

# TLC Industry Report

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# Introduction

For years, one of the main topics discussed in the industry has been the attempt to observe current trends and draw conclusions from them. However, the translation market is very diverse, full of different fields, approaches and ideas.

The mixed group of participants and fans of the Translation and Localization Conference, bringing together freelancers, representatives of agencies, corporations, translation buyers and employees of public organizations, has become a good representation of the market. It is this translation world in a nutshell, without favouring one or the other group, that has inspired us to prepare the industry report. We have wanted it to involve different groups, show different views and be available completely free of charge. We would like to thank all the people who took part in the survey – it was thanks to your responses that we were able to prepare the report.

The survey went beyond the conference space and we are glad that it is in your hands.

*Agenor Hofmann-Delbor*

*Head of the Organizing Committee*



# Principles of making the report available

We publish this report free of charge. You may freely use its content, except for the TLC Conferences logotype, the use of which we ask you to consult with us each time. Data, charts or comments can be freely used, shared and used in other materials. Each time, however, we require the so-called authorship recognition, i.e. a mention of the source of the data together with the name of the report and the page on which it is published. The report may not be published on other websites. In any ambiguous cases, please contact us at [info@translation-conference.com](mailto:info@translation-conference.com).

We do not take responsibility for the use of data or our findings; they are merely statistical representations that have come to light after the collection of all votes. The information should therefore be treated as a guide or reflection aid rather than a major business premise.

## Privacy policy and data used in the report

All collected data have been anonymized and do not constitute personal data. We also do not store any other traces of participation in the survey. No personal data were required to participate in the survey. The report is available for download at the Translation and Localization Conference [website](#). The privacy policy of the website is described [here](#).

# About the survey

The market survey was conducted using the form on the TLC 2019 conference website. The survey was launched in two rounds: from 18 to 27 March in connection with this year's edition of the conference and from 3 to 23 June 2019. This industry report combines the results of both rounds of data collection.

A total of **303 responses** were received. We are extremely grateful. Thank you!

Survey participants had the opportunity to define their role in the industry, which was intended to facilitate the subsequent analysis of data. The following options were available:

- Freelancer
- Translation agency employee
- Translation agency owner
- Translation buyer
- Translation department employee in a corporation
- None of the above
- Prefer not to answer

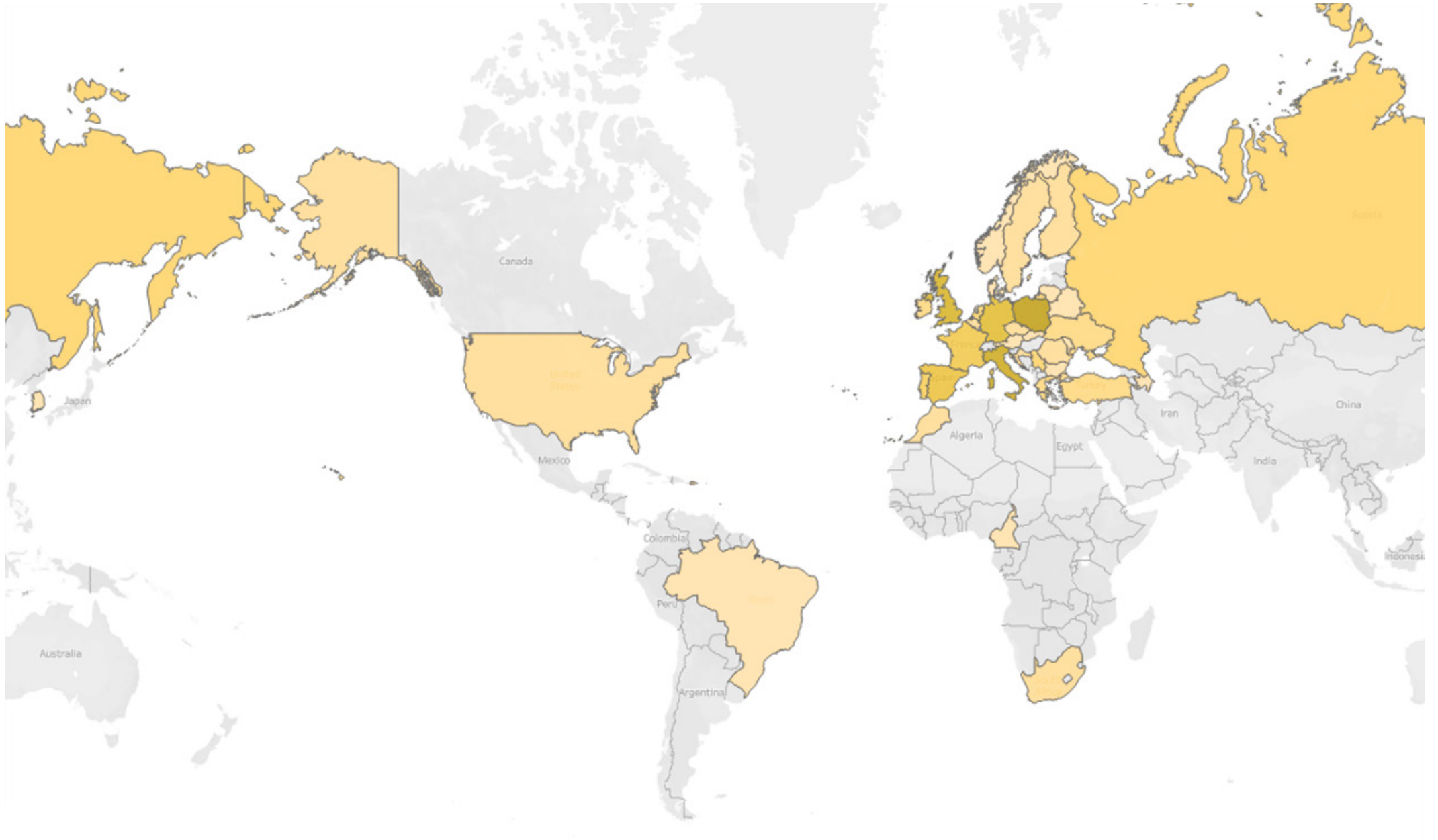


# International survey

People from **46 countries** took part in the market survey. The full list is as follows:

■ Afghanistan	■ Czech Republic	■ Latvia	■ Russia
■ Algeria	■ Denmark	■ Libya	■ Serbia
■ Argentina	■ Egypt	■ Lithuania	■ Slovakia
■ Austria	■ Finland	■ Macedonia	■ South Africa
■ Azerbaijan	■ France	■ Malta	■ Spain
■ Barbados	■ Georgia	■ Moldova	■ Sweden
■ Belarus	■ Germany	■ Morocco	■ Turkey
■ Belgium	■ Greece	■ Netherlands	■ Ukraine
■ Brazil	■ Ireland	■ Norway	■ United Kingdom
■ Bulgaria	■ Italy	■ Poland	■ United States
■ Cameroon	■ Korea, South	■ Portugal	
■ Croatia	■ Kyrgyzstan	■ Romania	

Although TLC has had its base in Poland for several years now, over **57% of respondents** to the survey do not come from Poland. In a later section we will look at the geographical relationship between some of the answers to the questions of the survey.





# Shape of the survey

While creating the survey, we wanted it to be of open nature, but at the same time we tried to get the clearest answers possible. However, we had to prepare the core part that would not impose conventions but, at the same time, would address the

“elephant in the room”, that is to say, NMT-related trends, acquisitions and market developments. The participants of the survey also submitted their suggestions for answers, which we will look at in a separate chapter.

## The survey was structured as follows:

1. What opportunities will the nearest future bring about for translation agencies?
  - ▶ Additional revenue from additional services to clients (i.e. language consulting).
  - ▶ More volume by machine translation revising (aka post-editing).
  - ▶ Mergers and acquisitions.
  - ▶ Cost cuts by automation of the translation chain.
  - ▶ Better translation memory leverage by building private linguistic resources.
  - ▶ Other value
2. What threats will the nearest future bring about for translation agencies?
  - ▶ Price pressure – aggressive competition and lowering margins.
  - ▶ Lack of trained professionals on the market.
  - ▶ Unstable quality of machine translation.
  - ▶ Other value

3. What opportunities will the nearest future bring about for freelancers?

- ▶ Specializing in narrow area or domain of translation.
- ▶ Moving to a similar industry, such as technical communication.
- ▶ Increasing efficiency of matching, repairing suggestions, automated editing, etc. in modern tools.
- ▶ Learning to review (aka post-edit) the modern machine translation where errors are not easy to spot.
- ▶ Other value

4. What threats will the nearest future bring about for freelancers?

- ▶ Price pressure – aggressive competition and lowering margins.
- ▶ Lowering demand for human translation in comparison to machine translation.
- ▶ Unstable economy or global geopolitical trends.
- ▶ Other value

5. How should we prepare for working with NMT (Neural Machine Translation)?

- ▶ Get a training regarding working with NMT.
- ▶ Train your own MT engine.
- ▶ Test various NMTs available on the market and plugins available for CAT tools.
- ▶ Other value

6. What trend will play the greatest role in the nearest future?

- ▶ Machine translation and A.I.-based work.
- ▶ Monetization of linguistic resources (i.e. keeping track of the ownership of each TM segment and paying per usage).
- ▶ Changes in the demand for business languages due to people migration and global economy.
- ▶ Other value

# Other processed information

We also collected optional data that helped us create answer categories and look at them from different perspectives:

- Who are you?
- What country are you from?
- E-mail
- Country (actual location of the participant)
- Browser







# Analysis 1

What opportunities  
will the nearest future  
bring about for translation  
agencies and freelancers?

In our analysis, we have consolidated the answers provided by both groups.  
We are looking for opportunities and hope for the industry seen from several perspectives.

For the translation agencies we provided the following sample answers:

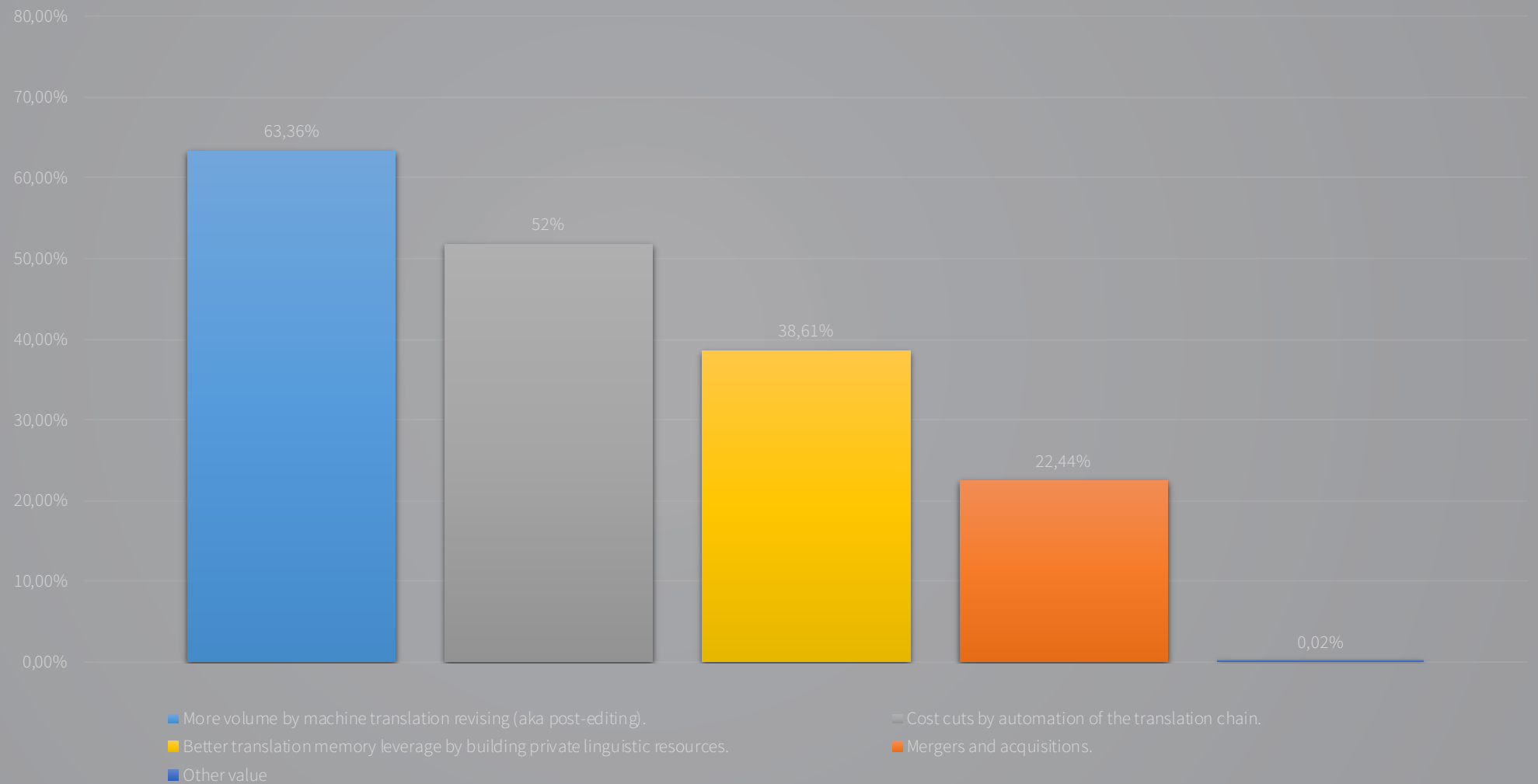
- Additional revenue from additional services to clients (i.e. language consulting).
- More volume by machine translation revising (aka post-editing).
- Mergers and acquisitions.
- Cost cuts by automation of the translation chain.
- Better translation memory leverage by building private linguistic resources.
- Other value

Freelancers could choose from the following ideas:

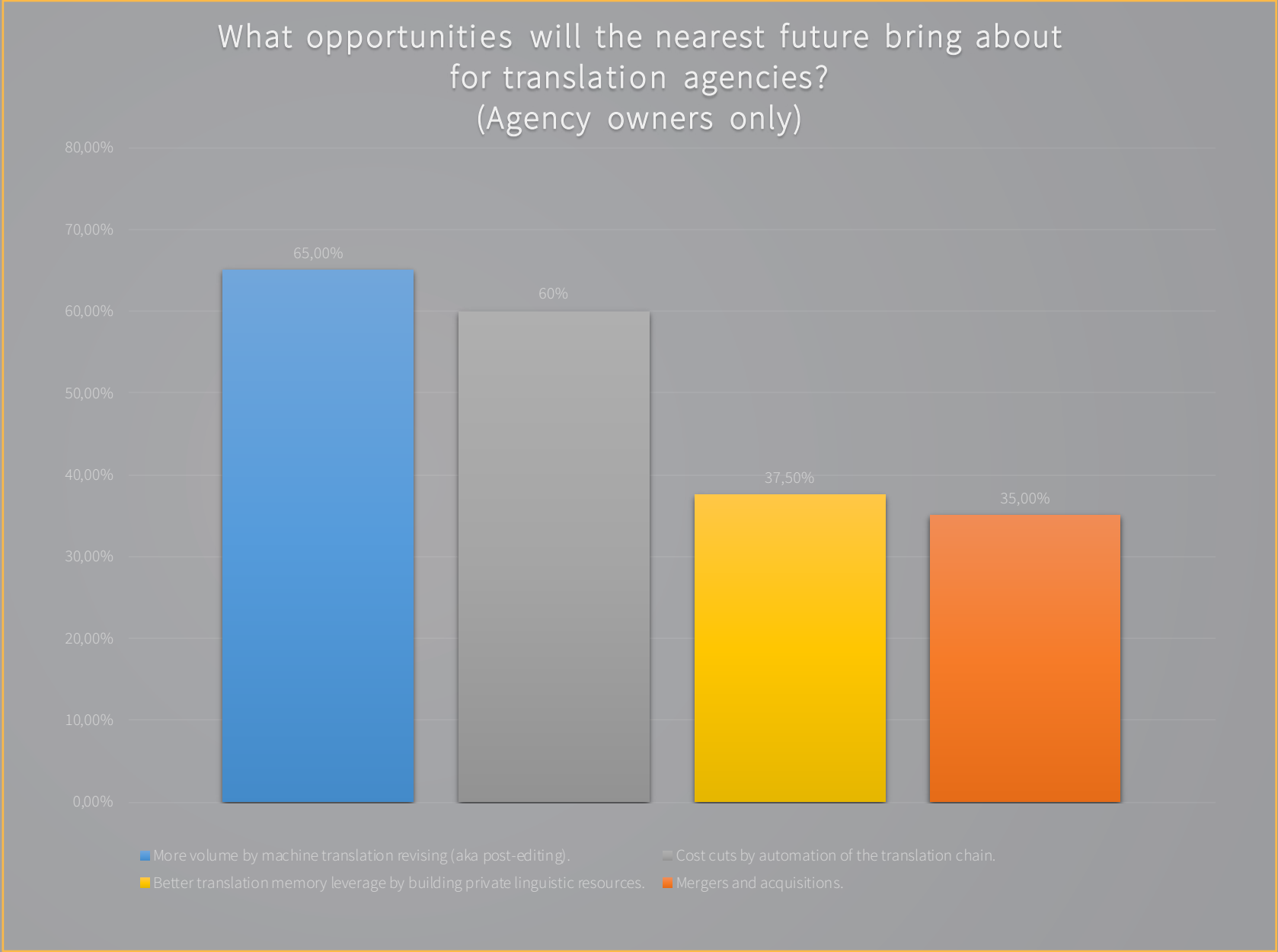
- Specializing in narrow area or domain of translation.
- Moving to a similar industry, such as technical communication.
- Increasing efficiency of matching, repairing suggestions, automated editing, etc. in modern tools.
- Learning to review (aka post-edit) the modern machine translation where errors are not easy to spot.
- Other value

## Results:

What opportunities will the nearest future bring about for translation agencies?

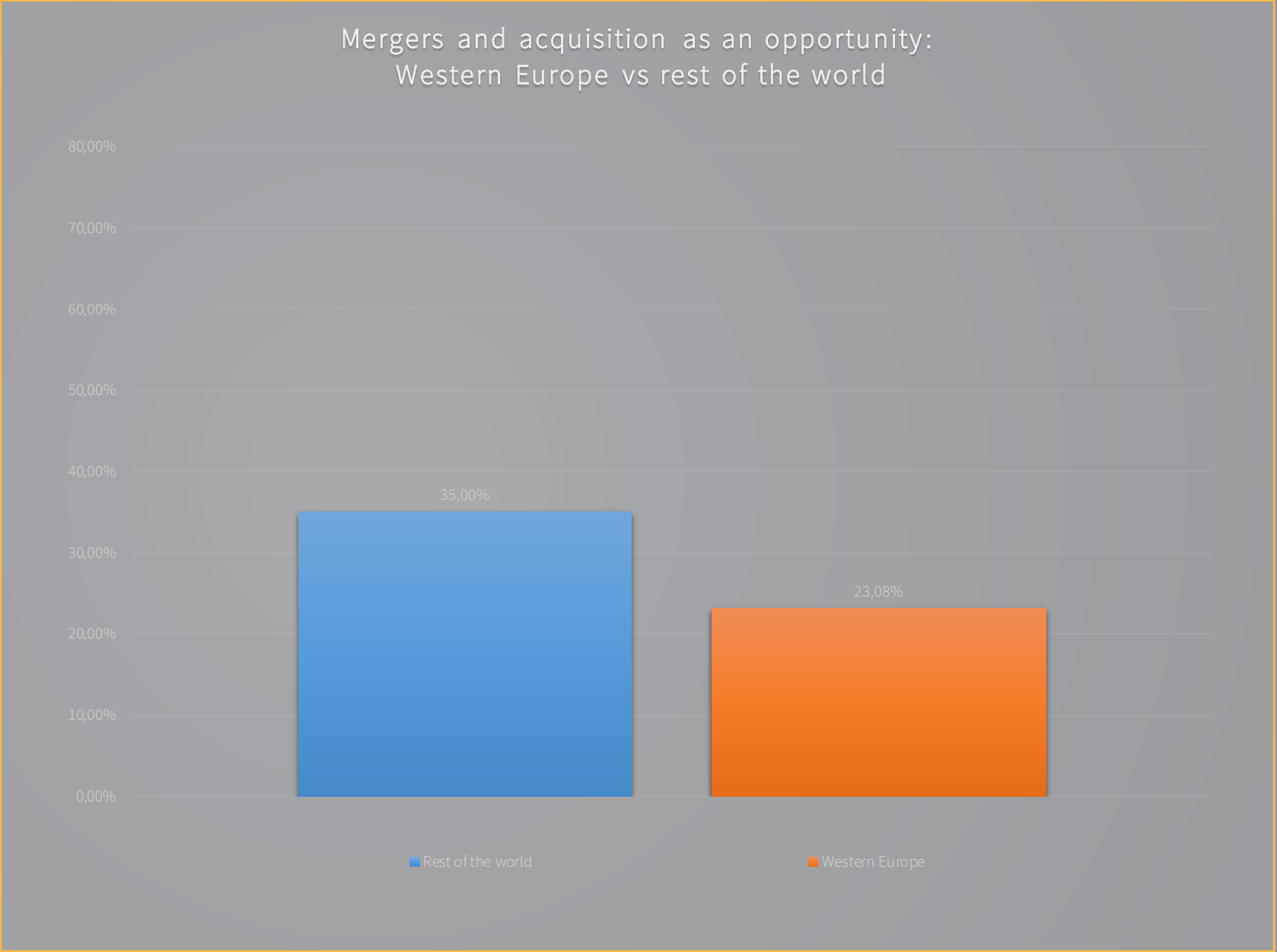


However, these are data gathered from all respondents together, hence this is a mixed view of the community of freelancers, translation agencies, companies, etc. Let us take a look at what it will look like if we ask translation agency owners only:





So it seems that the market takes a similar view on post-editing to that of agency owners. However, a large discrepancy appears in the following points. Automation is still the Holy Grail of the translation industry for agency owners, and this is where they see the savings more than the market average. As expected, agency owners also view acquisitions and mergers more favourably (as an opportunity). However, if we look at the issue of a merger from a geographical point of view and narrow down the group of respondents to Western Europe only, it turns out that this is a perspective that a much smaller number of companies associate their hopes with.



Is this due to the maturity of the market  
and its lower dynamics than in other regions of the world?

We can only assume that the survey **does not** provide  
an answer to this question.

# Participants' comments (opportunities-agencies) in open points

Very few (0.02%) respondents mentioned other ideas that could be treated as market opportunities. They included:

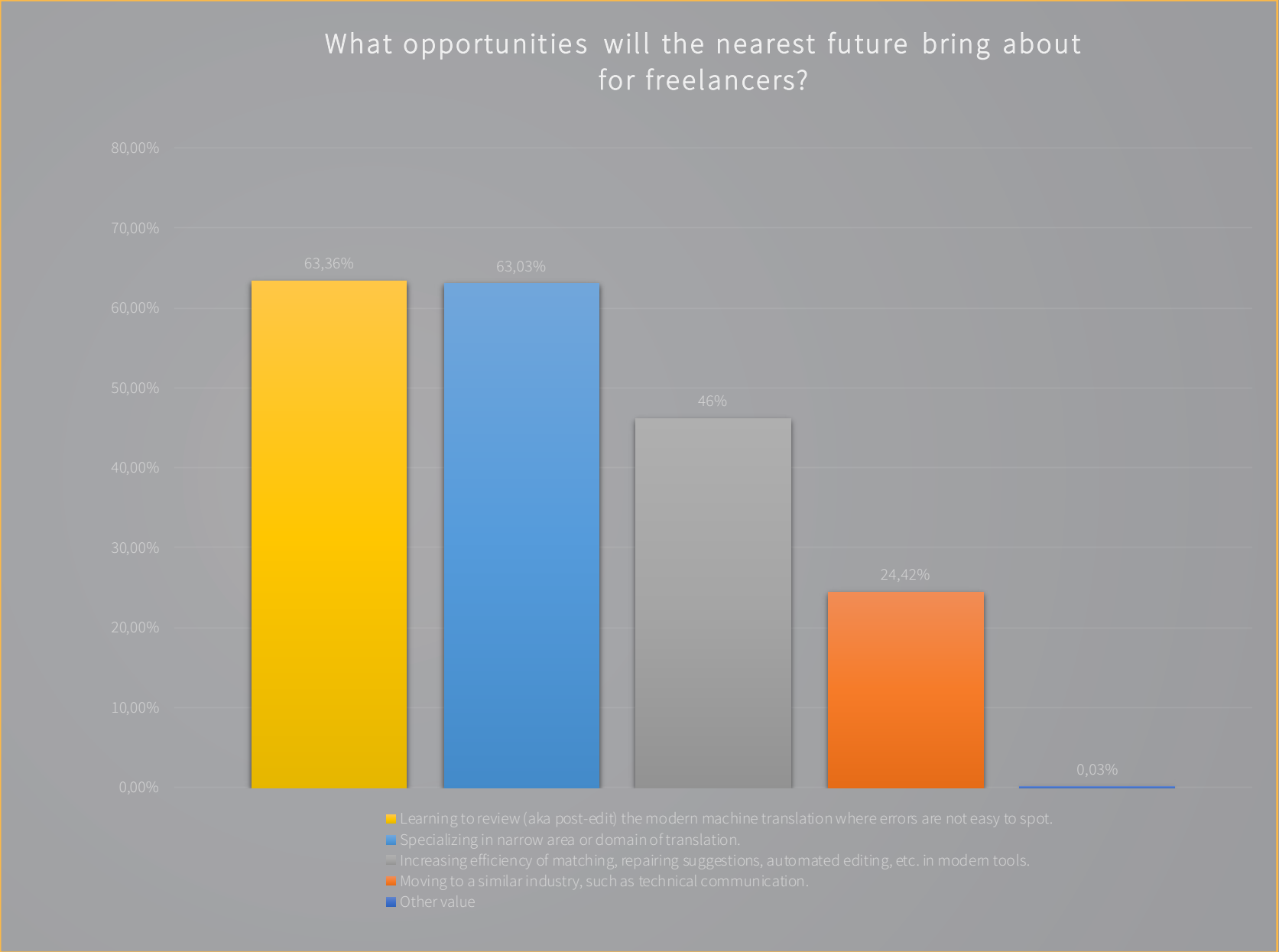
- “Opportunity to inform clients of the actual way MT and other technologies can contribute to the translation process, begin developing solid cost models, i.e., switch away from wordcount-based pricing to hourly and project-based fees (like in any other professional industry)”
- “Higher revenues thanks to increased translation pace via PEMT”
- “More content to translate by growing end-user demands.”
- “Tenders for public sector”

Let us now look at the freelancers' perspective and ask a question about the opportunities:

This is probably the first time that post-editing (note that this is a different process than the one known from SMT engines, so rather a MT Review) has taken the lead and is now the number one idea for the development of a freelance career. Almost two thirds of respondents consider post-editing to be a topic as important as specialization, the previous “king” of all industry surveys.

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Interestingly, almost half of freelancers still believe that you can squeeze more out of CAT tools. It is also worth noting that **over 75% of respondents do not think at all about changing their profession** to a related one. It seems that the translation industry still believes in... the translation industry.



# Participants' comments (opportunities-freelancers) in open-ended answers:

Several of the answers that were returned to us with a comment (own proposal) are noteworthy:

- “Finding another job as the industry cannot see the need to pay the translators reasonable money” (from the author: this comment was apparently written by a representative of the 25% minority)
- “Copywriting and transcreation and focus on quality translations”
- “Bill for professional services by the hour/project, at rates that reflect professionalism, education, and experience”
- “Proving their expertise in areas that machines are not yet able to compete in (transcreation, marketing translation, etc.)”

- “Specializing in transcreation and language consulting”
- “Consultancy; Checking quality of MT and human translations (prior to adding to corpus); Cultural consultancy; ...”
- “Providing human added value: imagination, creativity (i.e. transcreation, transcopywriting); more translation/interpreting for obscure languages; new professions like language archaeologist, pronunciation trainer for machines, etc.”

Keywords that weave their way through the answers: creativity and imagination. Perhaps one of the areas of research and surveys should be to what extent these skills (talents?) can be developed or trained.

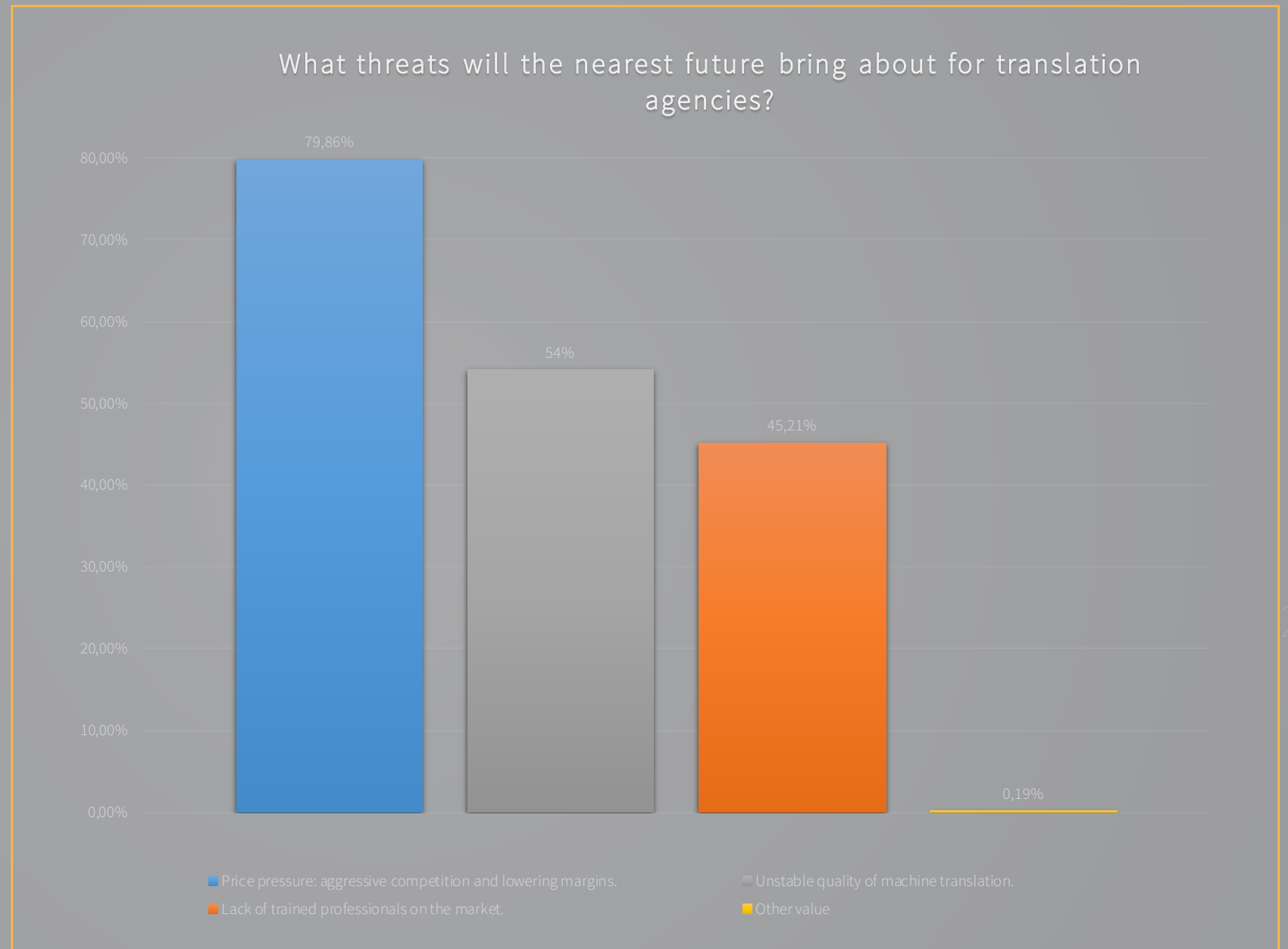
## Analysis 2

What threats will the nearest future bring about for translation agencies and freelancers?

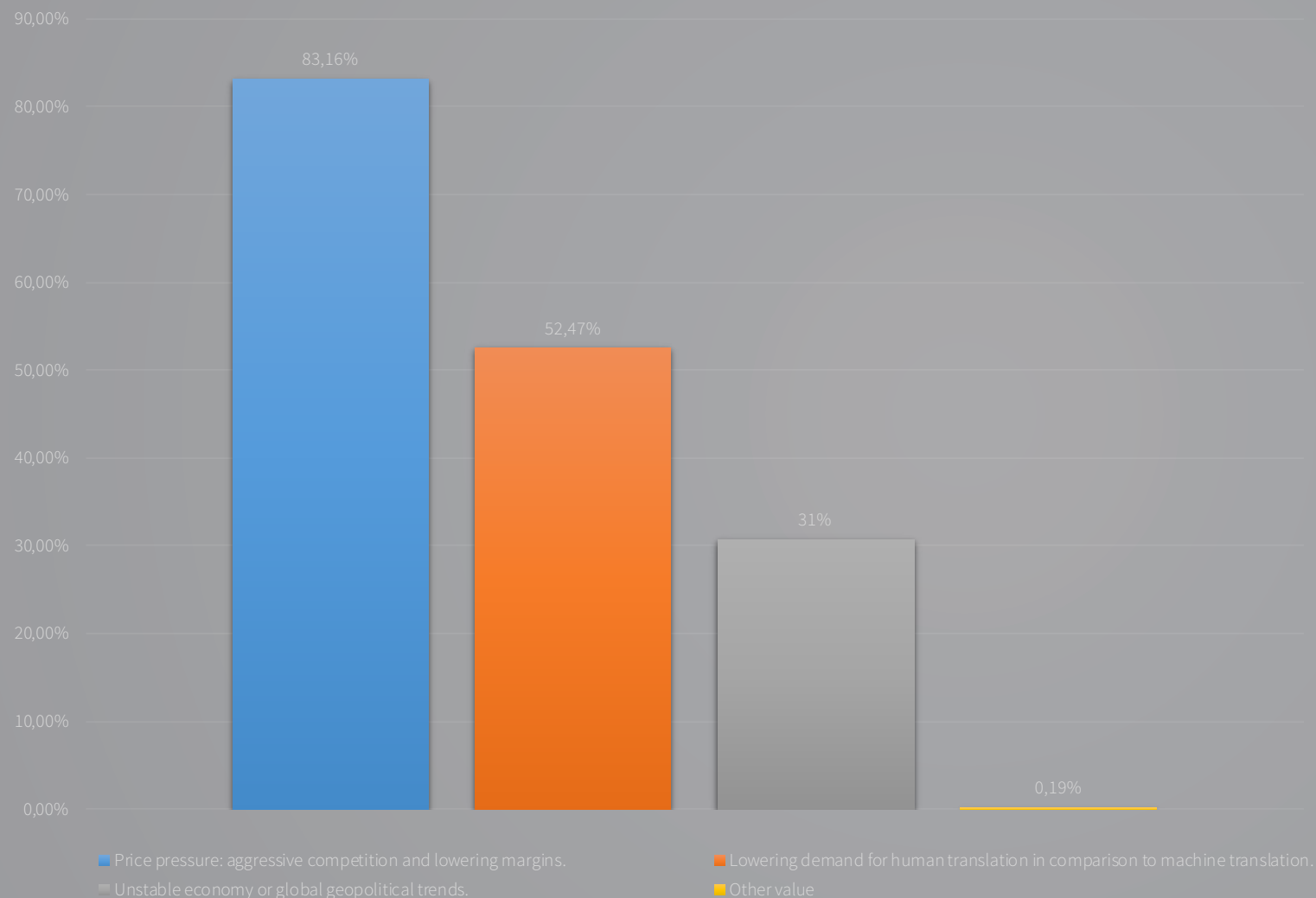
## What are agencies afraid of? What challenges can be seen on the horizon?

This chart gives a disturbing picture of the industry: **4 out of 5 agencies feel threatened by price wars and falling margins!** At the same time, more than half of the respondents still do not feel confident about the quality of the machine translation engines. At the same time, it is clear that in times of falling or frozen rates, only investing in MT implementation gives the agencies the opportunity to survive in a world of large volumes. Hence, this does not look like an investment made with full conviction.

More than half of the respondents do not feel that there is a lack of new translators on the market. This is surprising as a huge number of large translation agencies continue to recruit almost all the time and thousands of new translators graduate from universities every year.



## What threats will the nearest future bring about for freelancers?



## What are freelancers afraid of?

Also declining rates and price pressure. And this is even more so than translation agencies. Machines (that is MT) are still seen as competition by more than half of the freelancers. Although it is common to say that MT increases the overall volume of translations in the industry and creates demand for translations, freelancers do not have such a feeling in most cases.

There is also a conviction that the geopolitical situation has little influence on the translator's life. Nearly 70% of respondents are not afraid that factors outside the industry will affect their work.



## Participants' (agencies) comments in the open points:

- “Further lowering of translation quality resulting from neglecting the need for providing quality from properly paid professionals”
- “The risk of attracting poor translation/translators by bowing to clients' demands for cost-cutting.”
- “Less volume due to self-made translations”
- “Customers organizing translation services themselves or through freelancers based on networking”

## Likewise, freelancers' comments:

- “Lower output due to prevalence of client-made, inefficient CAT tools”
- “Poor MT quality”
- “Generally, lowering market demand for good quality texts.”
- “Many promising quality they do not deliver, but with time these are filtered out by customers who care.”
- “Including translator into the chain of post-editing instead of classical human translation from the scratch.”
- “Fixing compromised translations made by budget-focused inexperienced vendors”
- “Rates below costs – no margin – being used and manipulated by agencies who won big contracts – forcing freelancers to cover the startup

- “Need to invest money to keep up with machine translation and other automation, may make it difficult for agencies with certain profiles to survive”

Two interesting threads appear in the comments: the topic of lowering quality requirements (quite recently quality was the number one topic in the industry, but it no longer seems to carry enough clout) and who is providing the translation. The survey omitted crowdsourcing and amateur translation in general, although this is undoubtedly one of the new directions that can create unknown and hardly measurable competition for translators.

costs if they want to be on the team – forcing freelancers to disclose their other clients”

- “Tools and technologies change too fast to follow and benefit from their features.”
- “For those who are not fans of automation in translation, they may run into difficulties in certain sectors”

Freelancers' comments are therefore almost identical to those that have been made by translation agencies. Quality as an increasingly overlooked aspect, bypassing professionals as an obvious choice for translation buyers, automation – these are the main concerns that emerge from the survey.

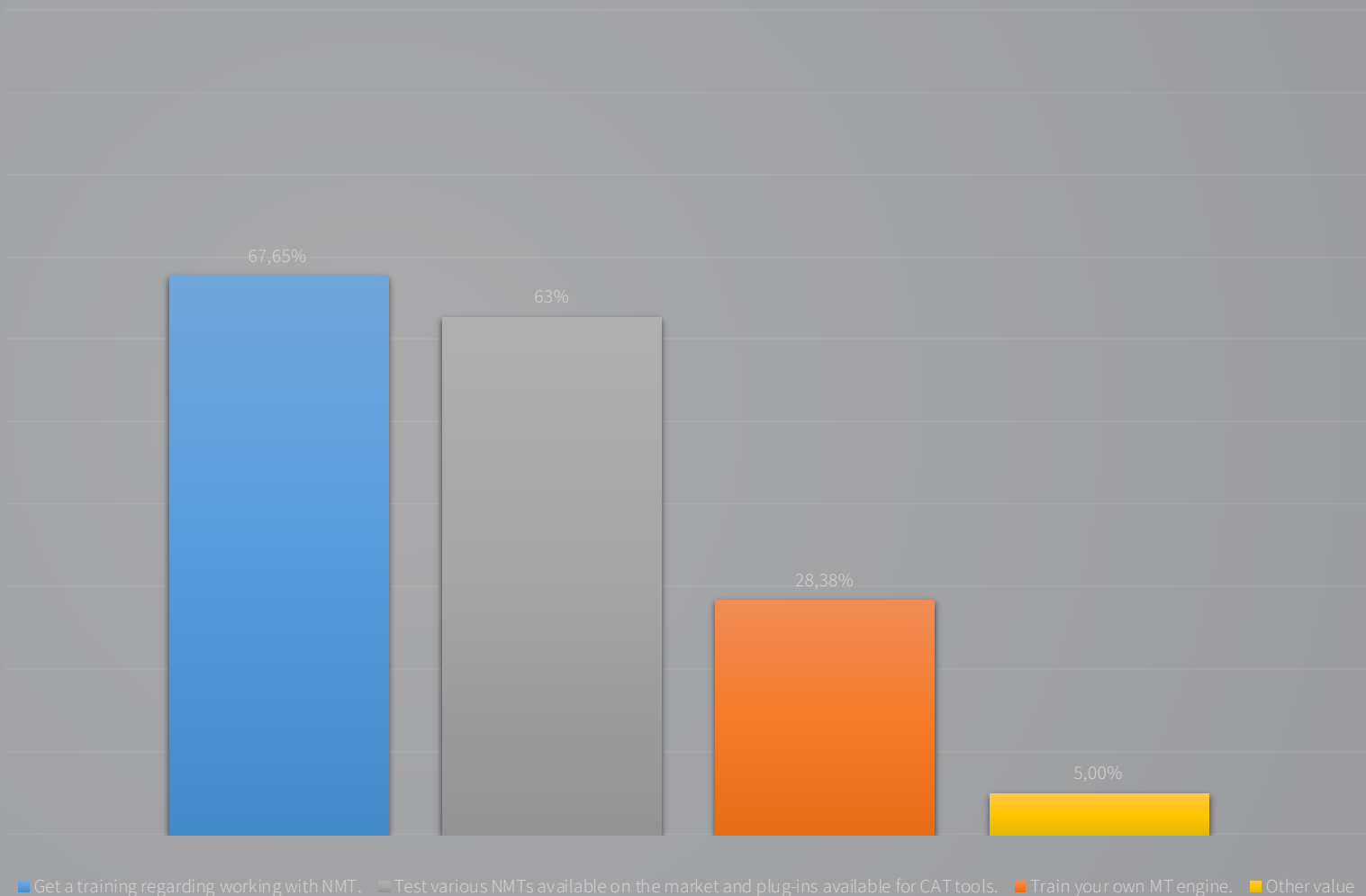
## Analysis 3

How should we prepare  
for working with NMT  
(Neural Machine Translation)?

And now the “elephant in the room”. It is impossible to look at the translation market today without the revolution which has been actively changing the market for the past two years. NMT is everywhere. It is also in the TLC industry survey. The question is not whether or not anymore, but how.

And this is the question that we asked. What to do to prepare to work with an elephant... hmm, that is with NMT engines.

### How should we prepare for working with NMT (Neural Machine Translation)?



One out of 20 respondents has their own idea of how to prepare to work with NMT engines. More than two thirds, however, believe that the best way is simply to learn how to work with such systems, and almost as many people believe that it is worthwhile to test the plug-ins available for CAT tools. The vast majority of respondents do not see any sense in training their own NMT engine. However, this applies to all groups together. If we look only

at corporate clients and agency owners, it looks different – **if we consider only agencies and translation buyers, more than 43% of the responses suggest training your own engine.** It can be seen that NMT is perceived as an expensive and corporate solution that condemns the freelancer to the role of a service recipient (which is probably not always right).

## Some comments from the participants in open points:

- “You’re not working with NMT yet?! ;)”
- “Go on building its own \NMT\ with specific alignments not yet integrated in NMT tools”
- “Work on the skills that NMT can’t offer – improve linguistic fluency and creativity”
- “Nothing, it is a separate market”
- “Investigate the advantages and disadvantages and use the information to provide that which NMT cannot.”
- “Move away from translations for which NMT can be used.”
- “Avoid by focusing on Transcreation and writing.”

A popular comment was “I don’t know what to do about NMT”. There were also suggestions to avoid anything that has something to do with NMT. The answers show that the most popular idea of how to react to this market change is to look for areas and skills with which NMT cannot cope yet. And focus on them. There was not a single comment from several hundred surveys that ignored the emergence of NMT and its impact on the market. Nobody pretends any more that this is just one of the fads in the world of translation.





bertBoland, reelworldstudio

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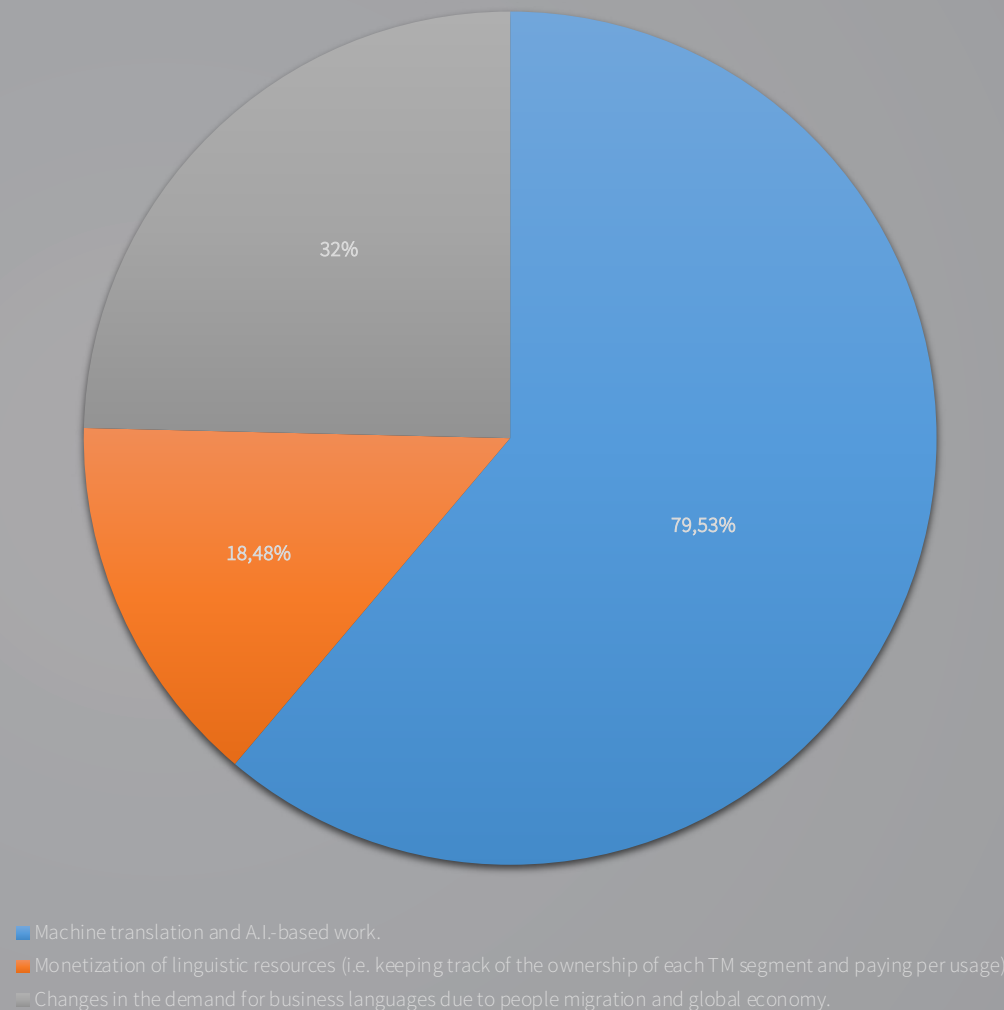
## Analysis 4

What trend will play  
the greatest role  
in the nearest future?

## Last but not least - what is ahead of us?

Our respondents already know:  
AI and MT are the undisputed “kings” of the discussion. Whether we like it or not, the market is flourishing in these areas and these trends do not seem to be willing to go away. Still, there is no other trend on the horizon that would cause so much excitement, anxiety and confusion at the same time. The last two years have turned the translation market upside down. Time to learn to walk on your hands?

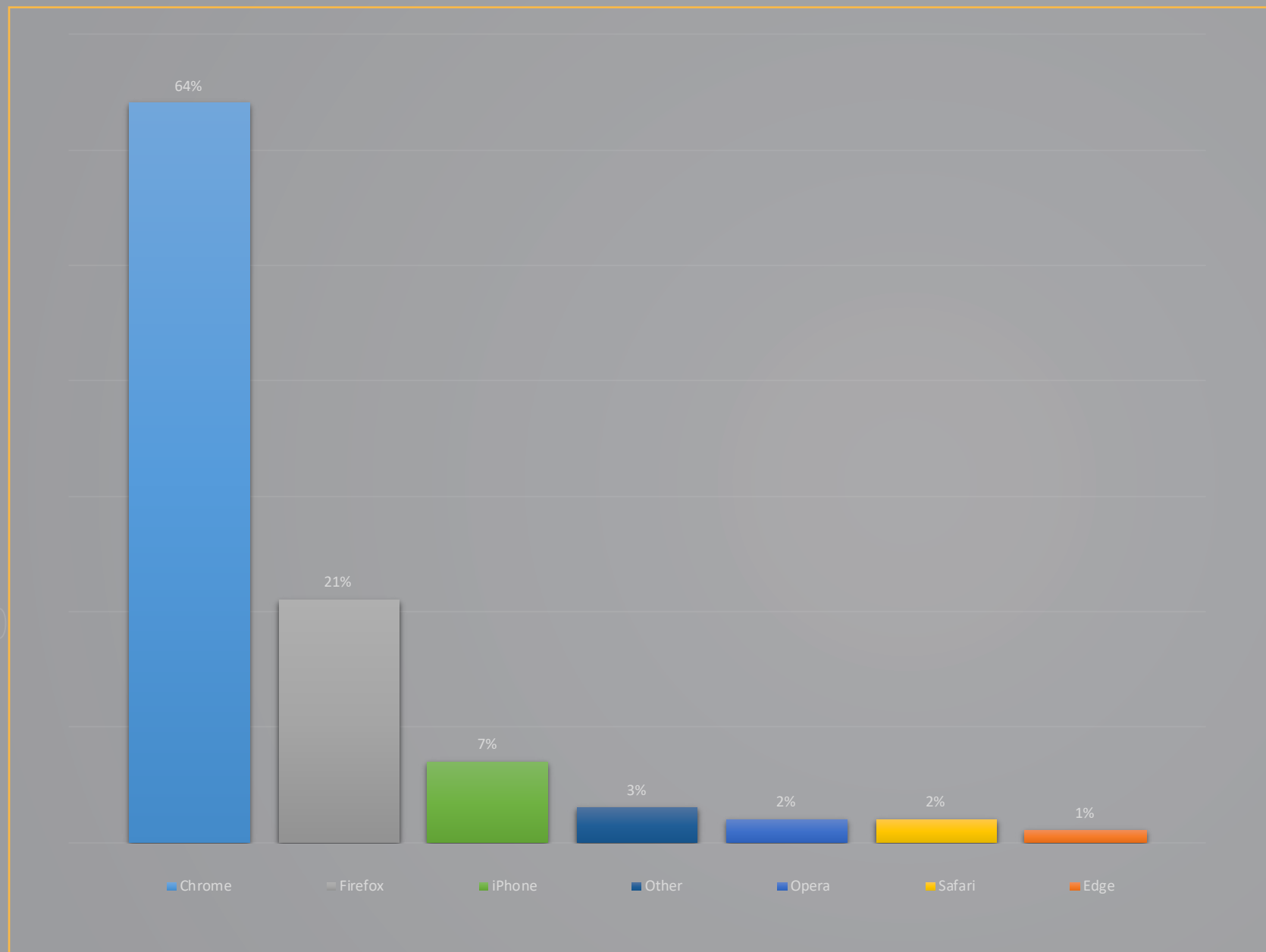
What trend will play the greatest role in the nearest future?



# Bonus

Since we've collected these data... then why not? Here are the browsers used by the translation industry according to the TLC Industry Report 2019 survey.

Apparently, Edge is unable to attract translators.







# Comments and how to contact us

Thank you for reading the report. Our first approach to the industry report shows that many topics are not unambiguous. Some views are lost in the crowd, others crystallize in very selected groups. The survey and all the comments that have come with it are a good reflection of the A.D. 2019 market. Or maybe even A.D. 2020? We'll find out six months from now.

We have made every effort to properly collect and interpret the data, but we cannot rule out errors. So if you see an obvious error, write to us, and we promise to fix the report and publish its updated version. If you have ideas for the next edition of the report, we will be grateful for your suggestions. The easiest way to contact us is to e-mail us at: [info@translation-conference.com](mailto:info@translation-conference.com).

## Our thanks go to:

Anna Lewoc, Jacek Mikrut, Tomasz Zarzycki, TLC 2019 participants, Localize.pl, Textem, Wojciech Froelich, Argos Multilingual.