

Chapter case study paypal

Business



One of the challenges that Papal faces now that they have managed to overcome the polygonal obstacle is finding the best way to put this functionality in the hands of the business, so that they do not have to go through IT each time. How do you balance this need for responsiveness and flexibility versus IT's need to keep some degree of control to make sure everything keeps working with everything else?

Provide some recommendations to managers who find themselves in this situation. The case presents Palsy's move to keep all of its consumer sites updated in a retain country's local language in order to keep up with its goal to expand into new markets across the world. In an e-commerce environment where everything runs in a much faster pace at a more global scale, a company's IT Infrastructure and tools must be adaptable to the changing needs of the market, e. G.

Its website must be compatible with other programs or locales.

Localizing website content – that is, presenting its website to the native language of the country where Papal is being used by a customer? has become a challenge for the company's growth. Papal is a e-commerce payment system that has been used by millions of people worldwide to send and receive money. It has proved to be a reliable system for transferring money, especially to users that have branch banking accounts under them. When the online retail giant eBay acquired Papal, there has been a drastic increase in the use of Papal as it became the primary payment system for eBay.

Almost 95% of e-payments for products and services sold in eBay are done via PayPal. As eBay customers outside the United States are growing, global support has become a necessity for PayPal to meet consumer demand.

Customers now want to have the PayPal website presented to them in their local languages as smoothly as it had been done in English. There are now hundreds of multi-lingual translation software out in the market that the PayPal managers can ask the IT team to use and develop to solve poly-lingual problems.

However, resorting to third-party solutions might prove to be costly for a business such as PayPal due to the added costs of third-party software or services and the possibility of compatibility issues that can affect the effectiveness of the website, resulting to more problems. In order to overcome the challenge of localizing website content without investing too much time and money, PayPal has re-architected the software code for its website so that the websites can allow simultaneous refreshes for up to 15 languages.

The PayPal team of localization experts has resorted to what they term as “poly-lingual simultaneous shipping” or “Sylph” by revamping its own website codes to adapt language localization and directly translate the site when it is accessed by users from certain countries, like France and Poland. This is beyond the usual creation of a stilted translation of the English language into another target language. Unlike third-party translation companies that incur them high costs, this is a centralized solution that also involves a whole organizational involvement to create an efficient translation mechanism to all its websites across the globe.

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It involves their in-house IT development creating Palsy's own custom tools and software that understands different country codes and language codes. They restructured the website codes in such a way that the site provides a seamless “ local” experience but at the same time, it is flexible enough to accommodate periodic site updates every six weeks so the website doesn't need to be translated all over again.

The Papal website has become its own independent translator, opting to deviate from industry standards and build their own custom technology that would better suit their needs.

One of the challenges that Papal faces now that they have managed to overcome the poly-lingual obstacle is finding the best way to put this functionality in the hands of the business, so that they do not have to go through IT each time. To balance this need for responsiveness and flexibility versus IT's need to keep some degree of intro to make sure everything keeps working with everything else, Papal should have an interconnected and collaborative group of network systems or tools so that both the business side and the IT team can join in overseeing and maintaining Palsy's translation mechanism.

The company can provide tools for the managers that will allow them to troubleshoot on their own for any problems that can be encountered in the future, such as language tools and content management tools. The IT team can collaborate with the management to provide language tools for managers that will oversee the Papal website so that the business managers

homeless can be knowledgeable in the translation process. They can create a tool that identifies additional words or phrases that need to be translated.

The website operators themselves can use this application, instead of directing their suggestions and needing more help from IT, to create new ideas for the translation architecture. Since the IT team have already created an adaptable “ Kinship” architecture at the start, it is assumed that more words that new terms that may apply to the countries they are serving can be translated automatically. What the business side can effectively do is to identify more of those words or phrases that need translations so that all foreign versions of Papal convey the same messages to their multi-national customers.

If the business side can have their tools connected to Kinship, it will be a much more collaborative and automated process, involving all departments of the company. This application will be handed over to the website managers or to the operations department who are heavily involved in the daily tasks of Papal, as they are the ones who are familiar to the business Jargon and process flows of the company.

Another tool or application that can be introduced to the business side of Papal to help in running the business more efficiently is a content management tool that can be directly operated by Papal managers or officers who are involved in the day- to-day operations of Papal. This content management tool must enable the business side to independently oversee the content of its websites across the globe. This is especially important if

there are any mismatches in translations are discovered that must be corrected immediately or if there are any changes in the website.

This can allow Dustless managers to introduce new features, update consumer policies or simply change the layout of the sites, without depending on the IT team so much. Content management tools can allow the business side to safely monitor and enact changes to all of its multi-lingual site versions, thus ensuring that all of them are identical. 2.

Papal opted to deviate from industry standards and build their own custom technology that would better suit their needs.

When is it a good idea for companies to take this alternative? What issues factor into that decision? Provide a discussion and some examples. Papal realized the problem on the need to have multi-lingual sites as early as 2003. There was an urgency to solve this problem by translating its English website to local languages of the users' host country to expand its operations and realize more profits globally. Therefore, the company resorted to its own methods and created custom-made website tools to translate English into foreign languages.

The “ Kinship” architecture enables Papal to translate website content, localize measurements like currency, detect the user's language and even allow language selection. They have deviated from the usual methods by other companies of using third-party translation software or outsourcing it to third-party translator services to create localized content. Palsy's decision to deviate from industry standards and build their own custom technology that

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would better suit their needs factors in several issues, including but not limited to foreign language/currency, third party service costs, and website re-architecture.

Papal realized that the problem lies heavily on costs of outsourcing work to third- party translation companies. Palsy's UP for core technologies Matthew Mongering aid that " If you can't send them the smallest amount of text, it gets fantastically expensive. " It wouldn't also guarantee that the translations will be 100% accurate.

Also, giving the work to third-party companies would hinder the company's normal pace of operations since it can slow down the translation process as you work on multiple languages, therefore affecting the company's revenues as well.

Other companies would also resort cutting and pasting website codes then translate it into different languages. But this proved to be problematic as it is not simple to keep compressing and unifying different codes. Papal re-architect its website code to adapt to many different languages, resulting to faster entry to new countries. This technique has never been done by other commercial translators, so Papal resorted to creating its own tools in house by the IT group.

It is a good idea for a company like Papal to take this alternate route when current IT industry standards or present technologies at that time do not yet exist.

For company like Papal that wants to aggressively penetrate multiple countries to maximize growth and profit, they cannot rely to third-party services or commercial footwear to achieve their goals. The company needed to provide solutions to its own business needs, and only the company itself can create its own solutions. No other company or software at the time of Palsy's dilemma could provide a centralized solution to tenet translation needs.

It is Test to create an In-mouse technology when only the company itself could understand its needs and follow its pace for success. Also, a company could greatly save on development costs if its own IT group tackles on the issue and not the third-party solution providers that could bill the company extra costs. 3.

Although the new system has been quite successful, Papal has chosen not to license this technology to others, forgoing a potentially important revenue stream given the lack of good solutions to this problem.

Why do you think Papal chose not to sell this technology? Do you really think this can be made into a strategic advantage over their competitors? How easy would it be for their competitors to imitate this accomplishment? Papal did not sell its own translation technology because it has provided the company a strategic advantage over its competitors. With its “ Kinship” technology, Papal has cemented its place in the world of e-commerce as a leader in payment systems.

It provided competitive strategies for the company, including Cost Leadership, Differentiation, Innovation, Growth and Alliances: Cost

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Leadership – Palsy’s own translation architecture doesn’t need third-party services, therefore driving the cost of using its services further down

Differentiation – Payment is one of the few business entities that didn’t require third party translation services for its websites worldwide, which other e-businesses do avail

Innovation – Palsy’s own IT team developed the Kinship translation architecture in house, because nobody in the industry has done it before during that time.

Growth – Due to the success of its own translation technology, Papal has headed its way to Global Market Penetration, providing its services in 15 languages, 17 currencies, 190 markets

Alliances – Papal has cemented itself as the most-used payment system and strategic ally of eBay, one of the largest, if not the largest, online marketplace in the world

Competitors would find it difficult to imitate this accomplishment.

Papal has built this specific, custom-made technology for themselves.

Competitors can also make their own website poly-lingual using the different types of software developing system that are available in the market. The competitors’ codes and Palsy’s code could be different and if the competitors actually attempted to use Palsy’s coding system, it may Jeopardize their websites due to lack of code matching. Papal has successfully developed a system that’s hard to imitate because the company put a lot of work on structural programming and created a unique multi-language system design.