



The Language Services Market: 2016

*Annual Review of the Services
and Technology Industry That
Supports the Delivery of
Translation, Localization, and
Interpreting*

By Donald A. DePalma, Hélène Pielmeier,
Stephen Henderson, and Robert G. Stewart

June 2016

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Topic

People around the world prefer communicating in their native tongue. That fact will drive the language industry to US\$40 billion in revenue for 2016. To support this growth, language service and technology providers are extending their repertoire beyond basic translation, localization, and interpreting to embrace their clients' global content strategy. They are offering new services, building new tools, and linking their processes and technology with that of their customers to provide better, faster and more reliable products and services.

Against this backdrop, CSA Research conducted its 12th consecutive study of the market for outsourced language services and technology. This report analyzes the market data from January 2015 through June 2016.

- [Market](#) – an overview of the size of the language services and technology market, distribution of services, provider demographics, and the impact of currency fluctuations.
- [The Year in Review](#) – analysis of the performance and financial options of the most visible companies for 2015 and 2016 to date.
- [Opportunities and Challenges for Providers](#) – a review of what suppliers can expect to encounter on both the positive and negative sides of the ledger.
- [Services and Technology](#) – an overview of the services and technologies in this sector, and revenue distribution for each category.
- [Benchmarks](#) – a discussion of revenue, client, project management, and sales operations metrics for language service providers.
- [Rankings](#) – listings of the leading suppliers in the global and regional markets for language services.
- [Methodology](#) – a description of the process that CSA Research follows to produce this report.
- [Appendix](#) – ranking information in local currency.
- [Related Research](#) – recommended reading.

Related Research

CSA Research has been writing about the language services market since 2002. Throughout this document, we referenced previous research that explained or expanded on issues being discussed. We recommend the following CSA Research reports and briefs derived from our previous annual market studies.

- [“The Language Services Market: 2015”](#) (Jun15) – This is last year’s version of the report and provides similar information on market size, rankings, services and technology, and benchmarks.
- [“The State of the Interpreting Market”](#) (Jan15) – This report provides in-depth information on buyer demand for spoken language services.
- [“Language Services Face a Perfect Storm”](#) (Dec15) - This brief discusses economic trends, investment, and competitive pressures in the sector. It focuses on a historical sample of the 10 largest LSPs as a proxy for the entire market in our discussion of business structure, investment activity, and the internal and external forces that are shaping the future of the industry.
- [“LSP Metrix”](#) (Aug15) – This report describes CSA Research’s maturity model for LSPs and how companies behave at each of the six stages of the model. It constitutes an important tool to benchmark providers.
- [“The Fastest-Growing LSPs”](#) (Jul15) and [“Why Language Service Providers Fail to Grow”](#) (Aug15) – These briefs analyze the data about the companies with the largest growth rates and about those that stagnate or even shrank.
- [“Top 20 On-Site Interpreting Companies:2015”](#) (Aug15) and [“The Top 10 Telephone Interpreting Companies: 2015”](#) (Aug15) – These briefs present the largest global providers of on-site and telephone interpreting services.
- [“When LSPs Seek Revenue beyond Their Own Borders”](#) (Dec15) – This brief analyzes the origin of LSPs revenue and how it affects the landscape of the language services market.
- [“LSP Use of Technology in 2015”](#) (Oct15) – This brief presents data on the use of TM, MT, and TMS for processing jobs at LSPs.

About Common Sense Advisory

Common Sense Advisory, Inc. is an independent research firm committed to objective research and analysis of the business practices, services, and technology for translation, localization, and interpreting. With its research for both [Global Leaders](#) and [Industry Providers](#), Common Sense Advisory endeavors to improve the quality and practice of international business, and the efficiency of the online and offline operations that support it. To find out more about our research and how to become a member:

- E-mail us info@commonsenseadvisory.com.
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Future Research

Common Sense Advisory seeks interviewees from the community of people involved in building business applications for international use. If you would like to be interviewed or have clients who would like to share their experiences, please e-mail us at info@commonsenseadvisory.com. We anonymize participants and hold all information in the strictest confidence.

Applied Research and Advisory Services

This report and other Common Sense Advisory research into the best practices of business globalization serve as the foundation for our Applied Research and Advisory Services including International Customer Experience Assessments, Vendor Selection, Localization Business Process Audits, Globalization Excellence and Optimization Assessments, and Globalization Roadmaps. E-mail us at info@commonsenseadvisory.com for more information.

