

Getting down to Business

The Role of Language in the Business World

Executive Summary

The Global Lingo September 2021 “Getting Down to Business” report provides an overview of the role of language in the business world. It focuses squarely on:

- The Future Lingua Franca is “not” English
- How Business Communication Goes Beyond Language
- How LSPs Enhance Business Communication
- How Global Lingo Connects You to Your Diverse Customers

Table of Contents

Executive Summary	2
English is Not the Future Language of Business	4
Predominant Languages Spoken By The World’s Largest Economies	6
The European Business Perspective on Language Needs	9
The American Business Perspective on Language Needs	10
Business Communication Goes Beyond Language	12
How LSPs Enhance Business Communication Efforts	15
How LSPs Complement In-house HR Departments	15
How LSPs Strengthen Your External Communication	16
Website Translation and Localisation	16
Interpreting	19
Voice Overs and Subtitling	20
Transcreation	20
Global Lingo — We Connect You to Your Diverse Customers	23

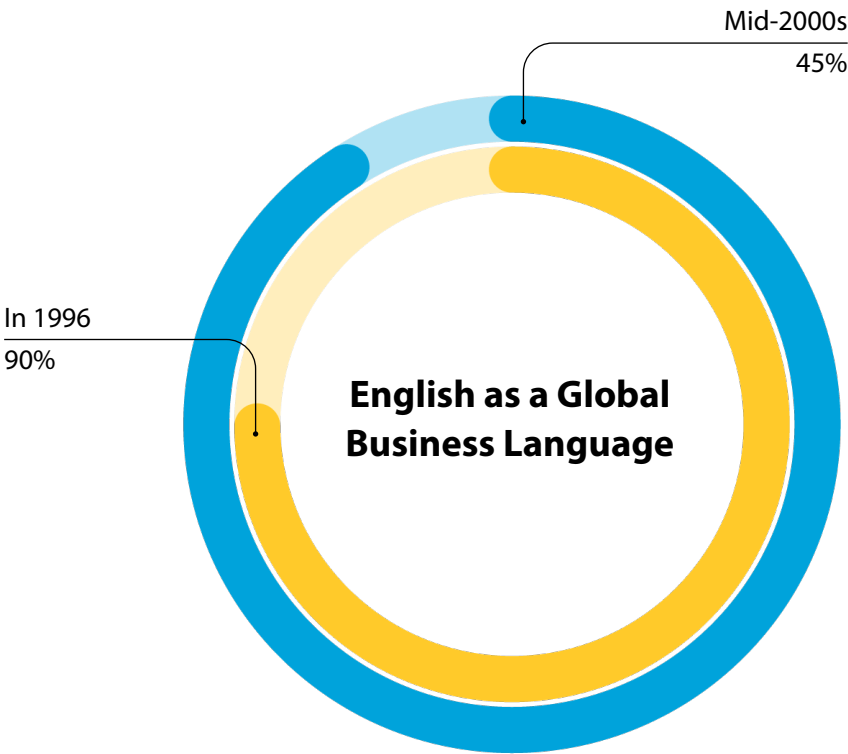
English is Not the Future Language of Business

The internet has been instrumental in allowing businesses of all sizes (and from virtually all industries) to expand overseas.

And while this is encouraging, it does come with a number of challenges. If you want to ensure your expansion efforts prove successful, it is critical that you develop an intimate understanding of your target markets. What are the demands and expectations, for instance, of your new markets? What economic, social, and/or cultural challenges might you face? What do compliance regulations look like? But perhaps most importantly, how well are you communicating with your target audience?

According to the London Economic, '[a]lthough English has been seen as the global business language in the past, its use has been dwindling. Whilst 90% of the web was in English in 1996, this declined to just 45% by the mid 2000s'.¹

It seems that globalisation has opened the doors for doing business in languages other than English (LOTE). In fact, according to Business News Wales, '[b]y 2025, almost 50% of the world's biggest companies will be based in emerging markets. While the English language is widely used throughout business, communicating [exclusively] in English... can have large disadvantages in today's markets'.² In other words, although English will likely continue to dominate the world of business for the foreseeable future, it will likely not remain the future language of business.



More and more businesses are operating on a worldwide scale, with 40% of all business deals now made across borders.

The London Economic



Predominant Languages Spoken By The World's Largest Economies

In 2020, the International Monetary Fund (IMF) listed the highest-ranking countries in the world in nominal GDP. Out of the 20 countries identified, English was the primary spoken language in only four. While still significant, English is far from the only language being spoken on the global stage. For companies involved in industries from finance and business to technology and manufacturing, it is well worth noting the dominant languages spoken in some of the world's largest economies.

China now represents the second largest economy in the world next to the United States. With a population of 1.4 billion, China is also home to the second most spoken language in the world, Mandarin. Although only 126 million residents strong, Japan ranks as the third largest economy in the world with a significant global presence in the manufacturing, technology, and automotive industries. Germany, another world leader in manufacturing, ranks as the fourth largest global economy by GDP. India holds 6th place after the United Kingdom but is also one of the world's fastest-growing economies. With a strong presence in IT, agriculture, pharmaceuticals, manufacturing, and the services sector, India is home to 600 million speakers of Hindi.

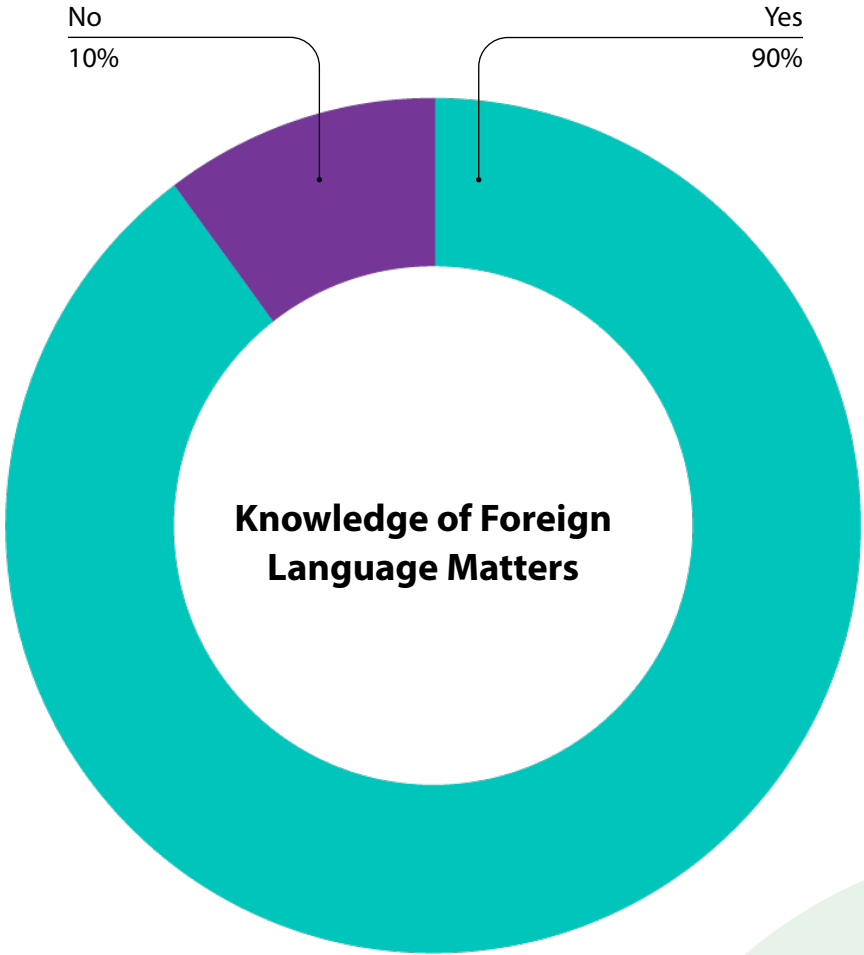
Country	Official (or "main" languages)
United states	English
China	Mandarin
Japan	Japanese
Germany	German
United Kingdom	English
India	Hindi
France	French
Italy	Italian
Canada	English
South Korea	Korean
Russia	Russian
Brazil	Portuguese
Australia	English
Spain	Spanish
Indonesia	Indonesian
Mexico	Spanish
Netherlands	Dutch
Switzerland	German
Saudi Arabia	Arabic
Turkey	Turkish



The European Business Perspective on Language Needs

Of course, the many languages of global business is nothing new. Companies looking to gain a foothold in international markets are well aware of the importance of conducting business in multiple languages. In fact, as far back as 2011, the European Commission funded a report entitled, ‘Companies’ Linguistic & Language Related Needs in Europe’. The report surveyed some 386 individual companies and 157 business representative organisations throughout Europe. When asked if knowledge of foreign languages in their respective enterprises mattered with regard to operations and competitiveness, the collective response was a resounding ‘yes’.

One of the many conclusions drawn by the report was that ‘[l]anguages play a fundamental role in European businesses for their development in a globalised [w]orld’.³



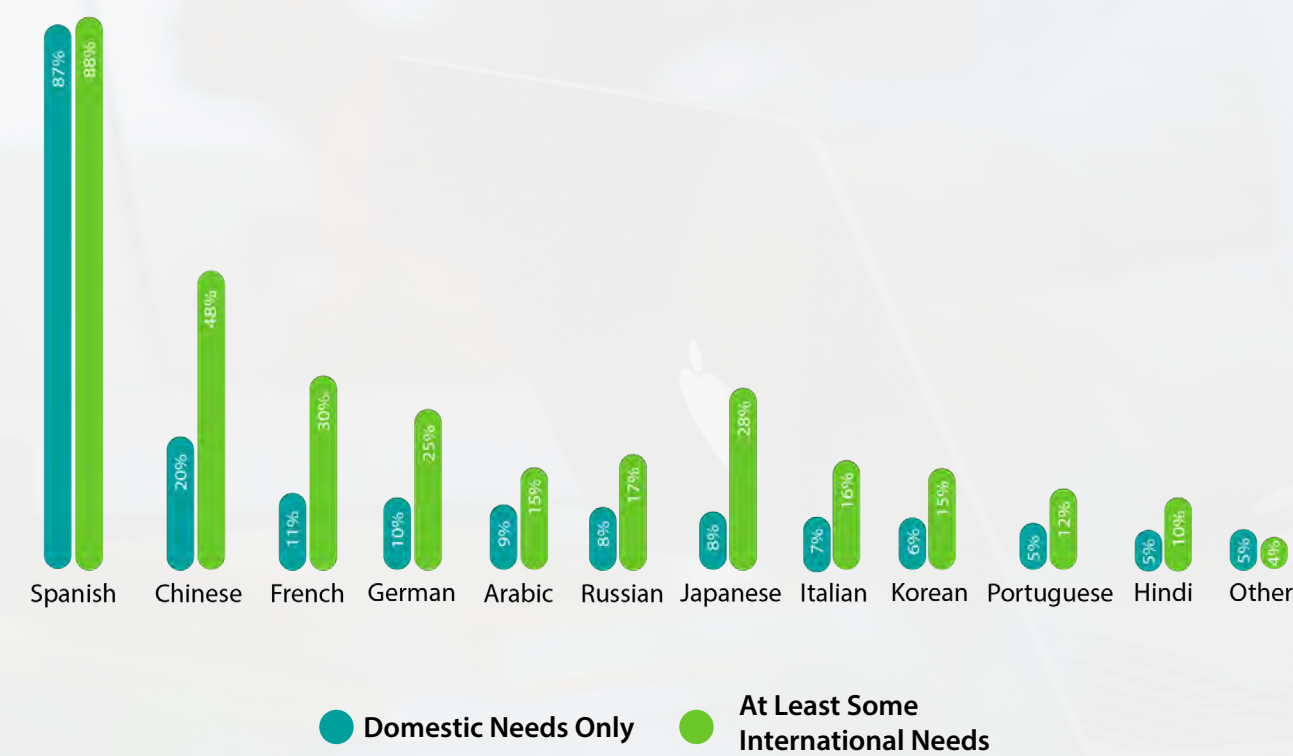
The American Business Perspective on Language Needs

In 2019, the American Council on the Teaching of Foreign Languages published a report entitled, 'Making Languages Our Business: Addressing Foreign Language Demand Among U.S. Employees'. The report found that 25% of American employers lost business due to a lack of language skills. As the US becomes increasingly more diverse, it comes as no surprise that 47% of the US-based employers involved in the survey reported the need for language skills just to serve the domestic market alone. However, as Industry Week points out, '96% of the world's consumers and two-thirds of its purchasing power reside outside U.S. borders.'

The following graph depicts the language needs for US employers to meet their respective domestic and foreign markets.

Indeed, language matters. But successful business communication goes well beyond language. It involves developing and maintaining an intimate understanding of the target market's overall business culture.

Demand for Specific Foreign Languages by US Employers (2019)



22% of manufacturing companies... couldn't pursue or lost business due to language barriers.

Industry Week

Business Communication Goes Beyond Language

Although speaking the language of your target audience is paramount to your business success, so is mastering the business etiquette of each unique region. As the Insider puts it, '[w]ith every country comes a different culture, different history, different lifestyle and, therefore, a different way of conducting business'.⁵

To put this into greater focus, ForexTime (a global CFD and FX broker) 'gathered information from business translation specialists and Forbes magazine to create their etiquette guide on how to greet people, what to call them, [what to do with] business cards, and [how to use the appropriate] communication style and agendas [in foreign markets]'.⁶ What they found might surprise some companies looking to expand their business reach.

While handshakes tend to be fairly common throughout the Americas, Europe, Asia, and the Middle East, the study found that in the United Arab Emirates and in India, it is more prudent to offer a handshake with the right hand only. Although not part of the study, the same is true in Kenya — and for the same reasons — as the left hand is thought to be used for maintaining bodily hygiene. Other noted differences centre around personal versus business communication. In Italy and Spain, for instance, businesses tend to focus on building relationships before getting down to business. On the flipside, the study found that in France and Germany, communication should remain professional at all times.

Some business cultures, such as in Japan, show a great deal of respect when it comes to a person's status and title at an organisation. Commonly referred to as 'power distance', this high level of respect often translates to how individuals communicate with one another. However, when this business style comes into direct contact with a more collegial style like that of the UK or the United States, tensions can quickly arise if not handled with care.

Although these are but a few examples of cultural differences in business around the world, what it demonstrates is that successful business communication goes well beyond merely speaking your target audience's language. For this very reason, many corporations are now building a robust multicultural workforce to better communicate with their growing international audience. However, business leaders throughout the world also realise this alone isn't enough. In fact, many companies now understand just how much is at stake by not partnering with global leaders in linguistic and cultural solutions — language services providers (LSPs).

With every country comes a different culture, different history, different lifestyle and, therefore, a different way of conducting business.

Insider

A woman in a white blazer is standing in front of a large screen displaying financial data and charts. She is pointing at the screen with her right hand. The screen shows various financial metrics, including a table of data on the left and several bar and line charts on the right. The background is a modern office setting with a wooden desk and a chair.

How LSPs Enhance Business Communication Efforts

It goes without saying that in order to successfully expand your business, you must be able to communicate effectively with your new target audience. But when your new demographic doesn't speak your language, you are immediately put at a disadvantage — and so are they. By growing a diverse workforce and investing in professional multicultural support, you and your customers will reap the benefits.

How LSPs Complement In-house HR Departments

While many businesses now develop multilingual departments within their organisations, 'a majority of employers [rank the] translation of human resources and employee materials as the leading function for LSPs. Overall, two-thirds of employers report a reliance on LSPs.⁷ While the majority of these companies partner with LSPs to complement to their in-house multilingual staff, the '[u]se of external language services providers... demonstrates the vital role of languages in meeting internal diversity and linguistic needs.⁸

Recruiting consultants, human resources managers, and in-house training specialists are charged with the awesome responsibility of ensuring all employees are kept up to date with company policies and procedures. After all, the primary focus for HR departments is to fully prepare employees to seamlessly carry out the duties of their respective

positions. This often requires HR departments to create and distribute complex documents including audio, video, and online training materials. Often times, these documents must be translated — and even localised — into several languages to meet the diverse needs of their multicultural staff. From employment contracts and training manuals to eLearning materials and company policies, HR departments often rely on the linguistic and cultural expertise of LSPs specialised in human resources.

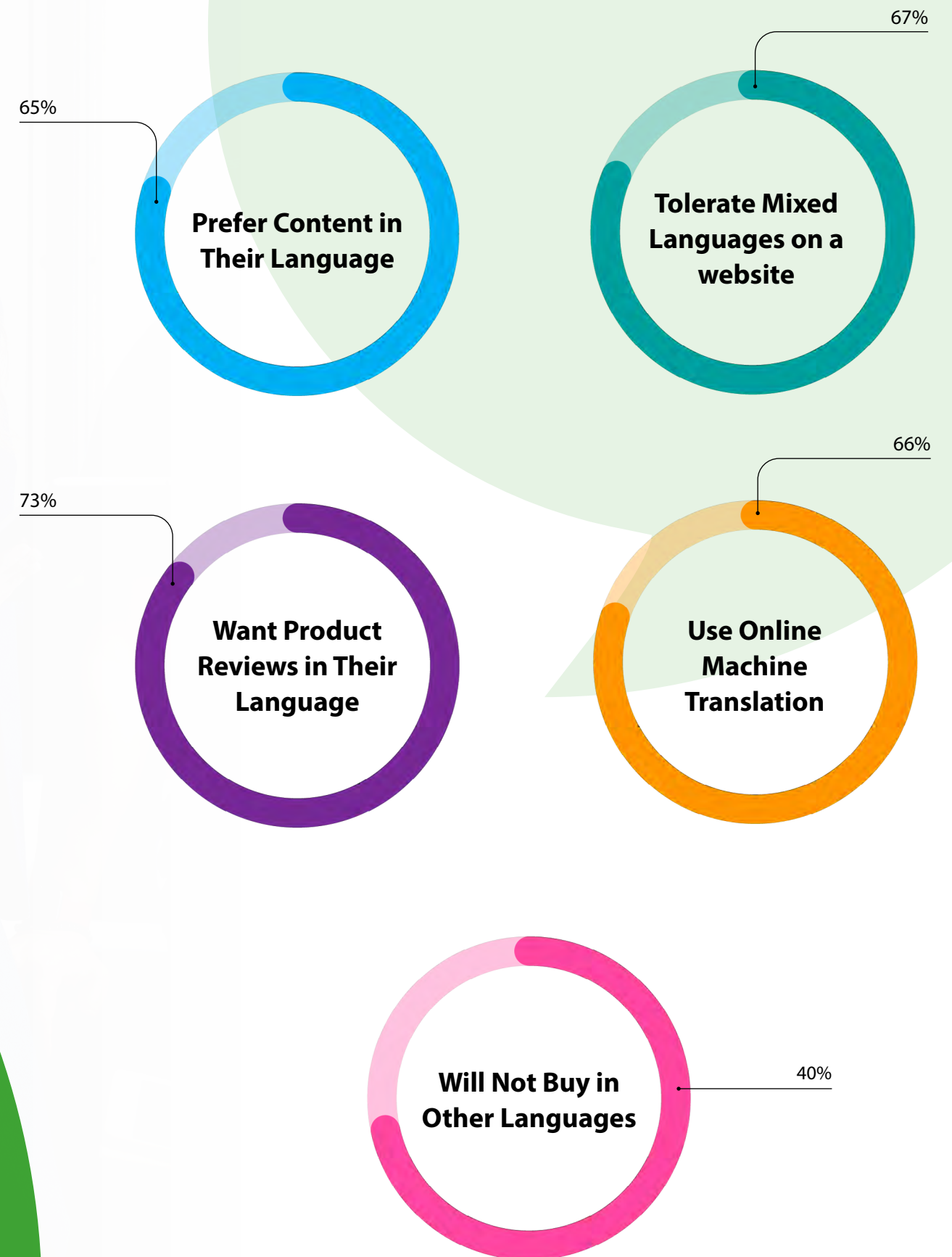
Although HR departments regularly require these specialised language services, in emergency situations (or when time-sensitive issues occur), employers need to act quickly to disseminate internal messages. In these moments, LSPs can become a critically important partner.

How LSPs Strengthen Your External Communication

Website Translation and Localisation

Recent industry research (surveying thousands of consumers in dozens of countries) has shown that customers clearly prefer to communicate in their native language. In fact, as much as 40% of the consumers surveyed simply won't buy products or services in other languages.

This is nothing new, of course. As far back as 2006, the Common Sense Advisory (CSA) conducted similar research and reported similar results. Simply put, as products and services have become more globally accessible, consumers naturally prefer to conduct business in their own language. For companies wishing to expand into international markets, LSPs can provide the linguistic and cultural support to ensure your expansion efforts prove fruitful.





\$524.9 bn

Fashion & Beauty



\$392.6 bn

Electronics & Physical Media



\$209.6 bn

Food & Personal Care



\$272.5 bn

Furniture & Appliance



\$386.2 bn

Toys, DIY, & Hobbies



\$750.7 bn

Travel & Accommodation



\$12.05 bn

Digital Music



\$70.56 bn

Video Games

Website Translation and Localisation

LSPs help to position your brand in multiple markets and provide you with a competitive edge. Depending on the products and services you sell, you might, for instance, wish to consider translating and localising your website. And, with more than 4 billion Internet users worldwide, this would likely be a sound investment. In fact, from uploading videos and listening to podcasts to watching webinars and shopping online, consumers are spending an average of nearly 7 hours online every day. As a result, the global eCommerce spend across industries is worth billions of dollars.

Perhaps it is time to consider whether or not your website offers an inclusive user experience. How accessible, for instance, is your content to those who don't speak English (or don't speak English well)? In other words, how linguistically and culturally responsive is your website?

Interpreting

Planning an upcoming industry conference, workshop, or event? By offering interpreting services, you'll create a more inclusive experience. Professional interpreting allows all those in attendance to fully participate in your venue's activities. Simultaneous interpreting (in which the interpreter interprets as the discourse continues) is ideal for larger conferences and events. However, if you are planning a more intimate setting, consecutive interpreting (in which the interpret waits a few minutes after the speaker stops talking before interpreting) might be more appropriate. Online interpreting is also a viable option for remote events.

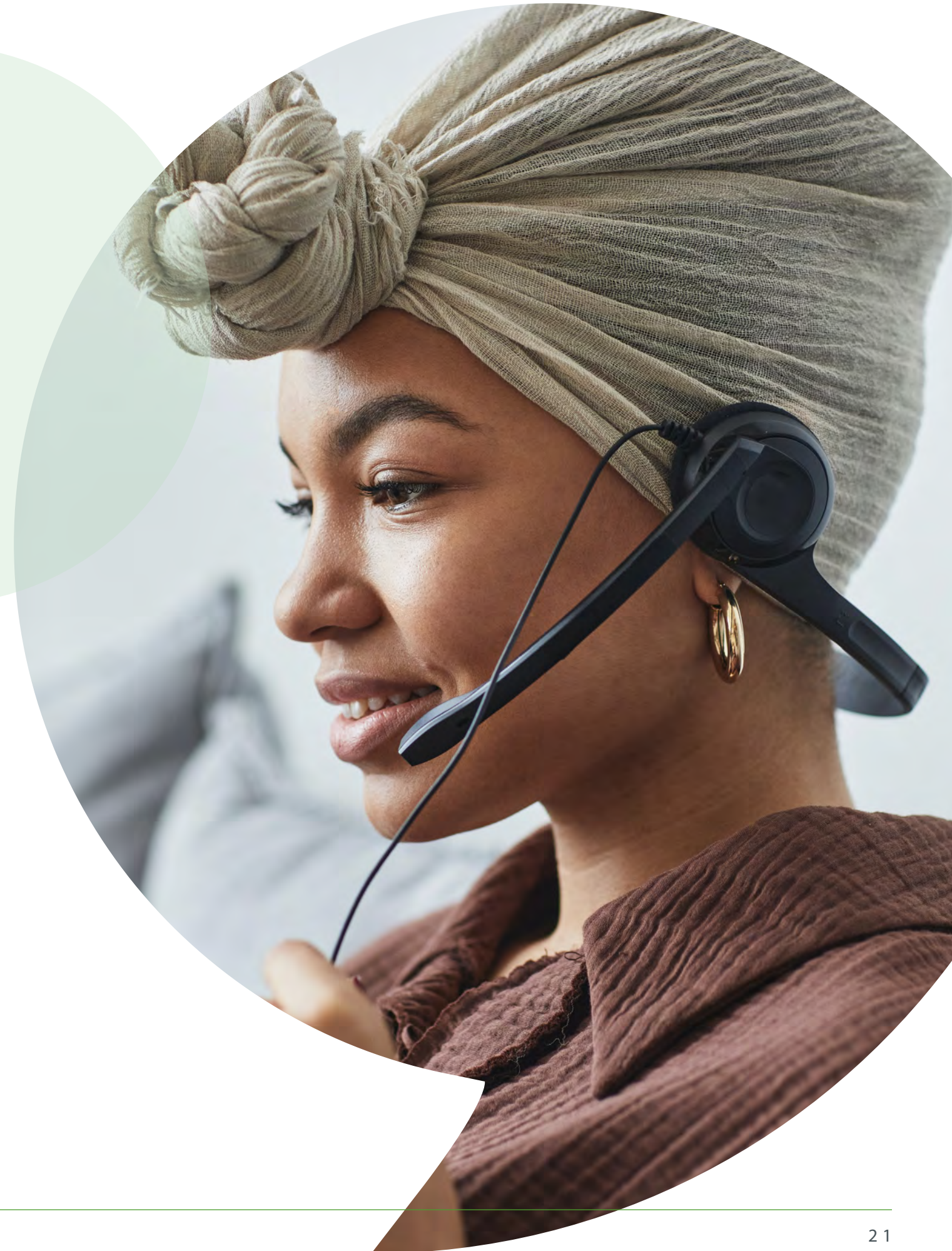
Voice Overs and Subtitling

Many businesses, regardless of the industry they serve, are now turning to videos as part of their marketing collateral. However, just as many businesses are failing to create videos that are globally and culturally inclusive. By narrating your video's content with professional voice over services, you help to add human emotion to your brand messaging. And when you go even further by ensuring the narration is accessible in multiple languages, you automatically expand your target audience. Professional voice overs don't just inject life into your marketing videos — they help your audience to better understand your message. Voice overs strengthen your authority in your industry, add credibility to your service offering, and encourage visitors to continue the customer journey.

Equally as important, subtitling services ensure your marketing videos are fully accessible to the 360 million people across the globe who suffer from disabling hearing loss. It is also a welcome addition to videos when people need to watch your video on mute. Subtitling services offered in multiple languages will help to attract the attention — and increase engagement — of your global audience while strengthening your brand message.

Transcreation

When marketing products and services to a more diverse audience, transcreation has become an invaluable tool to a great many businesses. Investing in transcreation services will help to eliminate linguistic and cultural barriers by developing the translation of your content even further. It effectively communicates your brand message to a global audience and ensures that the subtle nuances and intended emotion in your messaging are not overlooked during the translation process.



Global Lingo — We Connect You to Your Diverse Customers

As a global leader of language solutions for businesses worldwide, Global Lingo has become a respected name in the language services industry.

With international offices spanning the Americas, Europe, Oceania, and Asia, Global Lingo is home to more than 6,000 native-language linguists and an exceptionally talented pool of voice artists, engineers, multilingual copywriters, marketers, translators, interpreters and more.

Global Lingo offers professional language solutions to businesses in more than 150 languages. Our subject matter experts offer bespoke language services across industries from the automotive, manufacturing, mining, and medical sectors to financial, learning & development, legal, travel, marketing, eCommerce and more. Whether you are promoting your services at the local, regional, or global level, Global Lingo eliminates cultural and linguistic barriers. We connect you to your diverse customers.

Let's take your brand message to the next level. Partner with Global Lingo today.

REFERENCES

1 "Why You Need to Understand the Importance of Language in Business." The London Economic, 8 Mar. 2021, www.thelondoneconomic.com/business-economics/business/need-understand-importance-language-business-70023/.

2 Training, Skills and, et al. "The Most Important Languages for Business in 2021 Revealed." Business News Wales, 5 June 2021, businessnewswales.com/the-most-important-languages-for-business-in-2021-revealed/.

3 COTANCE. Report On Language Needs In Business. European Commission, LLP Programme, KA2, 31 Aug. 2011, www.celan-platform.eu/assets/files/D1.3-Business_Needs_Report-Final.pdf.

4 "Please Enable Cookies." StackPath, www.industryweek.com/talent/article/21119730/are-manufacturers-losing-out-on-business-due-to-lack-of-language-skills.

5, 6 UK, Business Insider. "A Guide to Business Etiquette in 14 Countries around the World." Insider, Insider, 16 Nov. 2016, www.insider.com/business-etiquette-guide-around-the-world-2016-11.

7, 8 Making Languages Our Business: Addressing Foreign Language Demand Among U.S. Employers. ACTFL, 2019, www.leadwithlanguages.org/wp-content/uploads/MakingLanguagesOurBusiness_ExecSummary.pdf.

In addition to:

"The Top 20 Largest Economies in the World by GDP." ResearchFDI, 26 Aug. 2021, researchfdi.com/world-gdp-largest-economy/.

Person, and Publisher. "Culture and Etiquette in Kenya: Local Customs in Kenya." Culture and Etiquette in Kenya | Local Customs in Kenya | Rough Guides, Rough Guides, 26 Apr. 2021, www.roughguides.com/kenya/culture-etiquette/.

Feigenbaum, Eric. "Cultural Communication Differences in a Business." Small Business - Chron.com, Chron.com, 21 Nov. 2017, smallbusiness.chron.com/cultural-communication-differences-business-2835.html.

"Featured Content." CSA Research, csa-research.com/Featured-Content/Global-Growth/CRWB-Series/CRWB-B2C.

Currey, Hannah, and Mobbie Nazir. "Digital 2019: Global Internet Use Accelerates." We Are Social, 30 Jan. 2019, wearesocial.com/blog/2019/01/digital-2019-global-internet-use-accelerates.

Elena McPhillips on Feb 1, 2016. "World Wide Hearing Loss: Stats from around the World." Audicus, 28 July 2021, www.audicus.com/world-wide-hearing-loss-stats-from-around-the-world/.

**GLOBAL
LINGO**
Fluent Communications

LONDON - CHICAGO - FRANKFURT - SYDNEY
ROMANIA - GUATEMALA - SINGAPORE

global-lingo.com