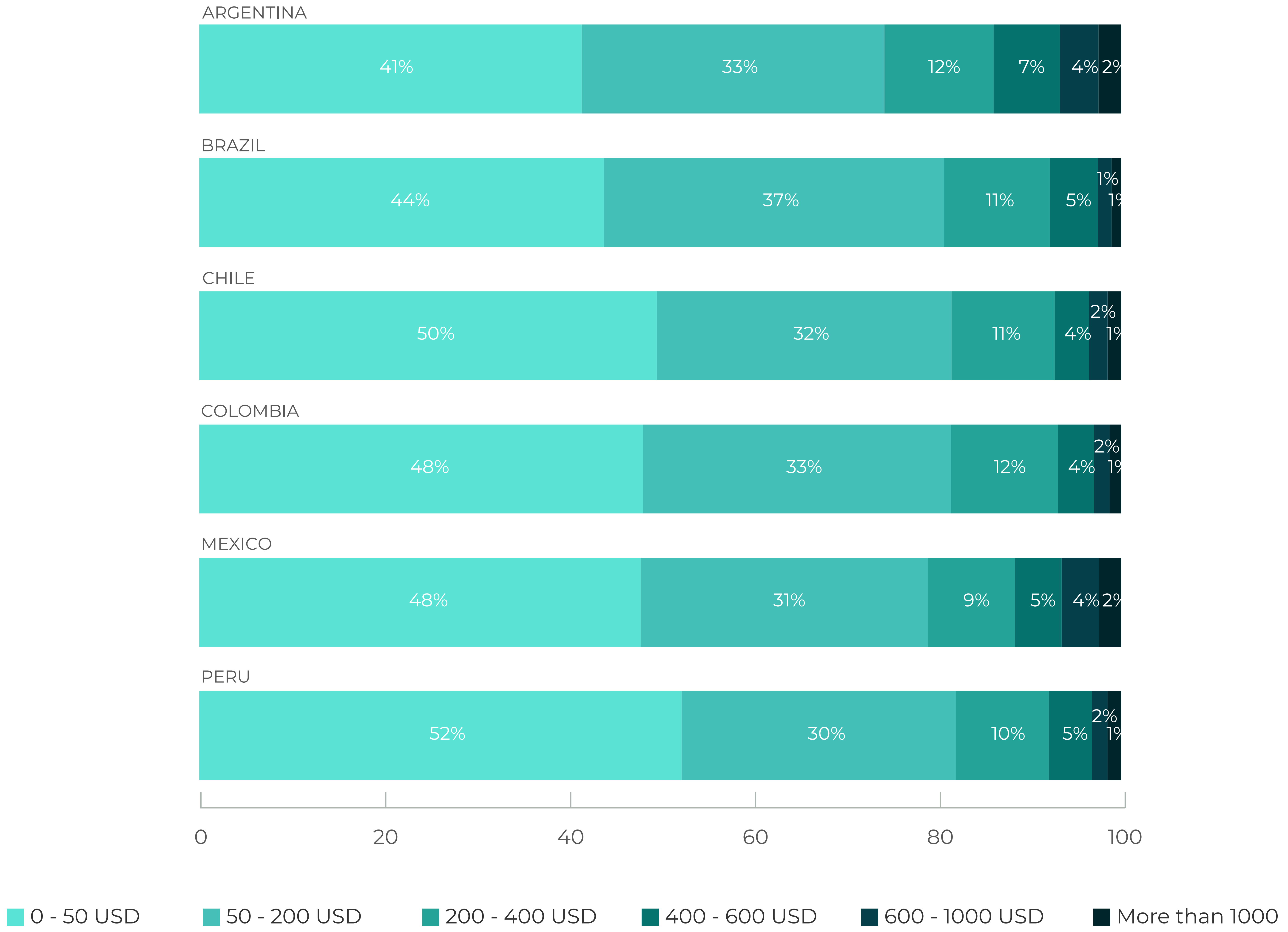


ONLINE SEARCHES

Four out of five (79%) of Latin Americans decided not to click on a search result during an online search for a product or service worth an average of USD$160, or on the social media of an international company due to messaging gaffes.



If you decided not to click [on a search result in Google or on the social networks of an international company, due to site issues], what was the value of the product the last time it happened?



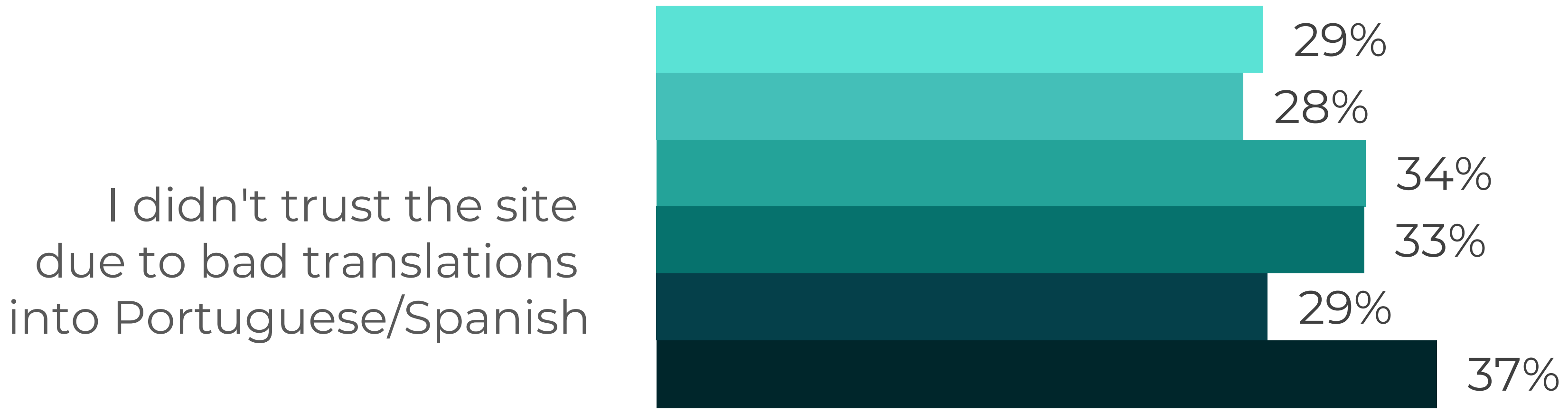
Overall, almost one-third (31%) of people in Latin America said they had not clicked on search engine results due to bad translations into Portuguese or Spanish. Paltry translations were of more importance to Peruvians than to other nationalities, and 37% said they avoid clicking into results when the texts were not correctly translated into Spanish. More than one-third of Chileans (34%) said the same, as did 33% in Colombia. While Brazilians were the least impacted by bad translations among Latin American nations contacted for this report, it was still a valid reason to look elsewhere for 28% of survey respondents.

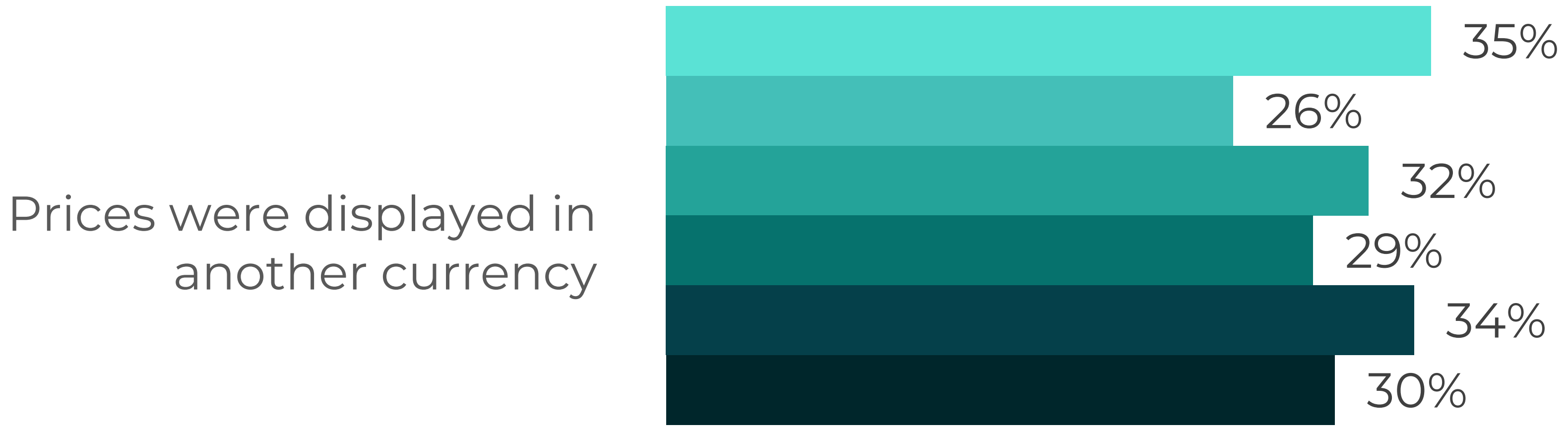
Meanwhile, one in five (21%) people in Latin America were drawn away from search engine results when they noted that texts were in a mix of more than one language. This sentiment was strongest in Peru, reported by 23% of respondents, along with 22% in Argentina and in Chile, respectively.

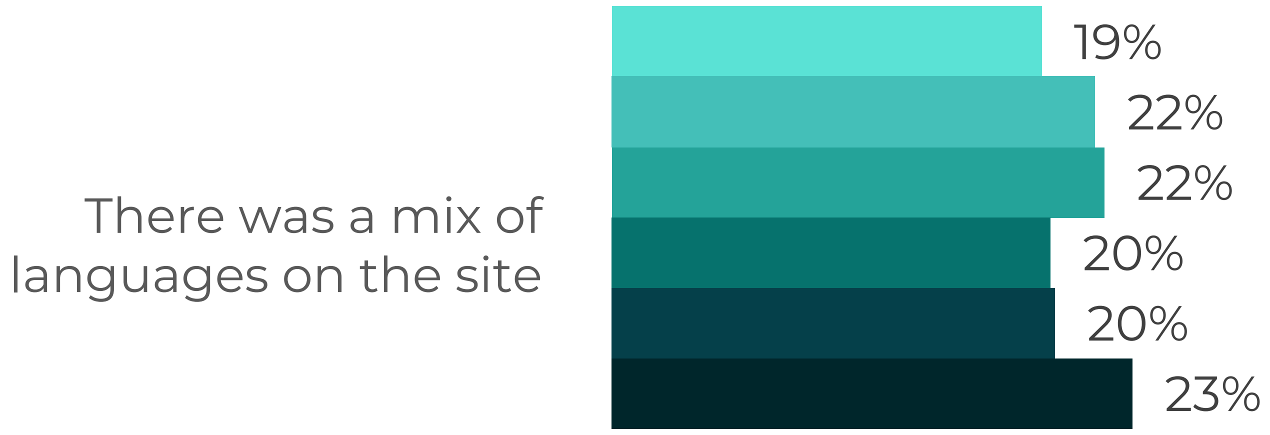
Another bugbear for Latin American consumers when reviewing search engine results was the publication of prices in currencies that were not local. International companies should understand that most people in Latin America will want to know the price of a product or service in local currency, and do not want the extra work of calculating the price. Argentinians felt the strongest about this, and 35% reported that they had opted against clicking into international company websites when prices were not quoted in local currency. In Mexico, 34% of survey respondents held the same view, as did 32% in Chile, and 30% in Peru. Brazilians were the least concerned about multi-currency pricing, however, one in four (26%) still said they had avoided clicking into specific search results for this reason.

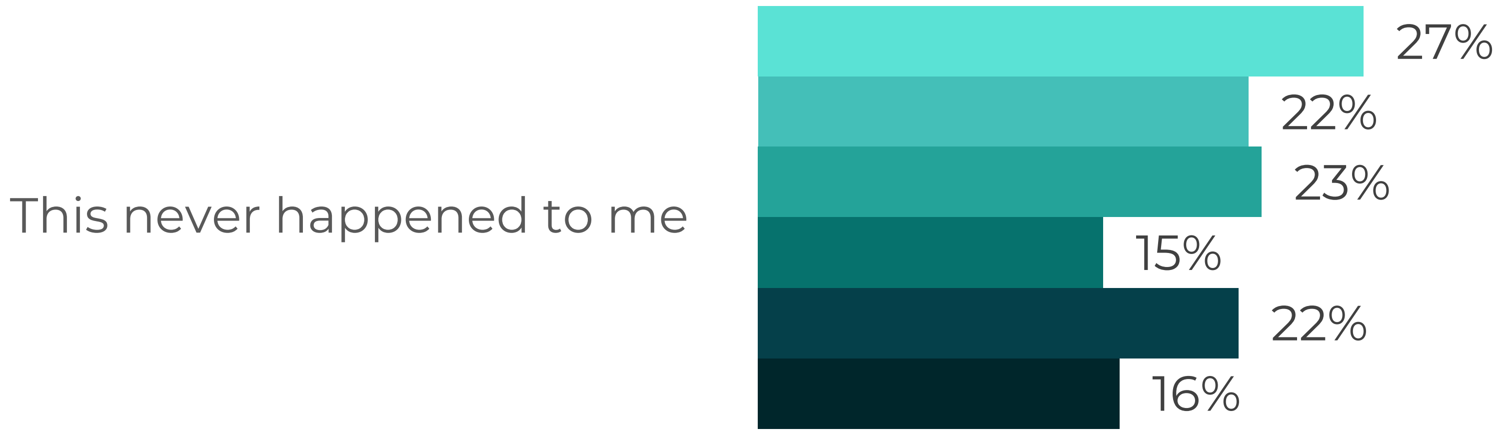
Another bugbear for Latin American consumers when reviewing search engine results was the publication of prices in currencies that were not local. International companies should understand that most people in Latin America will want to know the price of a product or service in local currency, and do not want the extra work of calculating the price.

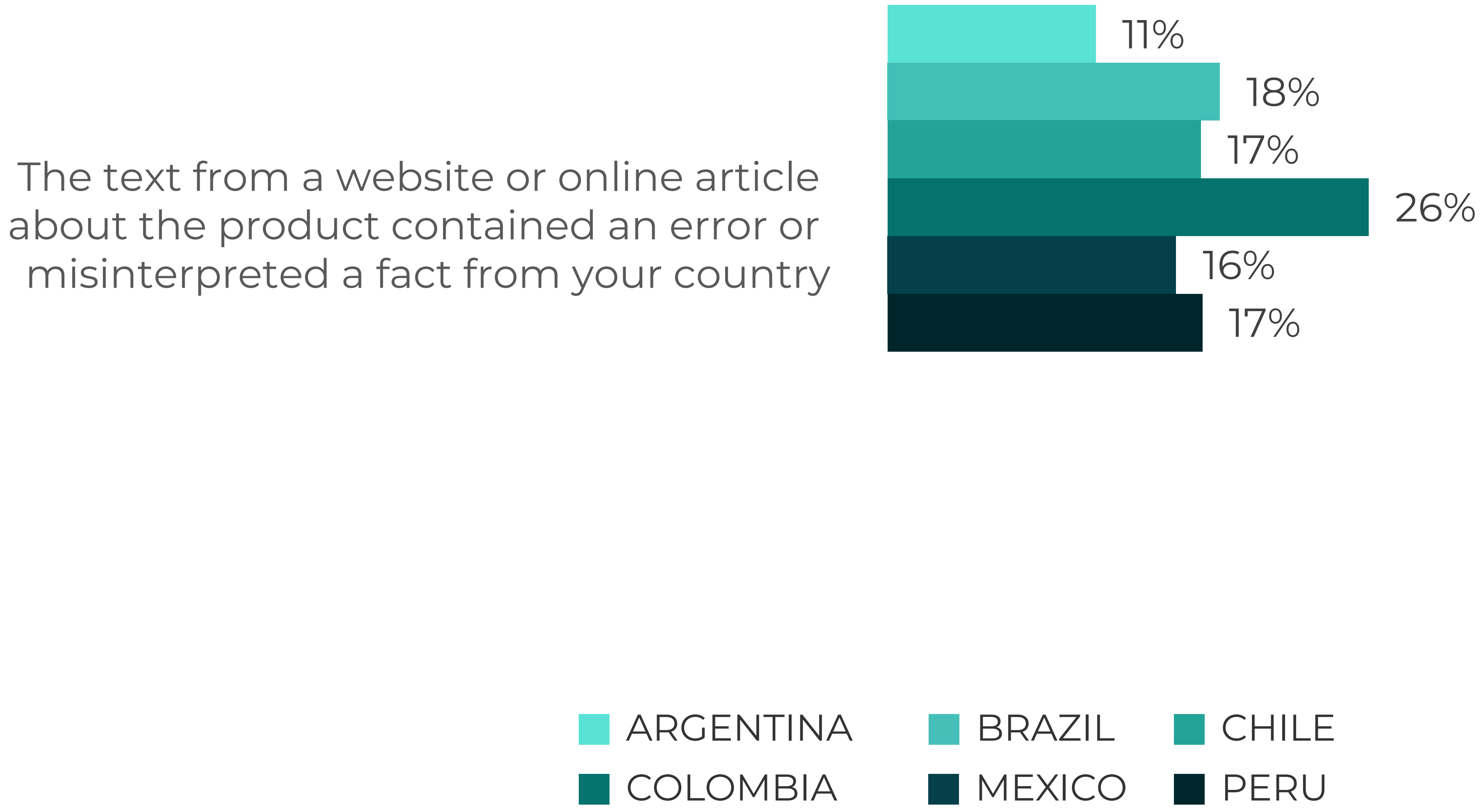
Have you ever decided not to click on a search result in Google or on the social networks of an international company because: (choose up to two options):







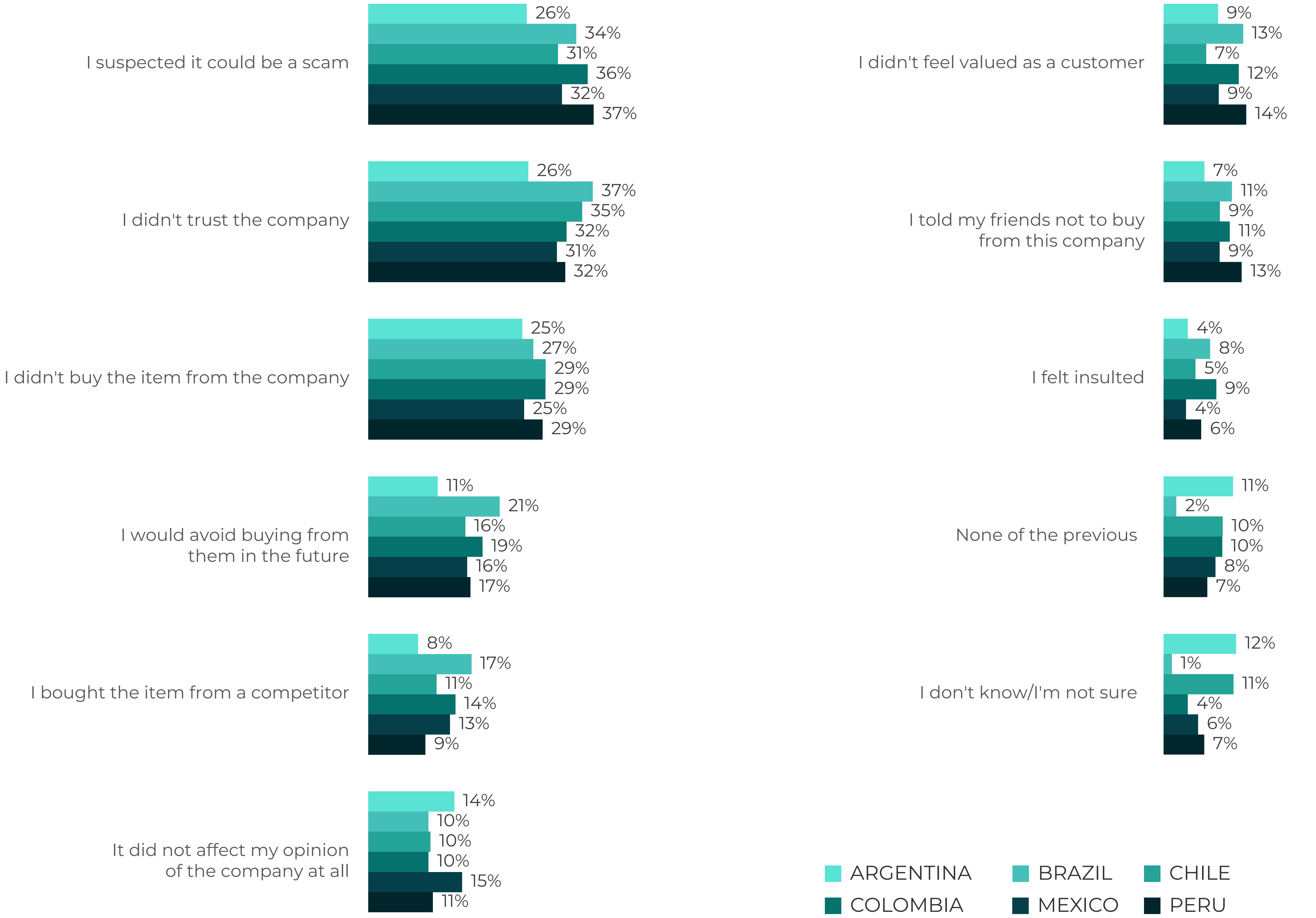




Communication mistakes in search engine results caused 36% of Latin American consumers to lose trust in an international company, with 37% reporting that such errors caused them to suspect that the site may be a scam.

Overall, almost one-third (31%) of people in Latin America said they had not clicked on search engine results due to bad translations into Portuguese or Spanish.

[If you decided not to click on a search result in Google or on the social networks of an international company, due to site issues], how did that make you feel about the company? Tick all that apply



ONLINE ARTICLES

Latin Americans were clear in their feedback regarding website texts and imagery, as well as in their opinions about online ads and search engine results, but what about when they read online articles regarding products or services? Only 5% across Latin America said that communications errors, including bad translations, a mix of more than one language, and information or imagery with errors or cultural misrepresentations would not impact their opinion of an international company.

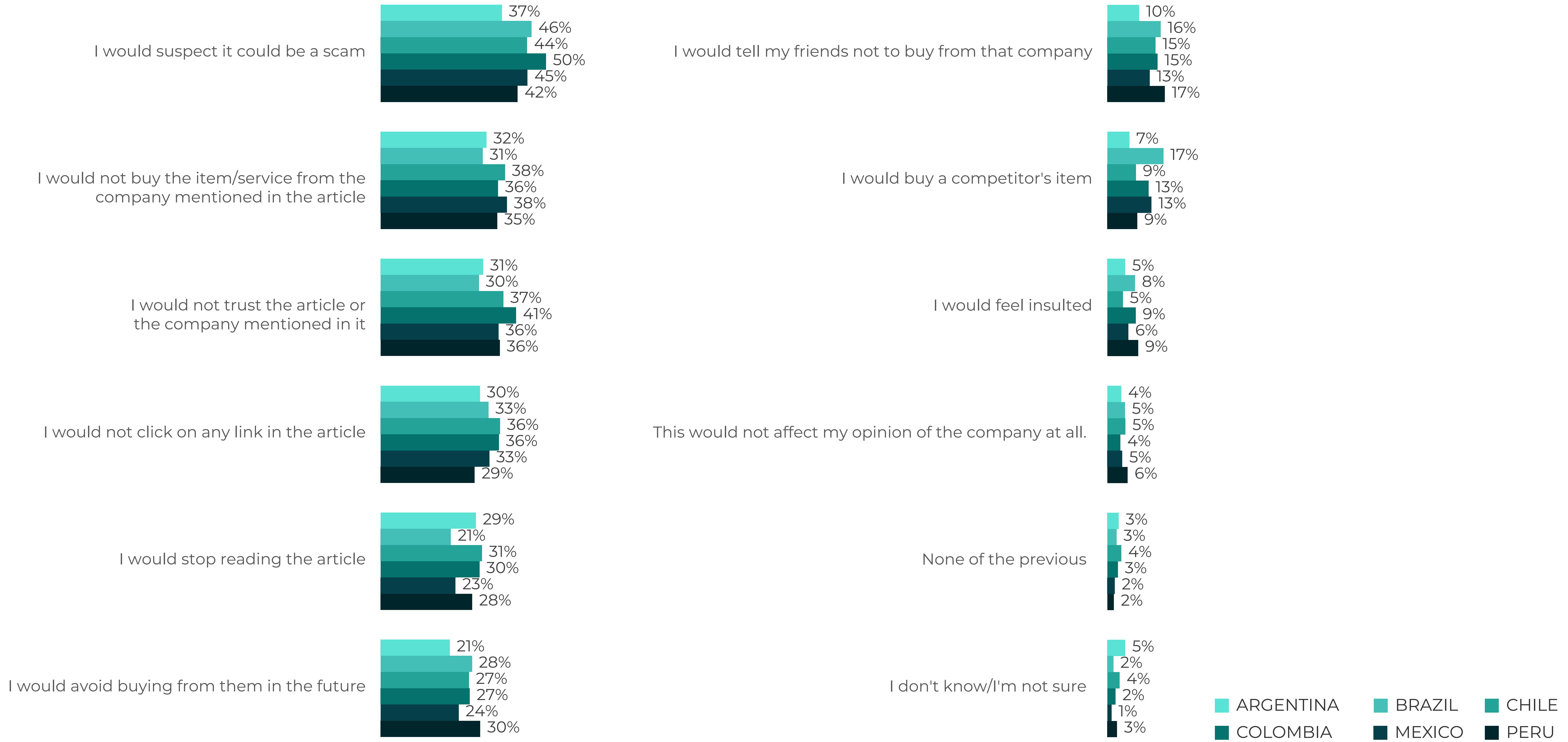
Almost half of all respondents (44%) across Latin America reported that they suspected the article was related to some sort of scam. Colombians were the most suspicious in this scenario, and half (50%) of those consulted said they would worry about scam messaging if they spotted such errors.

Across the Latin America region, 35% said they would not purchase goods or services from companies that were referred to in an online article due to communications errors; while 34% said they would not trust the article or the company mentioned in it. One-third (33%) of Latin Americans said they would not click on any link in an article with clear communications mistakes, while 26% would immediately stop reading the article, with the same proportion (26%) reporting that they would not buy from the company in question in the future.

Only 5% across Latin America said that communications errors, including bad translations, a mix of more than one language, and information or imagery with errors or cultural misrepresentations in online articles would not impact their opinion of an international company.

The fact that only 5% of people in Latin America said such gaffes would not impact their opinion of the company at all points to the immediate and urgent importance that international companies must place on their communications campaigns, whether it is texts and imagery used on their websites, or in online ads and articles.

If you were doing an online search and found an article about a product/service you want to buy and when you start to read it you find bad translations, language mixes, information wrong about your country or even images that do not represent you and your country, how would that make you feel about the company? Tick all that apply.



EASY SOLUTIONS

With every problem comes a solution, and regardless of the sector, there are simple and effective ways to ensure international traders have adequate and appropriate communications with customers in Latin America. Minimal investment in such matters from the outset will save companies from needless reputational (and financial) loss.

Spanish and Portuguese are not the only languages spoken in South America. In fact, the continent is one of the most linguistically diverse regions in the world with nearly 250 languages and dialects. Paraguay has two official languages, Spanish and Guarani, while 2.5 million speakers in Peru and Bolivia speak Aymara.

IT'S TIME TO MOVE AWAY FROM AN IDEA THAT ENGLISH 'WILL DO' WHEN SPEAKING TO CLIENTS IN THIS VAST REGION. Understanding the diversity of target markets can really help international companies to stand out from the competitors.

Latin Americans want to be addressed in their own language, and to feel like they matter to the company they are buying from (remember, 41% don't trust

sites with bad translations). Communicating to consumers in their own lingo and with local cultural nuances accounted for goes a long way to create a feeling of trust between the consumer and the online trader, boding well for long-term relationships with well-informed and content customers.

It's important to remember how competitive the online space has become. Put simply, if a competitor is managing to communicate more clearly to the consumer, creating a sense of trust, why would they move to another site?

Latin American consumers will simply avoid websites that are in a language that they do not understand or identify with. While some customers are willing to overlook badly translated product information, most will simply leave the website and not look back. If two websites are advertising similar products or services, the customers are more likely to choose the one that feels like it is targeted for them by a company that understands them. Product information, customer care, and product reviews that capture the local language and its unique culture can help consumers to build a long-term loyalty to your brand.

KEEP IT LOCAL

Each country in Latin America is unique, and despite many sharing the Spanish language, there are multi-layered differences in dialects and culture. Certain words take on specific cultural meanings, which can be easily lost when translated by a non-native speaker, or worse, an automated translator. It is not enough to have content translated into Spanish or Portuguese, and international companies can save themselves from potentially embarrassing situations by recruiting native translators in each market in the region.

While cheaper, online translators will not take cultural nuances into consideration. As well as developing a communications campaign that speaks clearly to the consumers in each market, companies should also consider whether their name or that of their product works locally. Native speakers will be aware of potential double-meanings or slang words that could cause your product to be misunderstood or ridiculed.

International companies can really make their websites stand out from competitors by prioritizing the native language and local people when launching in a new market. Language is a powerful tool that provides businesses an opportunity to express their values and products to new markets - it would be a shame to waste it. Capture the trust and loyalty of Latin American consumers by speaking to them in their terms - spend some time learning about the local language and culture, the people and their values - this puts companies ahead of the game and will not go unnoticed.

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KNOW THE MARKET

It is important to engage in market research before launching any new product or service into any market. Do local people have a need for it? Time spent getting to know the country, the culture, as well as people's preferences, habits and traditions will go a long way to help international companies understand what consumers want, and to respond appropriately. It can be an expensive mistake to launch a product in a market that has no need or desire for it. Although whitening toothpaste was a huge commercial success in Europe, it is unlikely to do well in some Southeast Asian countries where blackening of the teeth is a common practice.

CULTURAL CONTEXT

Some apparently non-offending words can have negative cultural or historical connotations that are not immediately obvious during translation. When UK phone provider Orange launched in the 1990s, with the slogan 'The future is bright, the future is Orange', the company seemingly did not consider the implications in Northern Ireland and the 'Orange order' protestant organisation. Companies need to fully consider all nuances in target markets before launching products or campaigns - is it the best way to make positive traction in a new market and to avoid confusion and offense.

SUCCESS IN LATIN AMERICAN MARKETS

Language and culture evoke a sense of pride for Latin Americans. The diversity of cultures, dialects and local languages is part of what makes this continent so unique. Companies that can reflect this pride in thoughtful and meaningful ways through images and text can enjoy a great head start when launching in any of the local markets here. If consumers feel like their language is respected, celebrated, and their culture promoted, they are more likely to appreciate and develop a loyal brand relationship.

Latin America is a widely diverse region, rich in languages, history, and ever-growing e-commerce opportunities. Companies that invest in getting to know the land and investing in the right tools can enjoy long lasting brand loyalty. Learn quickly from the mistakes that others made, ensure that communications with Latin American consumers are on point. Be the brand that fits, and enjoy the endless prospects that follow.

SO WHAT CAN YOUR BUSINESS DO TODAY?

- Include local dialects and languages
- Recruit a local/native translator
- Understand the culture and history of your market
- Take responsibility for your mistakes
- Ask your audience

Sherlock Communications (www.sherlockcomms.com) is a multi-award-winning public relations and digital marketing agency in Latin America. Headquartered in São Paulo, the company also has a presence in Lima, Bogota, Santiago, Mexico City, Buenos Aires, San José, Panama City and Guatemala City. **With a multidisciplinary and fully bilingual team**, our mission is to help companies bridge the commercial and cultural gap between Latin American and foreign markets.

The agency was named **Best International Agency 2023** and **Best Agency in LATAM 2022** by **PRWeek Global Awards.** Sherlock Communications won and was highly recommended for more than 55 global awards in the past two years, and was named the **second most creative agency in the world** and the **most creative in Latin America** by The Holmes Report's Creative Index.

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