Building your German online presence

Best practice in localisation and eCommerce



Contents

- 03 About the Author
- 04 Foreword
- 07 Introduction
- 08 1. Creating a compelling web presence for the German market
- 08 1. 1 Start with strategy
- 10 1.2 Provide the right content
- 12 1.3 Pay attention to cultural differences
- 14 1.4 Translate, localise and transcreate your website
- 18 1.5 Address internal and operational differences
- 21 2. Maximising the visibility of your German website
- 21 2.1 Build the right domain foundations
- 23 2.2 Ensure your German target audience can find you
- 27 2.3 Continue to increase visibility in Germany
- 32 3. Selling online in the German market
- 32 3.1 Get the price right
- 33 3.2 Offer the right payments methods
- 35 3.3 Factor in returns
- 35 3.4 Handle logistical challenges
- 36 3.5 Build trust with your German customers
- 36 3.6 Ensure you are legally compliant
- 38 Checklist: Do's and Don'ts for German web presence and ecommerce

About the Author

This guide was developed by Susanne Dirks of Glocafy in collaboration with Enterprise Ireland's German office and Enterprise Ireland's Digital Marketing Unit. Susanne is sole proprietor of Glocafy, a niche consultancy focused on helping SME companies grow in export markets, which she founded in 2013, after 20 years of working as an international business and IT consultant in the corporate sector. Susanne has an M.Sc. (Edinburgh) in Artificial Intelligence, a First Class B.Sc. (Hons) in Information Technology, and is also a stateexamined translator.

Foreword

Selecting the route to market can be one of the main challenges for any business looking to export to Germany. While in the past there may have been a preferred or single route to market, more frequently we have seen the need from clients to develop a multi-channel approach to engage the market at different levels.

Over the years, we have seen the importance of online to not only sell products and services but also to support the German customer in their buying journey. Buying decision are often made well in advance of the first contact. Your online presence is a key factor in informing and influencing your customer about your business, what makes you stand out from the crowd and why they should consider you for their needs. If you get this bit wrong, you reduce your chances of progressing with the relationship.

Enterprise Ireland has been asked frequently to assist in helping set up and develop a German online presence for clients. To do that, you need to understand first from the German customer perspective what their expectations are. The good news is that most of what you have built already online can be repurposed for the German market. However, there are certain elements that are unique to Germany which should be understood. We have put this guide together with Glocafy to capture the experience from across the team and from clients' successes to date. It is designed to highlight some of the different expectations from a German perspective, putting your business in a better position to be credible and, ultimately, succeed locally.

This information, combined with the sectoral expertise that exists across our team of German based market advisors, will contribute to building your business in Germany and across the wider German-speaking region.

Manus Rooney

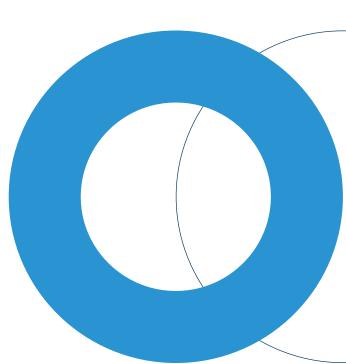
Enterprise Ireland Country Manager DACH



Introduction

This guide is intended to help Irish companies create a successful web presence for the German market. It consists of 3 parts dealing with different aspects of online presence for the German market:

- Part 1 focuses on content localisation and translation for the German market.
- Part 2 lays down the foundations of achieving search visibility in the German market.
- Part 3 is dedicated to specific ecommerce questions that need to be addressed when selling to the German market.



1. Creating a compelling web presence for the German market

"One man's meat is another man's poison" - Lukretius

The most obvious change required to make your website appealing to the German market is to create a German language version. Without a German language version it's hard to sell to German customers and also your website won't show up for German language searches. Most companies understand this and will put in place some process for translating the website – whether this is by human translation or via some translation plug-in using machine translation. But while translation is extremely important and will be discussed in detail in this guide, there are broader questions that need to be answered first – so you can decide which sections of your current website need translation and localisation and how this should be approached.

1. 1 Start by taking a strategic approach to your German web presence

While a website for the German market typically will not look totally different to your website for the Irish market, it is important to be aware that you are now operating in a different environment – internally as well as externally – and this will have impact on content and messaging on your website.

Therefore, your first step should be a review of your market research and your export plan for Germany, re-examining the differences in the overall business environment in Germany and their impact on your planned web presence in Germany.

Typically, the areas that need to be looked at are:

- Value proposition and USP: What is your value proposition for the German market? What products and services are you planning to sell? Is there sufficient demand for it? Does your USP still hold true in the much more competitive German market? How does this impact your German website?
- ➤ Target audience and German culture: Is your target audience the same in the German market? Where can you find them? What are their needs and expectations with regard to what you have to offer? How can you best appeal to and address the needs of your German audience?
- Competitors: Who are your competitors in the German market both competitors for your offering, but also companies you compete with in Google search? What do your competitors' websites look like? What content and messaging do they provide? How can you differentiate yourself on your German website?
- Your company: How do you plan to operate in the German market? What are your routes to market? What staff do you have available for marketing, sales, and service delivery? What impact does this have on your German website?

The answers to these questions will be different for each company, but these are critical questions, as they impact the content and messaging of your website.

1.2 Provide the right content: considerations for the German market

In essence, websites are all about content and the constant rise in the popularity of content marketing has reinforced this. So, your German website needs to have the right content, at the right level of detail, in the right format.

Often, there are differences between the content required for the Irish market and an export market, such as Germany. So, identifying what pages and content you need for your German website is one of the first steps following strategy re-evaluation.

If you plan to build a German website by localising your current English website, as most often is the case, then carrying out a content audit of your English site is a useful first step. This is a listing of all your web pages and some information about them, including the page topic, the target audience, the purpose, a content summary, ideally some user statistics and so on. Once done, you can then use the content audit as a checklist to assess which pages you will want to have on your German site, and if these pages need any changes prior to translation or as part of translation.

Content typically not needed for the German market

During the content audit, you will identify some content/pages on your Irish source website not relevant to the German market at all or requiring modification. For example, sections that are very local (e.g. local events) can typically be removed. Also, a content audit frequently highlights the existence of very old or out-of-date content, which does not really justify translation/localisation for the German market.

Additional content needed for the German market

In addition, there frequently is a need for new content. Germans love detail and like to have as much information as possible before making a decision. So it may be necessary to provide supplementary information either as text or downloadable documents. Carrying out an analysis of your German competitors' website will also be valuable and provide ideas on what additional content would be beneficial to have on the German site. Providing additional content on your German site may also be driven by the fact that you have less sales/support staff available for the German market and thus making some of this information available online makes good business and economic sense.

There are two areas of additional content that are nearly always required for the German market:

The first is a so-called 'Impressum' page. This is a page with specific company-related information in a specific format that is legally mandatory for any website addressing the German market (see section 3.7 for more information). Not having this page can incur hefty fines. Also, having this page acts as a trust signal, as many users check out this page on their first website visit.

Secondly, one other area of additional content that is nearly always required is additional 'trust' content. As a 'foreign' company and typically a company that is new to and unknown in the German market, Irish companies need to make an extra effort to add and highlight trust content, e.g. company information, certifications, testimonials, and so on. (see section 1.3 below for more information).



1.3 Pay attention to cultural differences: importance of building trust

One of the biggest cultural divides between Irish and German consumers that impacts web presence is their attitude towards risk and uncertainty. In international research (Hofstede), Irish people scored particularly low with regard to their need for so-called 'uncertainty avoidance' - i.e. put differently, Irish people quite easily accept a certain level of ambiguity and uncertainty. This is very much in contrast to many European countries, including Germany, where people have high levels of uncertainly avoidance, which needs to be addressed in everyday communications as well as on the website.

Ways to reassure the uncertainty-adverse website visitors and make the company look more familiar, comfortable and trustworthy to a German audience include providing:

- Plenty of information to help decision-making and build trust. This could include detailed and evidence-based product descriptions, feedback on products and services (testimonials, reviews), certifications/ accreditations, etc. – all ideally with relevance to the German market, although initially you will probably have to start with Irish or other market trust signals.
- Information on the company's history, the organisation structure and the credentials of the management team.
- Clear and predictable web structures such as guided and well structured navigation, a HTML sitemap, breadcrumb navigation and so on.
- ➤ A customer service page with an FAQ section or customer support/help page; offering timely and appropriate responses to enquiries; providing information on local offices, and giving details of local backup or contact information for local dealers/stores.
- Details of terms and conditions, and information on safety and security issues e.g. data privacy, payment security and so on.



1.4 Translate, localise and transcreate your website: making quality speak for you

If I am selling to you, then I will speak your language, aber wenn Du mir etwas verkaufst, musst Du Deutsch sprechen [but if you are selling something to me, you must speak German] – Willy Brandt (former German Chancellor)

As mentioned at the start of this section, the most obvious difference between Irish and German websites, of course, is language. Germans speak German. And while it's true that a lot of Germans have reasonably good English, the late former German Chancellor Willy Brandt's statement above still holds true.

So, if you want your website to contribute to sales and marketing in the German market, it has to be in German – just like the websites of your German and your best international competitors.

But rather than just translating your current website, as is, into German and ending up with a website that is a copycat of your Irish website and thus only partially relevant for the German market, the above questions will help you narrow down and sketch out a plan to identify which parts of the your Irish website need to be in German.

The next task is to establish your approach - in particular, to decide whether to use machine translation or human translation. And, if the latter, decide which pages should simply be translated and which pages might require transcreation - i.e. an alternative approach to translation, focused on recreating the message for the new audience rather than just accurately translating the text.

Machine translation or human translation

With artificial intelligence (AI) and machine translation in the news, various plug-ins readily available, and indeed machine translation having dramatically improved over time, it is understandable that some companies would consider machine translation as a potential choice. One click and the website looks German – problem solved! But is it?

This is not the place for a long discussion about the pros and cons of machine translation, but the short answer unfortunately is that, while machine translation, might be a potential choice for your user manuals or some technical documents, it is not suitable for website translation, except in some very limited and specific situations, but even then, typically only as an interim process step, followed up by human post-editing and revision.

The reason for this is that your website is about marketing and selling to your potential customers. This requires SEO-optimised (see part 2), compelling, easy-to-read, search intent-focused copy – not a clumsy machine translation of a text that does not appeal to your customers. In addition, even the best machine translation will have errors in it, resulting from situations where the system could not resolve ambiguity or did not understand the context. A good translation requires research, often resulting in the translator asking you clarification questions – this is very different to how machine translation works and impacts the output of machine translation.

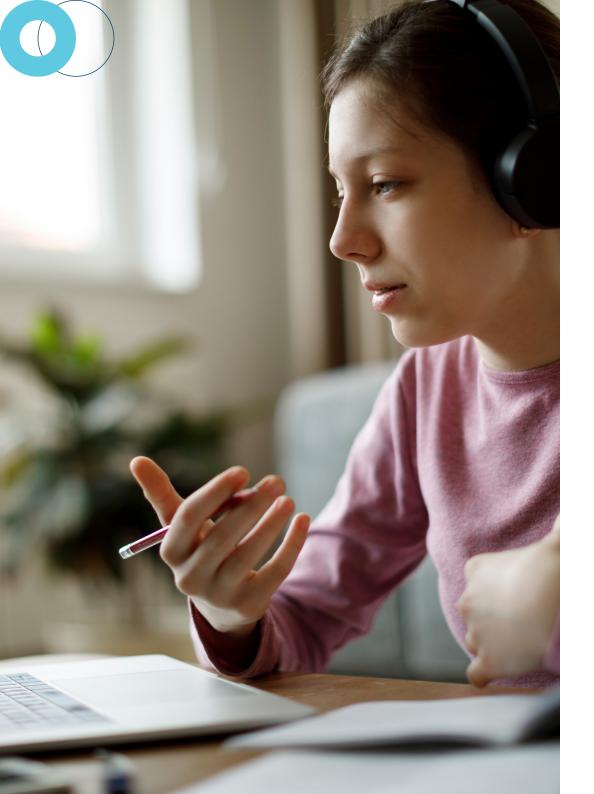
Achieving high-quality translation

If you think it's expensive to hire a professional to do the job, wait until you hire an amateur - Red Adair

The quality of the translation is critical, firstly because you want to have compelling copy on your site, but also very importantly because your German website is a reflection of your company's commitment to the German customer and your overall approach to quality, a characteristic highly valued by Germans. So, a well translated website is a great way to make a good first impression or – equally important – avoid making a bad impression that is hard, if not impossible, to reverse.

When selecting your translation partner, it is also important to discuss, if they have experience in transcreation and which pages or sections of the website may need transcreation rather than translation.

Transcreation, as per Wikipedia, is "the process of adapting a message from one language to another, while maintaining its intent, style, tone and context". Put simply, transcreation is a combination of translation and copywriting. As in copywriting, the brief sets the scene and the focus is on creating a text that engages and motivates the reader. As such, transcreation involves a quite different approach by the language professional. And although it's extremely unlikely that transcreation will be required for all pages of your websites, it is likely that your key marketing-focused pages will call for transcreation rather than translation. Also, for taglines or slogans, standard translation typically never works and you will need transcreation to come up with something that is equally snappy.



One other aspect of quality is consistency across the website and over time: Consistency in the translation and use of terminology across the site will add to the professional feel of your site. The use of a terminology database and agreement on a simple style guide helps to achieve this and maintain consistency when updates are made over time. Other tools, such as Translation Memories can also come in handy. These not only ensure consistency, but also can help improve efficiency in translation and thus reduce costs.

Finally, a quality website of course needs quality assurance process before the new German website is set live. This is a thorough quality check, including proofreading and testing the website when all translated content is integrated on the site. This last step is very important, as the translator often will have worked with text files extracted from the site, but the text will look different when on site. Such an in-situ review of the localised website helps to ensure there are no errors or overlooked English text, navigation and links work as they should, the text looks good in context and on page and all that needs to be localised is appropriately localised.

Last but not least, this review is important because the German translation tends to be quite a bit longer than English original, so this often impacts the layout and look of pages and may call for some adjustments by your web developer.

Selecting the right translation/localisation partner

Outsourcing translation can be daunting – you want top quality, but budget is of course a consideration too. And unless you have native German employees who have the time to review the translated text, it is hard to evaluate quality.

The most important decision here is to work with experienced professional translators and ensure they have all the relevant skills and experience in addition to translation qualifications and experience, they should have knowledge and experience in website translation and localisation, be native German speakers, and have knowledge and experience in your company's industry, so they understand the subject matter and know how to research and translate specific terminology. If you have identified pages that need transcreation, they should also have experience with this quite specialised approach. And last but not least, ideally they should also have an understanding of search engine optimization (SEO) and digital marketing, but that combination of skills and experience can be hard to find, so the SEO aspect may have to be handled separately.

Working with a translation/localisation partner

A professional translation partner will know how to handle, plan and approach the translation work. However, rather than approaching this as outsourced work, it is often beneficial to establish a working partnership, where your translator also acts as a cultural, content and potentially market advisor - and, as such, provides ongoing you with additional insights into the German market and provides ongoing translation and localisation services, e.g. for website updates, new blog articles etc. Such a relationshp can most easily be built with a professional freelance translator rather than an agency, where your work may be allocated to different freelancers at different times, none of whom you will typically have direct contact with. Establishing such a partnership is also good for continuity, as it is likely that you will want to update your website regularly, with changes, new articles, new case studies etc.

Lastly, good translation – and this is most true for website translation – goes hand in hand with localisation, i.e. adapting various aspects of the websites to the local market, not just translating text. A good translator will do so and know what needs localisation, and how. Such localisation is a key part of website translation and can include things like measurements, sizes, address formats, number and currency conventions, directions, images, examples etc.

1.5 Address internal and operational differences: your company in Germany

This goes back to addressing some of the strategic questions raised earlier. Most SMEs operate somewhat differently in export markets than in their home market. The most typical differences are routes to market and staff levels and experience. It is important to be aware of these differences, as your export market website, i.e. your German website, provides you with an excellent opportunity to address and resolve some of these differences.

Routes to market

What are your routes to market in Germany? Do you sell directly and/or with channel partners? If the latter, what are the criteria for direct sales versus indirect sales? Do your German channel partners have websites for the German market, and if so, what is the role of their German website versus yours? There are different answers and solutions to these questions. The aim should be to find a clear solution, with clearly defined roles for you and your channel partners' websites, where you complement each other based on a joint brand message. The decisions made here are likely to impact your website – both with respect to content, but also with respect to marketing (see part 2).

German market staff

When potential clients contact you via your German website (phone, email, chat), who will they be interacting with? Do you have dedicated staff for the German market? Do you have German speaking staff? If not, does this need to be made clear on your website? Could you add additional content to your website to minimise questions and service requests?





2. Maximising the visibility of your German website

"You have to find a way to make people know you are there" – Nikki Giovanni

There is little point in having a localised website for the German market, if this is not visible and can't be found by your target audience, e.g. when they search for you via a search engine such as Google (www.google.de) or look for your products and services in relevant German directories.

Achieving good web visibility can be a challenge for Irish SMEs, as their brand typically would be less known in the German market, and SME websites tend to be smaller and less visible. This means extra effort is required and should be planned for right from the start in relation to building a highly visible website for the German market, and followed with ongoing digital marketing to raise awareness of your brand and drive people to your German website.

2.1 Build the right foundations: considerations for domain name and structure

Your domain name and domain structure will influence your search engine visibility and, as this is typically a long-term decision, it should be thought through.

Your domain name for the German market

Decisions relating to domain names are typically only made only once – when the domain is created. Most Irish companies will already have a website in English and thus already have a domain name for the English language site. This domain is often identical with the company name and/or closely associated with company branding. Therefore, for branding reasons, in most cases, the domain name abroad will be the same as in Ireland. Once you plan to move into the German market, and regardless of what domain structure you choose, it is wise to buy the German version of your domain name (and indeed the domain names of other countries you might move into at a later stage) as soon as possible, e.g. your current domain name with the .de extension. The annual cost of this is minimal and the purchase of the domain name ensures you can later use the name and don't have to pay exorbitant fees to buy it off someone who purchased the name to make profit, or indeed can't buy it at all as another company already uses it.

In some cases it is also worthwhile to consider a different domain name for the German market. For example, when the original Irish domain name is hard to spell, pronounce, remember or write for Germans - or when the German version of the domain name has already been taken. Keyword considerations are less important for SEO these days so, from a SEO perspective, there is little need for the domain name to be keyword-friendly.

Domain structure for the German market

Choosing the right domain structure for international markets, including Germany, is a key decision and will have considerable impact on your search engine visibility in the German market.

Technically, the right decision is relatively easy, but in reality it will also be majorly influenced by your current company's current domain structure, domain name and authority; your medium-term internationalisation plans, and your target audience (e.g. German speakers in the German market, anyone in the German market, any German speakers etc.)

There are three main options for domain structure:

- ≥ country-code top-level domain (ccTLD), e.g. www.mywebsite.de
- ≥ subdirectories below a generic TLD, e.g. www.mywebsite.com/de
- ע subdomains within a generic TLD, e.g. de.mywebsite.com

The first of these two options are the most common and have best impact in terms of search engine optimisation.

Indeed, the first option, using a country level domain (ccTLD) and (i.e. a domain ending in .de in the case of Germany, such as www.mywebsite.de) for your German website, provides the strongest signal to search engines (e.g. Google). Moreover, many local users have a preference for a local country-level domain, as it instills trust. However, while the cost of registering and hosting a domain name is minimal, the extra effort that comes with a separate ccTLD is considerable: Search engine visibility for the .de domain

needs to be built from scratch and having a separate ccTLD for Germany results in an added layer of complexity and considerable extra effort for content management and data analysis. So, ccTLD is really only suitable for companies that have the resources to properly manage and optimise the additional domain.

A more pragmatic approach for time and/or budget-constrained SMEs is to create subdirectories for new languages and/or countries, i.e. have a generic top level domain, such as www.mywebsite.com with a subfolder for German language searchers, i.e.: www.mywebsite.com/de. The advantage of this approach is that the subdirectory inherits most of the so-called link juice of its parent .com site and analytics and content can be managed within one CMS. This is of particular benefit, if the Irish site has been in existence for some time and has been optimised for search. Using specific technical settings, the subdirectory can be set up in a way that it focuses on the German market or that it addresses all German speaking markets.

Note, however, that a subdirectory approach should not be used in conjunction with another ccTLD, i.e. an Irish domain name is not suitable for international visibility. For example, creating a German subdirectory for a website with an Irish top-level domain (e.g. www.mywebsite.ie/de) would signal to search engines that the site is intended primarily for German speakers based in Ireland – not the German market at all.

2.2 Ensure your German target audience can find you: international search engine optimisation (I-SEO)

"A brand for a company is like a reputation for a person. You earn reputation by trying to do hard things well." – Jeff Bezos

On-page SEO for the German market

In part 1, we talked about the importance of good human translation instead of machine translation (MT), such as the use of Google Translate and similar MT tools. This is also important for search engine optimisation confirmed again by Google's senior webmaster trend analyst John Mueller stating that "if you use an automatic translating tool and you just translate your whole website automatically into a different language then probably we would see that as a lower quality website because often the translations are not that great." So, if you, as recommended in part 1, did a quality translation of your website into German, this will not only get you better buy-in from German users, but will also positively impact your Google ranking.

To further help with search engine visibility, the translation should have been done with SEO in mind. Ideally, as part of the translation process, research on appropriate German keywords for each key page should have been done, so that these keyword can be integrated into German site headings, general page content, URLs and metadata.

In particular, localising URLs and metadata (title, description, alt tags) is often forgotten during translation, which is a big loss from an SEO and user perspective. It is therefore important, that the translator ideally has an understanding of SEO, or if not, is made aware of the need to research and select keywords for each page and integrate them into page content as well as to recreate appropriate keyword-rich German URLs and metadata, paying attention to the function of the metadata and their associated character limits.

Apart from that, some of the localisation discussed in part 1 will also contribute to SEO for the German market, i.e. local signals like local addresses, contacts, locally relevant content.

Off-page Search SEO for the German market

Off-page SEO is all about increasing the authority of your domain through content creation and earning backlinks from other websites.

Off-page SEO is particularly important if you have a new domain (e.g. if you have decided for a German ccTLD domain structure), as you will now have to build your SEO ranking from scratch. In the case of a subdirectory structure, you will inherit the off-page SEO for your .com site. However, here too, it is important that you complement the existing (English language) links with local German links linking back to the German section of your website.





Technical SEO for the German market

There are various areas to review with regard to technical SEO and most of them are the same as for your home domain.

In addition, there are some specifics with regard to an international site and what these are will depend on your chosen domain structure and the overall digital marketing approach for the German (and potentially other international) market.

The following four factors should be discussed with your web agency. Indeed, it's good to check, how much experience your agency has with international websites, as this will be important:

- ❑ Geotargetting: This is a way to let Google know you are targeting a special country. It's only needed if you are using a subdirectory domain structure, e.g. <u>www.mysite.com/de</u>. With geotargetting you can tell Google that this site is meant only for a specific country (rather than just language), e.g. only the German market or only the Austrian market.
- Geolocation and IP based redirection: This is where a mechanism is set up, so the IP-based of a user is recognised and users are then directed to the website that is most relevant to them. Some web agencies like to do this, but it is not really a recommended approach, as IP recognition by Google is not perfect, and also - from a usability perspective - it's not recommended as it doesn't always do what a user wants: For example, if you were visiting Poland tomorrow and searched for something, would you really want to be brought to the Polish site? Probably not. So, if geolocation is used at all, it should be used in conjunction with a pop-up that gives the user an option to select which language/country site they prefer.
- Hreflang tags: These are tags in the code (or in the XML sitemap) of each page that tell Google which language you are using on a specific page, so the search engine can serve that result to users searching in the language and/or the country specified. Setting up the hreflang tags correctly is very important for international sites when you are not using a ccTLD domain structure.
- Sitemap: Just like your English language site, your German site should have an XML sitemap of all its pages and this should be submitted to Google, so Google can index it. After that, check to make sure that indexation has taken place. In addition, for usability, it's also good to have an html sitemap for your German site for improved user navigation.

2.3 Continue to increase visibility in Germany: ongoing digital marketing

"Success is dependent on effort." – Sophocles

Just as for your English website, having built a compelling and SEOoptimised website is a great foundation, but this is not where things end. Ongoing effort is needed to make sure that more visitors come and continue to visit and engage with your website, helping you increase leads and/or sales in the German market.

Digital marketing strategy for the German market

Following the launch of your German website, you need to develop a digital marketing strategy for the German market. This strategy should leverage and will have shared elements with your Irish strategy. But it will also have considerable differences as you will be marketing to a different audience in a different cultural and business environment.

Just as with your German website, you will need some extra effort into digital marketing for Germany to make up for the fact that, most likely, your brand is relatively little known in the German market. This is important to bear in mind, as, depending on your industry, a considerable part of all search that gets users to company websites is branded search, i.e. users using a search term that includes your brand name. Initially, with your brand little known in the German market, you'll miss out on brand search - which means creating brand awareness should be a key part of your digital strategy for the German market. In parallel, extra effort will be needed for SEO and digital marketing to compensate for the lack of brand search.

Build your digital marketing strategy by defining and agreeing some clear and measurable goals. Then look at the possible digital marketing strategies and tactics with which you can achieve these goals.

Digital marketing tactics for the German market

Marketing tactics will, by and large, be the same as for your Irish market, e.g. off-page SEO, content marketing, email marketing, social media, and ads.

However, the mix and approach is likely to be different and localisation of marketing is needed for all tactics.

Some examples of digital marketing tactics and their localisation for Germany are:

- Off-page SEO: This should be about getting links from relevant German sites, so that you benefit both from the SEO effect, and also from new users finding your site via these new routes that start on a well-known German site.
- Content marketing and ongoing on-page SEO: This could be a translated and localised version of your English language content marketing, e.g. translated and SEO-optimised blog articles, or the creation of completely new content, picking up on topics and trends of specific relevance to the German market or what you are doing in the German market. Alternatively, it could be new content, written for the German market only.
- Email marketing: If you have a list of email addresses of suitable German contacts that were collected in compliance with GDPR and other German data privacy legislation, email marketing is another option, which is also very popular. For the German market, you will need to either localise existing English email campaigns or create specific ones for the German market. You could also test, if an English language campaign is accepted in the German market (this will depend on industry and target audience) – open and unsubscribe rates will tell you quickly, if this is working, or not.



- Social media: Depending on whether you are B2B or B2C, the usual social media, such as Facebook, Instagram, Twitter, LinkedIn also apply in Germany. You will need to decide how much you want to localise the social media approach and a lot will depend on what role social media plays in your business goals. LinkedIn also gives you the opportunity to have some of your profile data in other languages, so it's worthwhile making use of that, so you appear in German searches on LinkedIn. In addition to that, you might want to set up user and company profiles on Xing, which is an alternative to LinkedIn in the DACH market. Localised ad campaigns on social media could be of interest too. Social Media requires careful consideration in terms of localisation, as they are a 2-way communication medium. If you 'speak' to Germans on social media, you need to also have a plan for how to 'listen' and how to 'respond' in German.
- Search, display and social media ads: There are obviously many ways of online advertising, with Google Ads being the most well known. Google Ads is well worth considering – both in terms of display ads for building brand awareness as well as search ads for more intent-focused search. For Google Ads it is absolutely key that your ads are not only translated, but are fully recreated by a German speaking Google Ads expert for the German market – keywords, keyword volumes and costs, bidding, ad text, calls to action – all will be different and not localising ads will incur costs with little or no ROI.

Integration of digital marketing and your German market presence

As mentioned above, in terms of content marketing, it's good to have some specific content that picks up on trends in the German market or your activities in the German market, thus creating more local relevance – and thus buy-in.

One of these areas are events and trade shows. If you visit an event or exhibit at a trade show in Germany, make sure you get full value from your investment by marketing and leveraging this before, during, and after the event. Local relevance is key for getting buy-in in the Germany market and with Irish companies often having a less prominent physical presence in Germany, all opportunities should be leveraged.

When you have an outline of your marketing strategy and preferred marketing tactics, the question will arise who will implement these tactics. It goes without saying that you will need to have a German native with the appropriate marketing skills and market insight. If such person can't be found in your staff, you will need to hire someone or outsource the work. Initially, it's certainly good to outsource some of this, even if you have internal staff with some of the appropriate background, as a good consultant will bring new external expertise and new ideas. However, long term the aim should be to develop at least basic skills and knowledge internally or else – as in the case of translation – develop a partnership-like working relationship with an external consultant, who really knows your business and thus can appropriately market it in the German market.

Last but not least, the question of routes to market mentioned should be looked at again. If you work via partners, e.g. distributors, in the German market, consider how you can maybe work together and/or how they can support your marketing efforts or you can support theirs. This is important both to avoid mixed messaging and potential conflict, but also because there is often great potential for synergy.

3. Selling online in the German market

"Ecommerce isn't the cherry on the cake, it's the new cake" – Jean Paul Ago CEO L'Oreal

Germany is one of the largest markets for ecommerce in Europe and has steadily continued to grow over the last few years.

This part of the guide deals with some additional requirements for the ecommerce sites targeting the German market. The focus is on companies building their own online shop for Germany – not companies planning to sell via marketplaces, such as Amazon etc.

3.1 Get the price right: matching pricing to online competitors and partners

The good news is, with Germany being in the Eurozone, no changes are needed in relation to currency – that is, if it's only Germany and Austria you are targeting. If German-speaking Switzerland is also your target market, further localisation to Swiss Franc will be needed.

However, independent of currency, your pricing in the German market may be different than in your home market. Reasons for this might be pricing levels and/or competitor prices, added costs that you need to cover, or differentiation to/alignment with distributors who are also selling your products in the German market.

All in all, Germans are known to be very price conscious. This does not always mean that they will go for the lowest price product, but they will do detailed research, compare your product to other similar products, including price as well as other criteria, such as features, quality, support, provenance, reputation etc. The final decision is usually based on a rational overall assessment of the value for money provided.

3.2 Offer the right payments methods: Germans' love of payment by invoice

When it comes to online payment options, it is important to be aware of some differences in the German market. In particular, payment with credit card, while more popular than only a few years ago, is still lagging well behind other countries in popularity, and other forms of payment are preferred. The most popular payment method is PayPal and this is a must for any German online shop. The second most popular payment method is payment by invoice, a concept not known in many other markets, where the online shop sends the goods, including the invoice, to the customer, who then typically has two weeks to pay the invoice for the goods received. In third and fourth place, but at considerably lower levels of popularity are payment by debit card and payment by credit card, followed by a variety of other minority payment methods.

So, the mix of payment methods has to be carefully considered, weighing benefits against costs, and examining customer preferences in the particular industry and of the particular target audience versus competitor site payment methods.

The mix of payment methods offered should definitely include PayPal, debit cards, and credit cards. The big question is how to deal with the customer expectation for payment by invoice. Most German and large international online shops (e.g. Amazon Germany) will offer it, but it is a method which involves additional costs and risks that not all Irish online shops will want to take on. If payment by invoice is not an option, other alternative options may need to be offered. Monitoring cart abandonment rates will also help you make decisions on this once the online shop has gone live.



3.3 Factor in returns: dealing with Germans' propensity for returns

Another difference in the German online shopping market is in relation to the return of goods bought online. As in Ireland, Germans have a 14-day right to cancel and return their ordered goods. However, in Germany there is a long tradition of a very customer-friendly approach to returns, with many online shops offering extended return periods and/or returns with postage paid. As a result, there is often an expectation by German customers to be able to return goods for free and the level of returns tends to considerably higher than in other markets. The level of returns varies considerably by sector and is particularly high for clothing.

Extending the right of returns and offering postage-paid returns is likely to entail considerable costs and potentially logistic challenges for an Irish online shop. At the same time, offering such return options will increase conversion rates for online sales and may help overcome some of the psychological barriers (e.g. lack of trust) that unknown international shops have to contend with until their brand establishes itself on the German market.

Like payment methods, the approach to returns in Germany needs to be carefully considered by checking out what German competitors in the same sector do and weighing up pros and cons.

3.4 Handle logistical challenges: higher delivery cost and longer delivery time

In most cases, by virtue of being based abroad, your delivery time will be longer and delivery costs will be higher than local German market competitors.

Indeed, higher delivery costs and longer delivery time are two of the biggest challenges of international ecommerce (DHL survey).

You will need to think how you can best address this. Potentially some of your delivery cost can be hidden in the product price, but not always.

Offering environmentally acceptable packaging could be another differentiator to compensate for the added cost, with the majority of shoppers being prepared to pay extra for environmentally friendly packaging.

If delivery time can't be speeded up, delivery on a customer's chosen day is very popular and might be a way to counterbalance the slightly longer wait.

3.5 Build trust with your German customers: trust signals for ecommerce

The importance of trust signals was already mentioned in part 1, but is even more important for ecommerce - where your German customers are sharing payment details and making a financial transaction in an unknown online shop in a foreign country.

In addition to a professional, legally compliant ecommerce shop with quality content, additional trust signals to consider are at two levels:

- ❑ Online shop level: Online shop certifications such as the Trustmark by Trusted Shops or the Käufersiegel by Händlerbund etc. - that show the online shop has been vetted and met various quality criteria, and give German customers confidence that this is a safe online shop to shop in.
- Product level: Certifications and product compliance with standards and product reviews - help customers evaluate products, and the overall delivery and customer service aspects of your online shop. With 56% of buyers reading reviews before

3.6 Ensure you are legally compliant: building trust and avoiding legal issues

While European legislation provides a framework for ecommerce, there is some special legislation with regard to the German market.

In part 1, we already mentioned the need to have a so-called Impressum. The requirement for this additional page applies to all sites – ecommerce and other – addressing the German market. The Impressum page needs to be accessible via one click from all pages on the site and needs to contain certain minimum details, such as information about the owner, their name and address, telephone number or e-mail address, company registration number and VAT number. The type and extent of information required depends on the company and its business. In the case of non-compliance, heavy fines may be incurred.

In addition, there is some quite specific legislation for German ecommerce. In B2C ecommerce, this stipulates certain information on different aspects of the online sale that has to be made available to buyers at very specific points in the sales process in very specific ways.

For example, online shops addressing the German market must adhere to an extended Informationspflicht, which prescribes the type of information they need to supply before, about and after the contract is closed and where and how this is integrated on the website or in the communication processes. They also must adhere to German legislation in relation to consumers rights to cancel a contract (Widerrufsrecht as per BGB Paragraph 335) or rights to return goods (Rückgaberecht as per BGB Paragraph 356).

There are also regulations with regard to the naming of the 'buy' button and other miscellaneous requirements.

It's best to work with a legal ecommerce expert on this. Many provide templates for the required documents or, if the situation is more complex, a more tailored approach. Getting your online shop certified by Trusted Shops and similar organisations is another way of achieving legal compliance.

This is not the place to provide detailed advice on the legal aspects. However, for ecommerce this is a very important area to look as you are building your German online shop.

Checklist: Do's and Don'ts for German web presence

Do's

Planning:

- Approach this from a strategic point of view: what is your USP in the German market, who are your German market competitors, who is your target audience in Germany, what are your routes to market – and hence, what kind of web presence is needed in terms of content, messaging, SEO, digital marketing?
- Plan and budget for a long-term ongoing project, starting with the initial localisation of the website, followed by ongoing digital marketing.
- ✓ Give consideration to your domain strategy in the context of your medium-term internationalization plans – this is a once-off decision and needs to be made carefully.
- Carefully consider and, page by page, select one of the different approaches forlocalising your website content – translation, transcreation, and/or German copywriting.

Implementation:

- Ensure your German website contains plenty of 'trust' content to compensate for the fact that your brand is less known in this market, e.g. rich company information, certifications, accreditations, reviews, testimonials.
- Work with a professional native German translator with localisation and ideally SEO experience.
- Ensure any translation or transcreation is done with SEO in mind, i.e. starts with German keyword and competitor research.
- \checkmark Ensure that all localised content is reviewed and QA'd onsite.
- ✓ Ensure your slugs, links, and metadata are SEO-optimised and localised for the German market.
- Ensure your web developer understands international website design or else have them work closely with your localisation specialist.

eCommerce specifics

- Research your German online competitors in terms of visibility, marketing, USP, T&Cs, payment methods, return policy, price, and make sure you can compete.
- Plan for ongoing digital marketing a definite must in the competitive German ecommerce market.

Don'ts

Planning:

- × Don't delegate projects to a junior team member or approach this as a pure translation project this needs senior management involvement and a strategic approach, as it's a key part of your export strategy and critical to your success in the German market.
- × Don't assume once you have localised and SEO-optimised your German website, it needs no further work – as for your English website, SEO updates, marketing and updates with new content are needed on an ongoing basis.
- × Don't assume that your German website will be a German language copy of your English site typically other changes are needed.

Implementation:

- × Don't try to localise into several languages at the same time one market at a time works best and you will be able to use some of the learnings in the next market.
- × Don't be tempted by the machine translation of your website or translation by a non-professional this will create a German website with poor search visibility and poor user experience, and negatively impact your brand.
- × Don't just translate the website translation must be done with an SEO focus, including localisation of metadata.

eCommerce specifics:

- × Don't forget the additional rules for legalcompliance in the German market, e.g. need for Impressum, provision of information at different stages of sales cycle etc. This is important to avoid hefty fines and also to build trust with your German buyers.
- × Don't forget to give special consideration to payment options these are different in Germany and you need to make sure you offer what German buyers want.

 Ireland's European Structural and Investment Funds Programmes

 2014-2020

 Co-funded by the Irish Government and the European Union





Rialtas na hÉireann Government of Ireland

Enterprise Ireland is funded by the Irish Government and part-financed by the European Union under the National Development Plan 2007-2013.

