



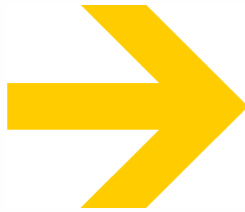
White Paper

Optimizing the Global Product Release Cycle in an On-Demand Environment

Simultaneous Shipment for US, Europe, and Asia

August 2006 | White Paper | Copyright Lionbridge 2006





At a Glance

The increased capabilities of your competitors require you to accelerate global software release cycles through simultaneous shipment. Successful “simship” requires careful planning and coordination between key work streams within your enterprise.

Executive Summary

In the 1990s, software development companies relied heavily on the strength of their “blockbuster” products to achieve success. Being first-to-market with an innovative solution ensured strong market share and a loyal client base. Competitors were often left behind as they labored through lengthy development cycles and struggled to catch up.

Based on this competitive lag, many market leaders viewed international markets as secondary profit centers. They focused on the domestic release and then slowly rolled out international editions — primarily to offset declining domestic sales, as the latest version matured and clients began to anticipate the new release. There was little competitive threat, as the in-country developers lacked the bandwidth and skills to match the leading company’s heavy development investments.

Today, development resources are abundant. Advancements in the development cycle are enabling local competitors to operate more aggressively in their home markets, often releasing comparable products ahead of well-known international developers. This hyper-competitive global release cycle will continue to accelerate as more applications move to a web-based/Software as a Service (SaaS) delivery model, providing global access to new features instantly.

This white paper highlights the benefits of simultaneous shipment and covers the three primary points of global coordination that often pose the greatest barriers to achieving it:

Product Development — parallel development of localized application versions

Marketing Support — translation of brochures, Web sites, sell sheets, ads and trade materials to support non-domestic sales

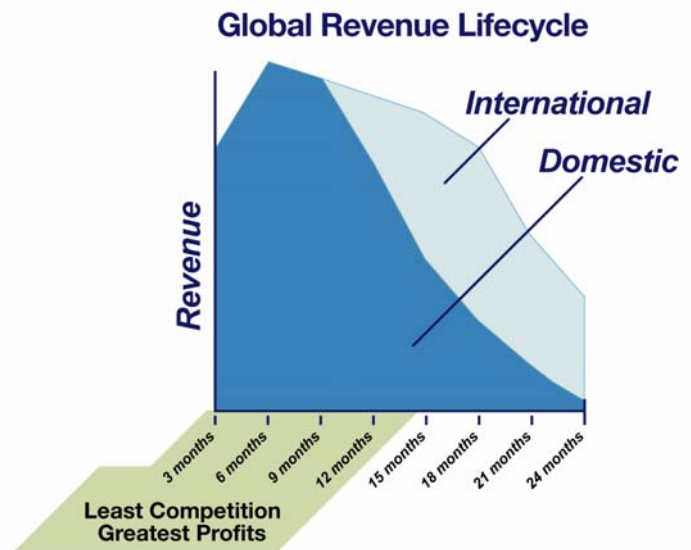
Sales and Service Training — availability of training materials and user support content in local languages to ensure effective customer service upon release

The Pressure Mounts

Over the past decade, product release cycles in software markets have accelerated aggressively. The combination of offshore resources and improvements in developer tools have dramatically increased productivity and output potential across the industry. This acceleration and efficiency, coupled with SaaS-oriented, on-line distribution and international marketing options, have facilitated explosive growth in the number of new software developers competing worldwide.

Well into the late 1990s, software companies rode the momentum of their core “blockbuster” product, releasing a new edition every 24-36 months. Companies released these editions domestically with great fanfare and then slowly released local market editions for sale in other countries. At the time, this lag posed little competitive threat as the development time was so long that the leading company was able to distribute its localized versions before an in-country competitor could replicate its core features from scratch.

As depicted in the revenue lifecycle at right, this method of “staged” releasing actually worked to a company’s advantage, as international sales filled in the gaps of declining domestic sales while the edition reached maturity at home. This lengthy cycle, in turn, helped mask the risk of long development cycles. The downside, however, was that most of the international revenue was generated toward the end of the product’s maturity, when competitors were gaining ground, differentiation was more challenging, and prices were declining.



Accelerated development processes have created a clear market exposure within this legacy model. In today’s hyper-competitive markets, the innovations and value-added features of a domestic release are quickly matched by global competitors. In this environment, the ability to simultaneously release a product into each target market is a competitive necessity.

Enabling your organization to meet these demands requires:

- the strategic alignment of goals and metrics across the organization
- tactical execution designed to eliminate or mitigate common barriers and bottlenecks
- the support of an integrated, experienced language services provider (LSP)

Simultaneous Shipment – The Theory

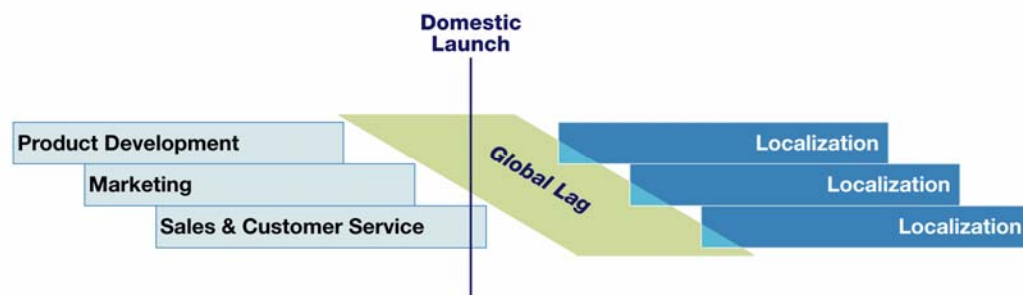
Webster’s On-Line Dictionary of Computing Terms defines simultaneous shipment (“simship”) as: the release of international, localized versions of software at the same time, or within a short period of time of the original release.

The issue with this rather simple description is that it fails to articulate the true meaning of “the release.” For some organizations, this can be interpreted to mean that the product and supporting documentation need to be available in the native languages of the target markets.

Unfortunately, having a localized product is only a piece of the overall global sales model. Domestic releases must also include all requisite marketing collateral, and be supported by in-depth sales and customer service training. If a “successful” domestic launch incorporates each of these elements, so too must the definition of a successful simultaneous shipment. It is only by adopting this broader definition that you can hope to capture the full competitive potential within your international markets.

The barriers and challenges to achieving true simultaneous shipment are not insignificant. The efforts required span three primary areas of an enterprise. These departments have traditionally operated as autonomous work streams, following their own paths and timelines for localization:

- Product Development
- Marketing
- Sales & Customer Service



Typical Evolution of Product Development and Localization

In the traditional product release model, it was unclear when, or even if, marketing collateral and sales training would ever be made available in the local languages of international markets.

As a result, in-country reps were forced to learn the subtleties of their product and its differentiated features by reviewing training materials in English. They were then asked to go out into the market and compete with brochures, case studies, Web sites, and pricing models that the company developed for its primary market. The content and positioning did not reflect the needs of local consumers, or the competitive landscape, and often failed to resonate with international buyers (assuming the materials were even shared with buyers and not discarded).

Simultaneous shipment overlays localization onto core development efforts, so that your company develops all aspects of its product in parallel for both domestic and international releases:

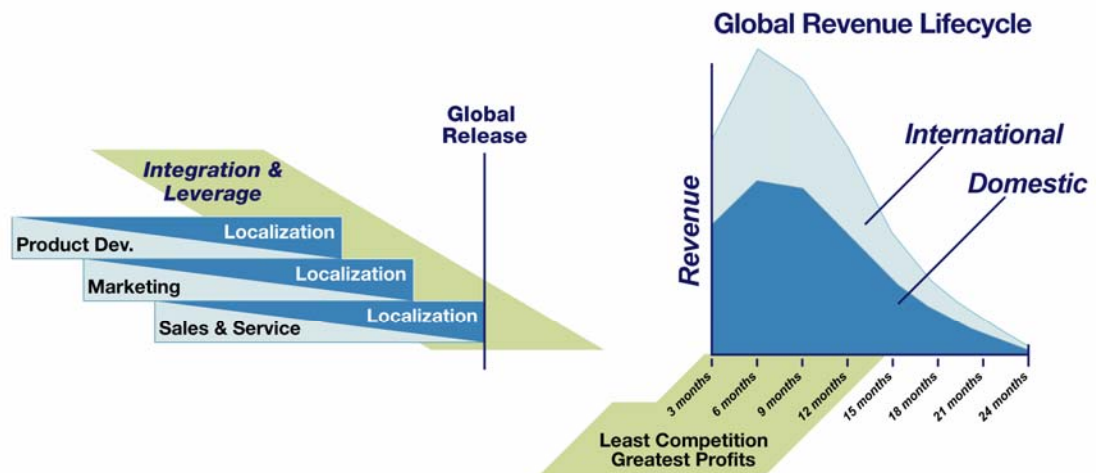
Product Development — parallel development of localized versions of applications

Marketing Support — translation of brochures, Web sites, sell sheets, ads and trade materials to support non-domestic sales

Sales and Service Training — availability of training materials and user support content in local languages to ensure effective customer service upon release

Achieving this degree of alignment across a highly fragmented model requires both a strategic and tactical focus. The market motivations and resulting business case for such an effort are compelling.

As depicted in the workflow and revenue models below, by approaching the development efforts initially from an international perspective, and integrating the domestic and localized work streams, you can cut your overall production times dramatically, eliminate global lag, and maximize the revenue of international editions during the first 12 months when profits are at their peak. This is in marked contrast to trailing 12 to 24 months behind, when competition is fiercest and profits are suffering due to cost cutting and defensive positioning.



Theoretical Simship Development Model

Until recently, this model remained “theoretical” since the various process control elements, vendor support structures, and underlying technical infrastructures did not exist. Advances in each of these areas have been made and, when integrated, can enable the efficient execution of the model.

The remainder of this paper will focus on some of the traditional barriers to simultaneous shipment, and the new innovations that are quickly overcoming them, allowing firms to move from theory to practice.

Barriers to Simultaneous Shipment

While each operational work stream presents its own barriers to achieving simultaneous shipment, the more fundamental challenge lies with overall coordination across the enterprise.

In preparing for a domestic release, software companies bring their teams together to settle on a single launch date and then align their efforts against that target. Internationally, this common target is rarely established, owing to the different priorities and resource constraints within each development area. While each team likely has a dedicated person or group working on localization issues, these individuals rarely connect to discuss their overall progress.

Companies treat localization as a “follow on” action in each discrete development area, and the focus is on linking with the horizontal team. This isolationist approach fails to identify and leverage the natural synergies that exist across the various teams, increasing production time and cost, while decreasing the overall quality of local market versions.

Lacking an insightful and coordinated approach, teams often engage in multiple, independent localization efforts. This fragmented approach exponentially increases the amount of resource time spent on vendor management, query responses, and quality control. For example, different teams working on the localization of a wireless network card may invariably call the computer a “notebook,” “laptop,” or “PC.” While these may seem like innocent synonyms, compounding these three variations across a dozen or more languages causes confusion, as the product manual describes the components in one way and the help files describe them in another.

Product Development

Developers typically generate their product requirements according to domestic demand with limited design input from global customers. When they seek global input, it is typically at the “regional” level versus “country” level for the sake of ease and expedience. For instance, developers might solicit input from colleagues and clients in the United Kingdom and Germany and then extrapolate it as the “international” requirements. Europe is not a homogenous area, however, and input from Germany and the U.K. will likely miss unique needs in France, Spain, and nearly every other target country. As a result, back-end localization efforts prove more time consuming and costly, as substantive reengineering is required to conform to local market needs. The web-based application model, where each user expects a common feature-set, exacerbates these challenges. The SaaS structure eliminates the option to release and maintain “international editions” that have a limited feature set. Global subscribers will expect equal systems.

Marketing

In the marketing area, the challenges are often greater. The creation of names, logos, and taglines typically involves little global input. As a result, these brand creation devices can be globally ineffective, as the nuances of culture and language generate substantially different, and sometimes embarrassing, reactions to their content. Promotional materials often contain



language and images that convey a heavy bias toward the domestic culture. Though unintentional, authors and creators cannot help but imprint their own domestic cultural stamp on these materials. The lack of sufficient global input during the early design phases often results in massive rework before materials appear “native” enough to compete effectively. In some cases, the work to update the corporate brand and support pieces is so overwhelming that the country offices find it easier to simply create new materials from scratch, severely eroding the “global” brand.

Training and Customer Service

On the training and service side, the core development investment tends to be domestic. Since these efforts often rely on content created in the product documentation and supporting marketing materials, they too become infused with domestic market biases. Analogies, metaphors, and parables rely heavily on historical context that can vary greatly by country. Testing conventions, such as multiple choice questions, may not resonate with sales personnel and resellers in certain parts of the world. Failing to capture these perspectives during the early planning phases often results in low participation in these programs outside the home market. Since reps and resellers do not learn how to properly position the new product, the company misses key marketing opportunities and constrains its revenue growth.

Putting Theory into Practice – Best Practices

Securing Strategic Alignment

Achieving simultaneous shipment requires both a strategic and tactical approach. At the strategic level, the organization must commit itself to the program, and bring together functions that often work at arm’s length. It must develop appropriate market expectations and a supporting business case to secure senior management buy-in and sustain the program’s momentum during the unavoidable “bumpy” stages. The organization must establish common metrics and delivery targets with input from each stakeholder organization. It must also identify the country markets and collect and account for their input and requirements in the project timelines.

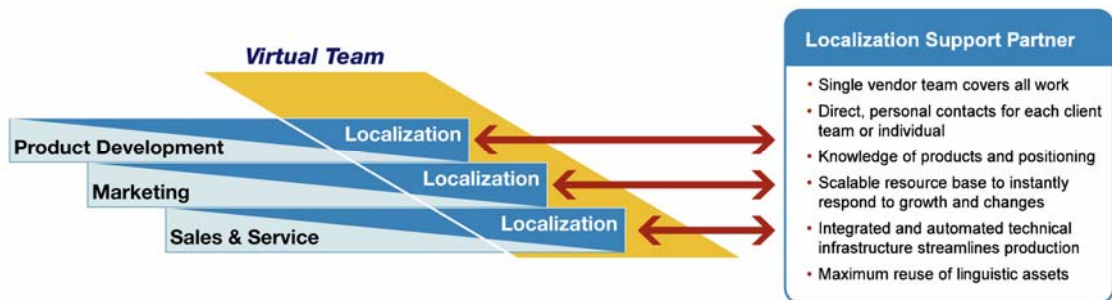
Only by securing this commitment up front can the program be successful. Without understanding the interdependencies and their contribution to the end value, it is too easy for the various work teams to become disenfranchised and slip back into their “silo” mentalities, thus derailing the entire effort. Once your organization understands this macro-perspective, it can begin to operationalize and optimize independent efforts across the enterprise.

Achieving Tactical Integration

At first, it may seem like these internal barriers are insurmountable for many software developers. The teams may be separated physically by time and distance or metaphysically by politics and organizational charts. Whatever the case, attempting to coordinate a simultaneous shipment effort without the help of an experienced localization partner too often relegates it to the “theory” bin.

Lionbridge has created a **Virtual Simship Workflow Model** to demonstrate how the benefits of simultaneous shipment can be achieved without massive reorganizations or process overhauls. Under this design, each organization optimizes its discrete work stream, while a virtual organization supported by a common language service provider (LSP) achieves the leverage and synergy across the total workflow.

Key to this model is the LSP's ability to oversee various content and engineering requirements — from development and marketing to training and support. The provider works with each organization and applies a common back-end process to form the “glue” that facilitates simultaneous shipment.

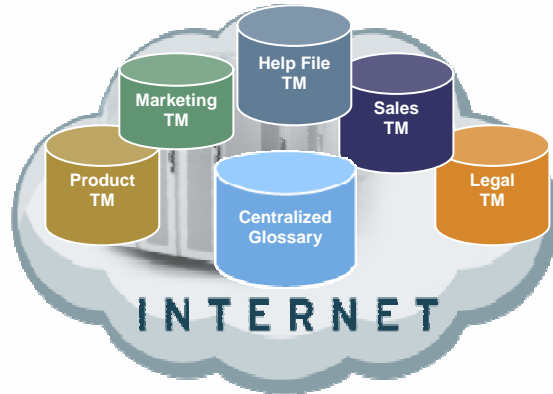


Virtual Simship Workflow Model

An example of this independent but leveraged model is when a product team wants its localization resources to work alongside its development team, while the marketing organization wants to work remotely and collaborate via the Web. Regardless of the individual team requirements, the LSP's web-based, on-demand language delivery platform can integrate the various efforts behind the scenes to ensure maximum leverage and language reuse, saving both time and cost.

Web-based Language Delivery Platform

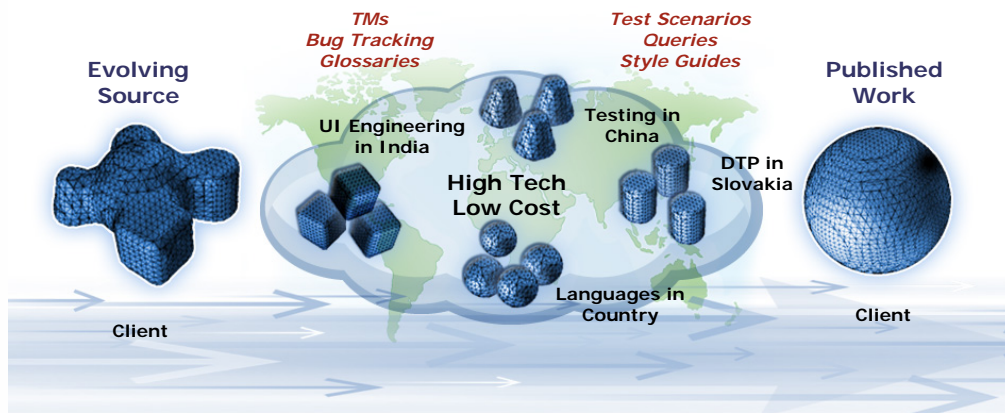
The Lionbridge Freeway platform provides clients and translators with access to Logoport,TM Lionbridge's web-based language asset management system. Logoport provides real-time access and reconciliation of translation memories (TMs) and glossaries in a secure, central repository. With centrally-hosted TMs, clients gain leverage across products, divisions, and functional groups by sharing and reusing TMs.



- **Web-based TMs**
- **Embedded Glossary**
- **Consistency at Source**

Centralized TMs and Glossaries through Logoport

Using a service delivery platform that includes web-based TMs and glossaries, LSPs help their clients initiate and track translation projects, collaborate with project teams, manage linguistic assets, and generate enterprise budget and status reports. In this scenario, the Internet serves as the assembly line, bringing the right work to the right specialists at the right time. Content and knowledge exist within the community of resources, helping LSPs segment and perform production tasks using the most cost-effective and appropriately skilled experts.



Web-based Service Delivery Platform Distributes Work to Appropriate Resources

Although working with a single LSP can capture a substantial portion of simship’s benefits, each enterprise team must also modify its planning to include unique global requirements and the need for parallel localization.

Product Development

From the product development perspective, the greatest challenge is sufficiently capturing global input during the requirements development phase. Working with a team of in-country resources, in-country developers can make these contacts locally, and draft the requirements collaboratively, submitting them to the primary development team as a single, comprehensive document. This enables more effective planning and ensures coverage for all markets as opposed to relying on the input of one or two to represent a multitude of unique countries.

During the planning and development effort, localization engineers can provide valuable input into the architecture and user interface elements to enable a more seamless transition into the localization variants. Working in this way also allows the localization partner to develop a core base of knowledge around your product — one that it can apply during the localization process to accelerate turnaround times. As a best practices approach, this knowledge should also be captured in a collaborative workspace system and shared with other teams working on the marketing and sales/service efforts, to maintain alignment and reduce the number of queries. With this type of real-time collaboration between developers and the localization team, localized versions can be made available just days behind the domestic edition, as opposed to weeks or months. Once completed, the language variants should be subjected to the same QA tests as the domestic versions, ensuring 100% compliance to the established performance standards.



Marketing

On the marketing side, the need to collaborate with in-country teams is even more critical, as the impact of culture and language on the overall subtleties of the brand (versus the physical product) can be dramatic. Early in the planning stages, as marketers raise initial ideas and concepts, a

dedicated team from the LSP should conduct a cultural assessment and alert the marketing team and its creative agency to potential concept risks outside the domestic market.

For instance, a brand name available in the U.S. may already be used by an entity in Italy. A name that is completely fabricated may sound harmless when spoken in English but may be mistaken for a local slur when a German attempts the same pronunciation.

Similarly, the use of images and colors can have a profound effect on the local markets' receptivity to a product and its positioning. Early intervention on the part of your localization partner can avoid common mistakes – for example, using Chinese people in a campaign for the Japanese market.

During the development phase, your partner should be working closely with your creative agency to provide advice on the architecture of key branding elements, such as Web pages and sell sheets, to ensure a more efficient localization effort. As an example, Web page menus must have sufficient room to allow for word expansion (e.g., many German words are longer than their English counterparts). Embedding text into graphics files (instead of layering it) can increase both production time and desktop publishing costs for your company, as the images need to be deconstructed and then reconstructed to complete the translation.



All materials must also be given a final quality review for linguistic accuracy and adherence to the brand identity. Source materials should be made available electronically to facilitate multiple distribution formats in each country to best conform to local practices (e.g., preference for printed sheets versus e-mail attachments).

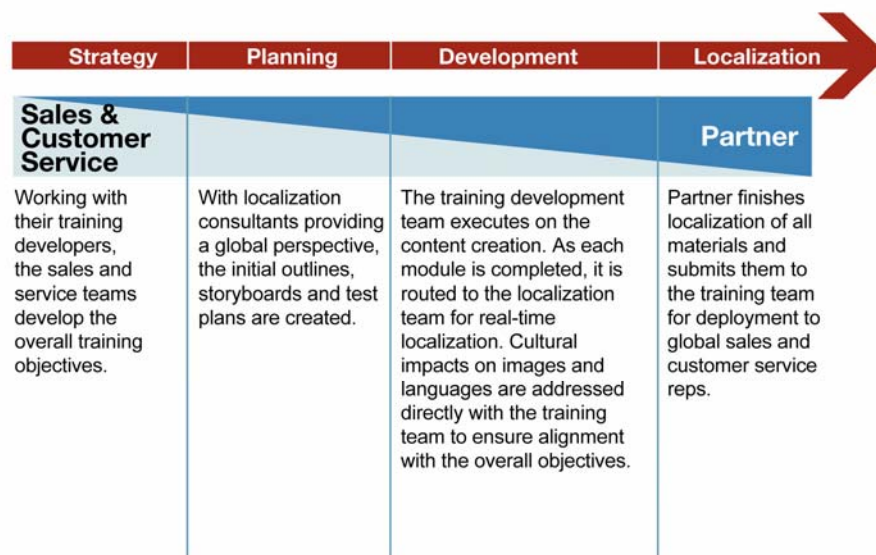
Sales and Service Training

Training of the sales and customer service teams takes place at the end of the development cycle. Since this is the first “face” that customers associate with your product, it is crucial that these resources effectively convey the value and benefits of the product’s features, and evangelize the differentiators and positioning created by the marketing organization.

A localization partner’s role in the planning of sales and service training should consist primarily of providing counsel and guidance to ensure the programs accommodate the unique needs of a global audience. During the development phase, the localization team should be working closely with your content development team to provide direction on the use of various multimedia, video, and voiceover approaches. Developers often fail to consider the limitations of technical infrastructures in some of the target locations, which can dramatically impede the delivery and ultimate effectiveness of the training.

As your teams create the modules, the localization teams will complete the translation and record the multilingual video or voiceovers as needed. When your partner is engaged throughout the planning and development periods, you can often complete these time-consuming elements in parallel with the English recordings. As long as the scripts are approved, you do not need to complete the English prior to recording other languages.

Finally, your partner must review the text, videos, and voiceovers for accuracy and adherence to the source material, and test the technical elements such as streaming video against the local infrastructure constraints (i.e., bandwidth) to ensure the domestic editions feature the same performance and usability.





Conclusion

Simultaneous shipment is a mission-critical strategic imperative, driven by accelerating market forces and the hyper-competitive global software industry. Achieving the appropriate levels of integration and coordination may appear daunting given the typical organizational “silos” and isolationist design practices found in most development companies.

With the right level of strategic and tactical planning, supported by a strong, globally aligned localization partner, and a comprehensive service delivery platform, your company can leverage the benefits of rapid localization to achieve the lasting market value associated with simultaneous shipment.



Contact Information

About Lionbridge

Lionbridge Technologies, Inc. (Nasdaq: LIOX) is a leading provider of globalization and testing services. Lionbridge combines global resources with proven program management methodologies to serve as an outsource partner throughout a client's product and content lifecycle — from development to globalization, testing and maintenance. Global organizations in all industries rely on Lionbridge services to increase international market share, speed adoption of global products and content, and enhance their return on enterprise applications and IT system investments. Based in Waltham, Mass., Lionbridge now maintains more than 50 solution centers in 25 countries and provides services under the Lionbridge® and VeriTest® brands.

Corporate Headquarters

Lionbridge
1050 Winter Street
Waltham, MA 02451
USA
www.lionbridge.com

