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Gartner recently published the top trends affecting technology customers, buyers, products, ecosystems, business models and operating models worldwide for at least the next three years. Localization plays an important role.

Gartner said that one of the major trends affecting technology providers is techno-nationalism. Gartner describes techno-nationalism this way:

> A trend away from globalization and into mercantilism is causing global markets to become increasingly local, impacting global technology ecosystems. Policy decisions are driving countries to implement digital sovereignty regulations, causing a divergence of technology stacks. In response to this trend, product leaders must balance meeting specific country-level localization needs and product profitability.

It's interesting that Gartner did not “lead” with localization as a trend. Instead, Gartner connected localization to a broader trend of decentralized global markets.

This makes perfect sense.

As our CEO Venkat Rangapuram wrote recently, the notion that a company can enjoy a limitless movement of goods, capital, and services worldwide is less tenable, as the ongoing disruption of

supply chains demonstrates.

Indeed, author Rana Foroohar wrote recently in Foreign Affairs magazine that all economics is local. In the article, she discusses how mainstream economists are increasingly accepting the reality that geographically specific factors have enormous economic implications. She noted,

> The importance of place has become even more evident since the start of the COVID-19 pandemic, the economic decoupling of the United States and China, and Russia's war in Ukraine. Globalization has crested and begun to recede. In its place, a more regionalized and even localized world is taking shape. Faced with rising political discontent at home and geopolitical tensions abroad, governments and businesses alike are increasingly focused on resilience in addition to efficiency. In the coming post-neoliberal world, production and consumption will be more closely connected within countries and regions, labor will gain power relative to capital, and politics will have a greater impact on economic outcomes than it has for half a century. If all politics is local, the same could soon be true for economics.

Foroohar paints a picture of a world of micro-economies with multiple impacts. Gartner identifies one of them succinctly: "product leaders must balance meeting specific country-level localization needs and product profitability."

Easier said than done!

Over the past few years, at Centific we've been discussing the myriad ways businesses localize, and from our multiple blog posts, webinars, and white papers, a number of truths emerge, including:

- **Localization is more than language translation**. Language translation is part of AI localization, but localization also includes localized experiences that people love no matter what country they live in – experiences that resonate based on their own cultures.

- **Localization is intertwined with technology**. For instance, the popularity of AI-fueled products such as voice assistants has given rise to AI localization -- or localizing AI products, tools, and services to work in their respective markets. Localizing AI is about training AI with localized data – collecting and curating data sets that respond to cultures in different markets.

- **Localization is about being inclusive**. Localization, when done properly, makes experiences and products more inclusive to people from all walks of life in context of where they live. But being inclusive takes work. Businesses need to localize products and experiences by relying on a globally diverse team of people whose experiences reflect the diverse nature of the population that a business serves.

It's always made good business sense for companies to localize. But localization is increasingly a requirement for a large enterprise to exist, period. Businesses need to work harder to earn customer loyalty, online and offline. The approach that works for customers in Stockholm won't work for one in Tokyo. Being local means creating personalized experiences that resonate within local cultures. That's what we do for our clients at Centific. We recently published a white paper, *The State of Localization*, that discusses a number of trends affecting localization in 2023 and beyond. I invite you

to download *The State of Localization* for insights based on our work helping businesses succeed with localization. Contact us to learn how we can help you succeed, too.

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