

From **Translation Agency**  
to **Multilingual Engagement Agency**

# How to Emerge Stronger in a Post-AI Economy



is just a fancy way of  
saying **How to still  
make money** in  
World that translates  
so much through **AI**




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**Our session goal is simple:**  
explore how agencies can  
keep making money in the  
age of AI translation.

 AI or no AI, we still need  
to pay our bills

# Why should you bother listening to me?



Uber

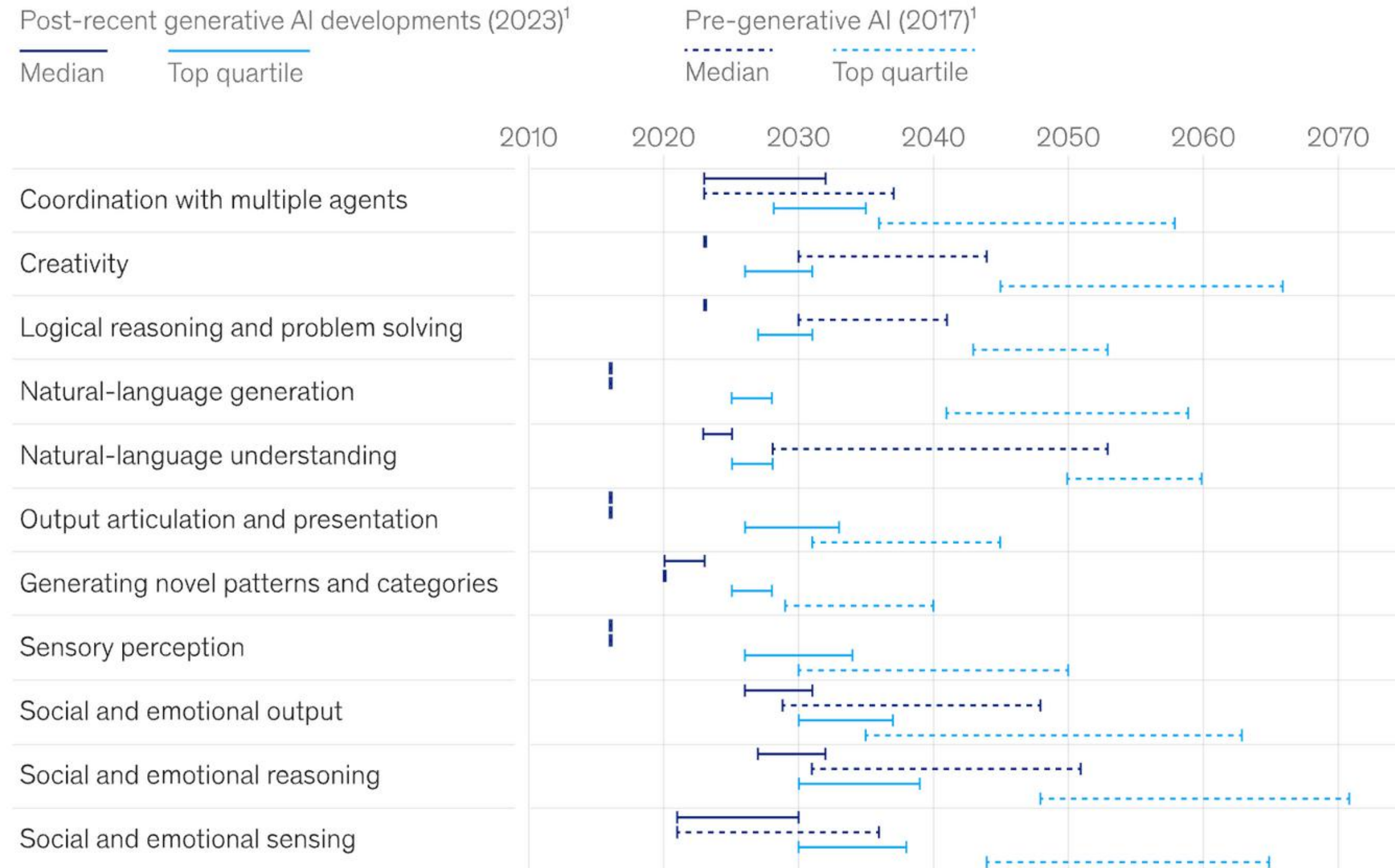
SLATE

duolingo



**We are just  
getting started  
on our AI Journey**

### Estimated range for technology to achieve human-level performance, by technical capability



<sup>1</sup>Comparison made on the business-related tasks required from human workers.  
 Source: McKinsey Global Institute occupation database; McKinsey analysis

Where are we already with translations?

**11.17 %**  
Average Edit Distance

*Trend*

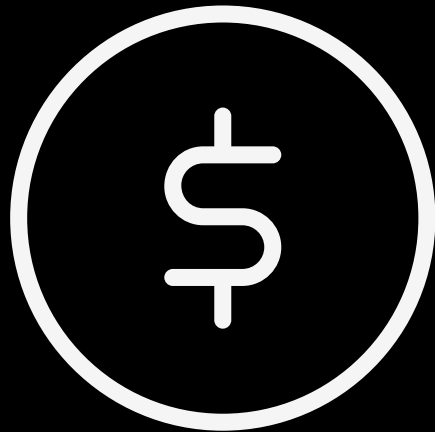
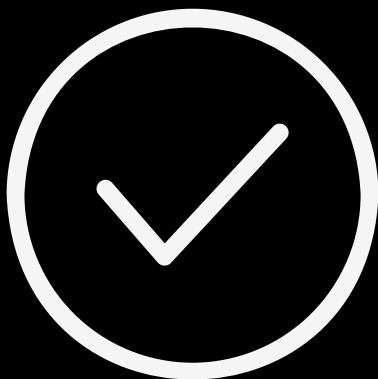
	with no MTPE (Control)	With NMT MTPE	With Context Sensitive Translate	
Language Pair	% of edits necessary from initial input to final result (TER score)	% of edits necessary from initial input to final result (TER score)	% of edits necessary from initial input to final result (TER score)	Context-Sensitive More Effective by
EN -> PT-BR	100%	0.207	0.142	31%
EN -> IT-IT	100%	0.086	0.074	14%
EN -> ES	100%	0.187	0.151	19%
EN -> ES-ES	100%	0.062	0.055	11%
EN -> ES-419	100%	0.089	0.062	31%
EN -> FR-FR	100%	0.149	0.124	17%
EN -> FR-CA	100%	0.214	0.144	33%
EN -> DE-DE	100%	0.116	0.097	16%
EN -> JA-JP	100%	.192	0.133	32%
EN -> NL-NL	100%	0.070	0.061	13%
EN -> ZH-CN	100%	.225	0.178	21%
EN -> DA-DK	100%	0.133	0.045	66%
EN -> RU-RU	100%	0.150	0.136	9%
EN -> KO-KR	100%	0.170	0.046	73%
EN -> VI-VN	100%	0.231	0.061	73%
EN -> TH-TH	100%	0.294	0.118	60%
EN -> TR-TR	100%	0.271	0.188	31%
EN -> AR	100%	.231	.199	14%
EN->PL_PL	100%	.397	.135	66%
EN->ZH-HANT	100%	.172	.0856	51%

↑ **85%**  
expect  
**>1/4 of work  
via AI**



↓ **81%**  
reported  
**revenue  
decline or  
stagnation**

↓ **36%**  
reported  
**lowering  
prices**



# The Impact of AI on Pricing Pressure

**Our Latest Survey**

Pricing and revenues remain under pressure even as workloads grow more technically demanding.

# A Tale of Two Agencies

## “The best of times”



Agencies in regulated sectors or highly sensitive or complex content

(stable, sometimes even more profitable, shielded by compliance, liability and eagerness to please readers).

## “The worst of times”



Agencies in transactional work

(facing plummeting rates, clients defecting to AI-first workflows).

“the worst of times”  
happened

shifted from  
“who you know”

to “how fast, transparent,  
and cost-effective you are”

Relationship = success

Data-driven decisions = success

No complaints = good

Proactive quality use-case  
management

Primarily text-focused

Explosion in media formats: video,  
audio, multimodal content

Last-mile delivery interactions only

Full-process ownership  
(tech, workflow, ROI)

“Tech agnostic”

Tech-savvy, driving solutions

Buyers less knowledgeable  
/ translation as a black box

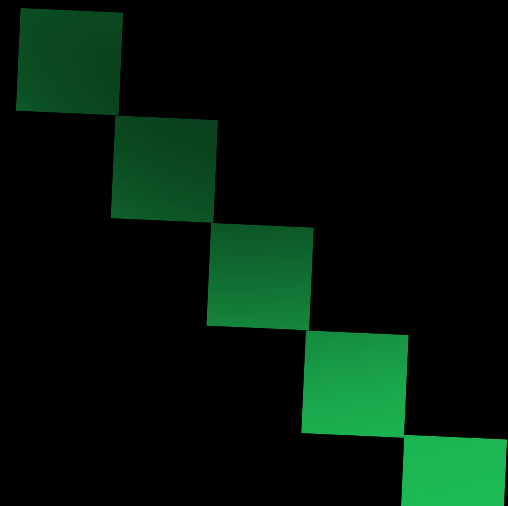
Transparency & buyer proficiency  
(buyers understand tech, quality, ROI)

Hard to get a translation  
(find someone, request a quote, wait)

Frictionless access (on-demand,  
one click, seamless experience)

Language Service Provider  
(delivering translations)

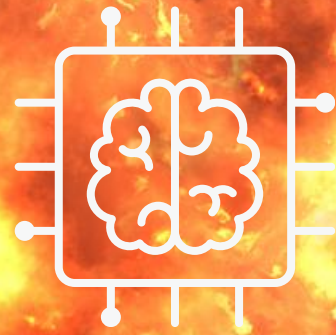
Language Success Partner  
(enabling global growth)



The



# Agency



# Model



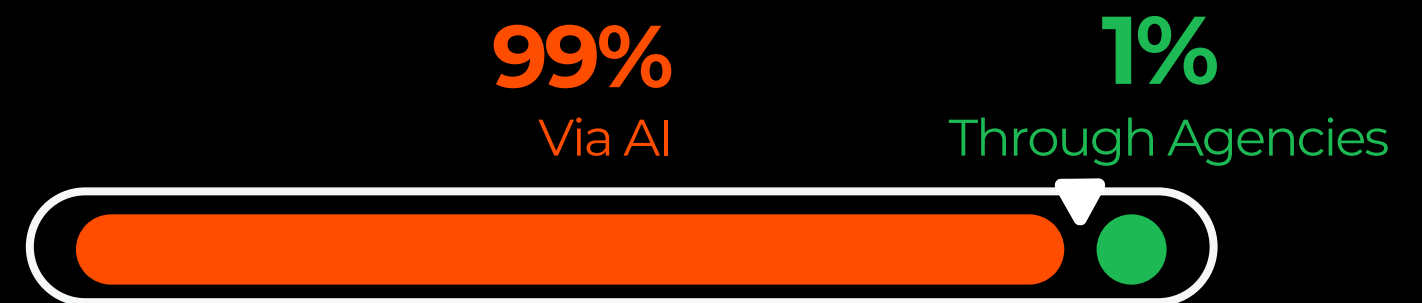
# Exploded

# 98% Decline in Translation Spend over 5 years

\*This is a real Fortune 500 enterprise case



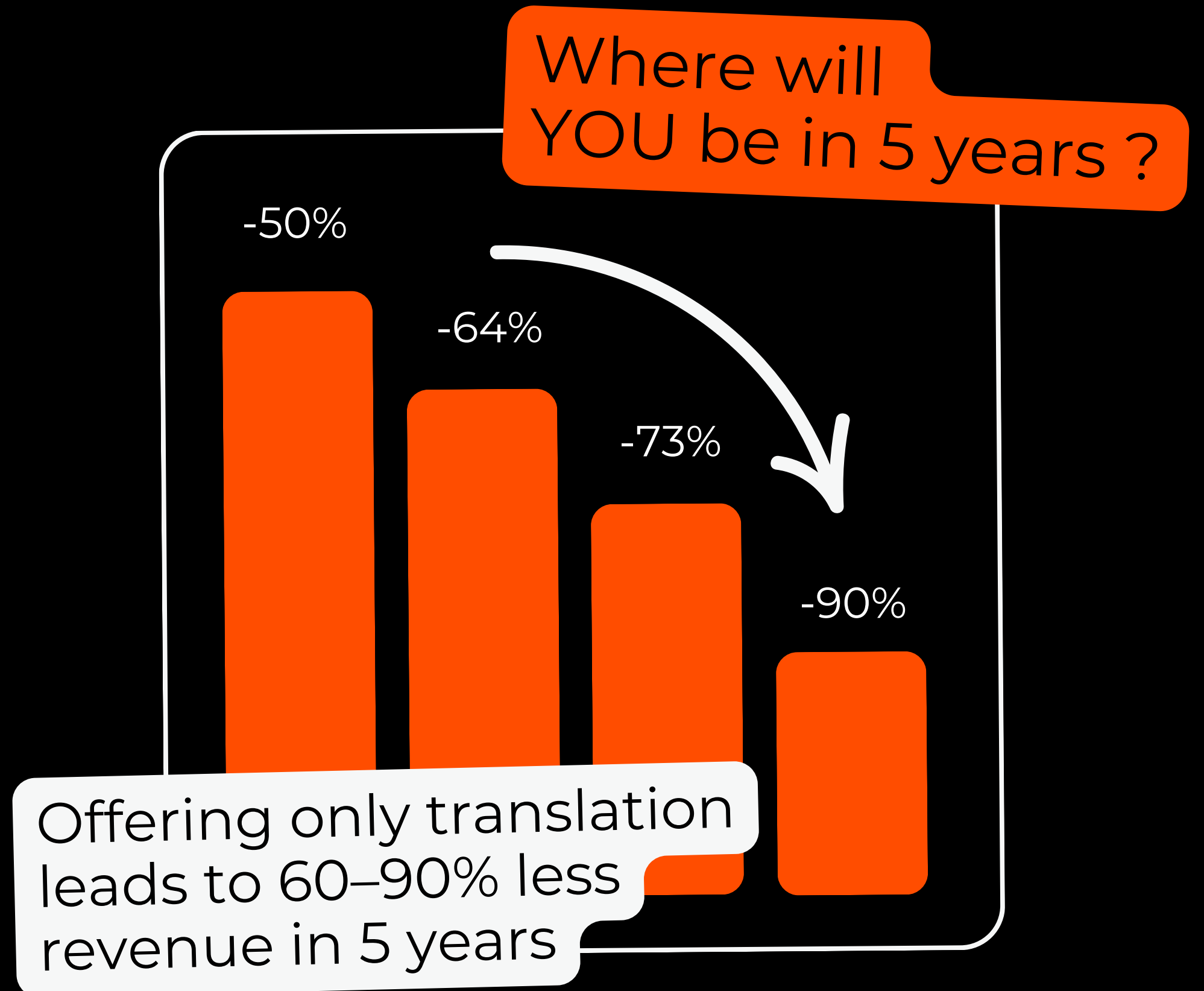
**2020** Processed Words **25M**  
Annual Translation Service Spend **\$5M**  
Annual Tech Spend **\$0**  
Providers **20**



**2025** Processed Words **100M**  
Annual Translation Spend **\$100k**  
Annual Tech Spend **\$100k**  
Providers **2**

# Translation service revenue scenario

based on the  
Enterprises trends



**THIS IS AN** *a Rebirth!*  
**APOCALYPSE**



this same client offers the opportunity to shift into language process management

**Switch from**  
LSP

Language Service Provider

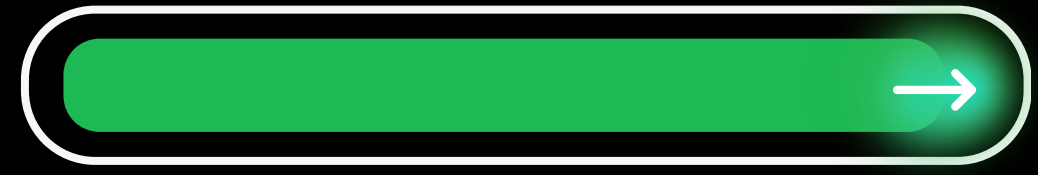


**99%**  
Process  
Managed  
by Buyer

**1%**  
Translation  
Service

**to**  
LSI

Language Service Integrator



**from 1 to 100%**  
Through LSI

From  
**Last Mile**

**1**

Mastery  
of Internal  
Processes

**2**

Margin &  
Profitability  
as Enablers

**3**

Capital  
to Invest in  
Transformation

**4**

Becoming a  
Language Service  
Integrator (LSI)



to **Total  
Ownership**

# 1

## Mastery of Internal Processes

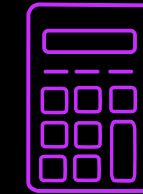
Agencies must first fully master the automation mechanics of translation in-house

- Workflows,
- QA,
- CAT/MT orchestration,
- File engineering,
- Terminology.

Without this mastery, they can't credibly advise or lead clients.



100% Exception Driven Project Management



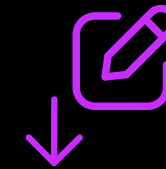
Automated Quotes



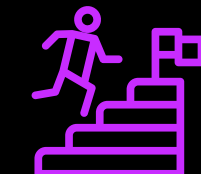
Automated Task Assignments



Automated Payables and Receivables



Minimum Edit Distance



Payment by Effort (Edit Distance or Words)

Impossible to do that with Process only Through Software Full Integration, Full Automation

2

## Margin & Profitability as Enablers

Agencies need healthy profitability to reinvest in tech, people, and process improvements.

More margin = more room to maneuver.

75%

Gross Margin  
At Least

3

## Capital to Invest in Transformation

Moving beyond the last mile requires investments:

- Integration with client systems,
- Analytics,
- Workflow automation,
- Multimedia capabilities.

Agencies that stay lean but undercapitalized will struggle to expand their role.



4

## Becoming a Language Service Integrator (LSI)

As Slator coined it, the future role is not just “service provider” but “integrator”:



# Translation Agency Software Maturity Scale

Level 1

## Manual Operations

Manual project handling via email/phone

Spreadsheets for tracking projects and costs

No centralized translation memory or terminology

Translators use their own disconnected tools

Level 2

## Basic Software Adoption

Using software to manage projects and costs

Limited reporting capabilities

Level 3

## Partial Integration

Centralizing translator tooling with some integration (e.g., log files, TM sharing)

Basic analytics and reporting

Level 4

## Advanced Integration

Using a fully integrated software suite

End-to-end workflow management

Comprehensive analytics and automation of routine tasks

Level 5

## Full Digital Transformation

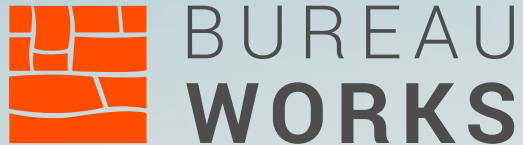
Receiving projects via run-time portal/API

Advanced analytics and predictive insights

AI-assisted workflows and quality management

Client self-service capabilities

This is only  
the beginning.



Questions?

