ADITI
CONSULTING

2025 United States

Nearshore
Report

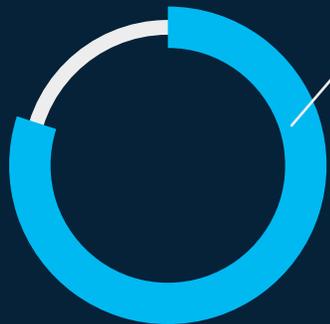# Table of Contents

Introduction

Nearshoring in a Nutshell

Nearshoring is an approach to outsourcing that taps into talent pools located in close geographic proximity to the U.S., providing North American businesses with a talent delivery model that offers the benefits of both offshoring and onshoring while reducing risk.

The nearshore market is experiencing a significant surge, with a growing number of domestic businesses turning to nearshore outsourcing options over traditional practices. This trend is underscored by Bloomberg's estimation that 80 percent of North American firms are actively considering nearshoring for critical projects across various industries.
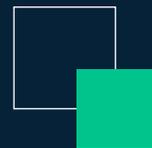
80%

of North American firms are actively considering nearshoring for critical projects across various industries.

With Latin America (LATAM) <u>emerging as a thriving tech hub</u> for software development and engineering, more U.S. companies are tapping into the talent pool of LATAM countries, including Argentina, Brazil, Colombia, Ecuador, Mexico, and Uruguay. This collective shift toward nearshoring has been prompted by challenges including (but not limited to):

- Cultural differences including language barriers
- Economic and political uncertainty
- Time zone difficulties
- Disruptions in international supply chains

This report will delve into the advantages of adopting a nearshore model, leveraging the latest technology trends and the expertise of digital engineering services firm Aditi Consulting across global markets to highlight the growing relevance of nearshore outsourcing in today's business landscape.

> " *With Latin America (LATAM) emerging as a thriving tech hub for software development and engineering, more U.S. companies are tapping into the talent pool of LATAM countries* "

Note: The following content supersedes the previous publication of Aditi Consulting's 2024 U.S. Nearshore Report, having been updated from its original version for 2025.

Industries Most Likely to Benefit from Nearshoring

Industry	Benefits of Nearshore Outsourcing
High Tech	**Scalability based on demand:** Nearshore outsourcing enables businesses to supplement core teams with specialized on-demand resources whenever needed without the constraints of committing to full-time hires. **Application modernization:** By utilizing modern frameworks and cloud-native architectures, a nearshore approach ensures that networks and platforms remain future-proof and adaptable to changing business requirements. **Access to specialized tech talent:** Nearshore IT services allow organizations to tap into a diverse talent pool of skilled professionals proficient in advanced technologies, such as Internet of Things, AI, robotics, and 3D printing. **Competitive edge:** With technological developments unfolding so quickly, access to emerging tech talent via nearshore outsourcing is critical for accelerating innovation and staying ahead of the curve.
Manufacturing	**Supply chain optimization:** By establishing manufacturing facilities in nearby countries, companies can significantly reduce transportation costs and enhance responsiveness. **Lead time reduction:** The proximity of manufacturing operations facilitates faster turnaround times, reducing the time to market for new products and innovations. **Mutual prosperity:** Nearshore outsourcing promotes regional economic development and fosters closer collaboration between neighboring countries, strengthening trade relationships. **Flexibility in meeting customer demands:** Nearshoring allows for closer coordination between production facilities and end markets, enabling companies to adapt quickly to changing customer preferences and market dynamics.

Telecom & Media	• **Improved network operations:** Nearshore partners help to reduce downtime and enhance overall network reliability by tracking network traffic, troubleshooting issues, and implementing upgrades. • **Content moderation:** Nearshore partners help safeguard brand reputation and protect users from harmful online experiences by monitoring user-generated content and identifying and addressing harmful or inappropriate material. • **Customer support:** Nearshore teams with multilingual capabilities and cultural sensitivity can provide responsive and personalized customer support services to address inquiries, resolve issues, and foster positive customer relationships. • **Software development:** Nearshore partners with expertise in software development methodologies, programming languages, and emerging technologies can collaborate with telecommunications companies and media organizations to develop and customize software solutions tailored to their specific needs.
Financial Services	• **Improved efficiency:** When teams operate in close proximity and aligned time zones, communication barriers are minimized, allowing for swift decision-making and agile responses to evolving business needs. • **Cost savings:** By tapping into nearshore talent pools in regions with lower labor costs, companies can achieve significant savings without compromising on quality or expertise. This cost-effective approach enables organizations to allocate resources more efficiently and reinvest savings into strategic initiatives or innovation efforts. • **Access to expert talent:** Regions often boast a deep understanding of industry regulations and compliance requirements, which ensures adherence to stringent standards and mitigating regulatory risks. • **Competitive edge:** Access to fintech expertise allows companies to leverage innovative technologies and solutions to drive digital transformation initiatives and stay ahead of industry trends.

Healthcare, Pharma, and Life Sciences	▪ **Format conversion:** Nearshore partners with skilled professionals proficient in medical terminology and transcription technologies play a vital role in converting patient records and clinical documentation into accurate electronic formats. This facilitates faster turnaround times, reduces administrative burdens, and ensures the accuracy and confidentiality of patient information, accelerating medical affairs and scientific communication. ▪ **Research acceleration:** Nearshore teams with expertise in clinical trial management, data analysis, and regulatory compliance support life sciences companies in conducting efficient and cost-effective clinical trials. This can streamline drug discovery and delivery of other breakthrough treatments to vulnerable populations. ▪ **Care delivery optimization:** Nearshore partners with expertise in telemedicine platforms, medical device integration, and virtual care delivery can assist healthcare organizations in expanding their telemedicine offerings, reaching underserved populations, improving patient engagement, and broadening access to healthcare services. ▪ **Safe & compliant products:** Nearshore manufacturing facilities equipped with state-of-the-art technology and adherence to stringent regulatory standards ensure the production of high-quality pharmaceutical products while minimizing production costs and supply chain risks.
Retail & E-Commerce	▪ **Access to diverse talent:** Nearshoring outsources from a wide pool of talent that continues to deepen as LATAM governments invest heavily in technology education, allowing for the potential expansion of retail product or service offerings. ▪ **Customer support:** Nearshore teams can leverage time zone alignment to provide accessible 24/7 support, speeding up response times and improving customer experience. ▪ **Cultural synergy:** Nearshore outsourcing leverages linguistic and cultural synergy so participating companies can offer customer support in Spanish to a sizable portion of their customer base, enhancing satisfaction and engagement. ▪ **Language overlap:** The convergence of linguistic capabilities between North and South America not only facilitates effective communication but also fosters a deeper understanding of cultural nuances and customer preferences.

2025 Nearshoring Trends

There is a complex web of trends driving the nearshoring revolution in the global trade system. This includes widespread AI adoption, globally accessible talent pools, and other technological and cultural developments that enable frictionless collaboration across great distances.

Adoption & Integration of AI Tools

Perhaps the most prevalent of technology trends unfolding today is the surge of AI and machine learning (ML) tools sweeping the business landscape, which certainly hasn't skirted the nearshore market. These advanced technologies have use cases in countless areas of nearshore outsourcing, such as:

- **Safeguarding networks:** AI-powered threat detection works to continuously monitor a network, using predictive analytics to identify vulnerabilities and prevent breaches before they escalate.

- **Predicting fraud:** By leveraging predictive fraud detection powered by ML, real-time transactional and account data is analyzed to spot suspicious activities before they escalate.

- **Maintaining compliance:** AI-powered solutions, such as automated compliance audits, allow companies to navigate unique regulatory landscapes, safeguard customer data, and reduce legal risks.

- **Managing talent:** Implementing advanced workforce management tools, such as ML algorithms to optimize task allocation and automate routine processes, empowers skilled professionals to focus on high-impact, strategic projects over mundane tasks.

ADITI CONSULTING

Supply Chain Realignment & Friendshoring

Friendshoring is an emerging practice that entails sourcing raw materials and manufactured goods from countries that share similar economic and political values with one's own nation. By prioritizing trade relationships with like-minded countries, friendshoring aims to reduce the vulnerability of a nation's supply chains to geopolitical tensions that often characterize relations between major global players, such as the U.S., China, and, at times, India.
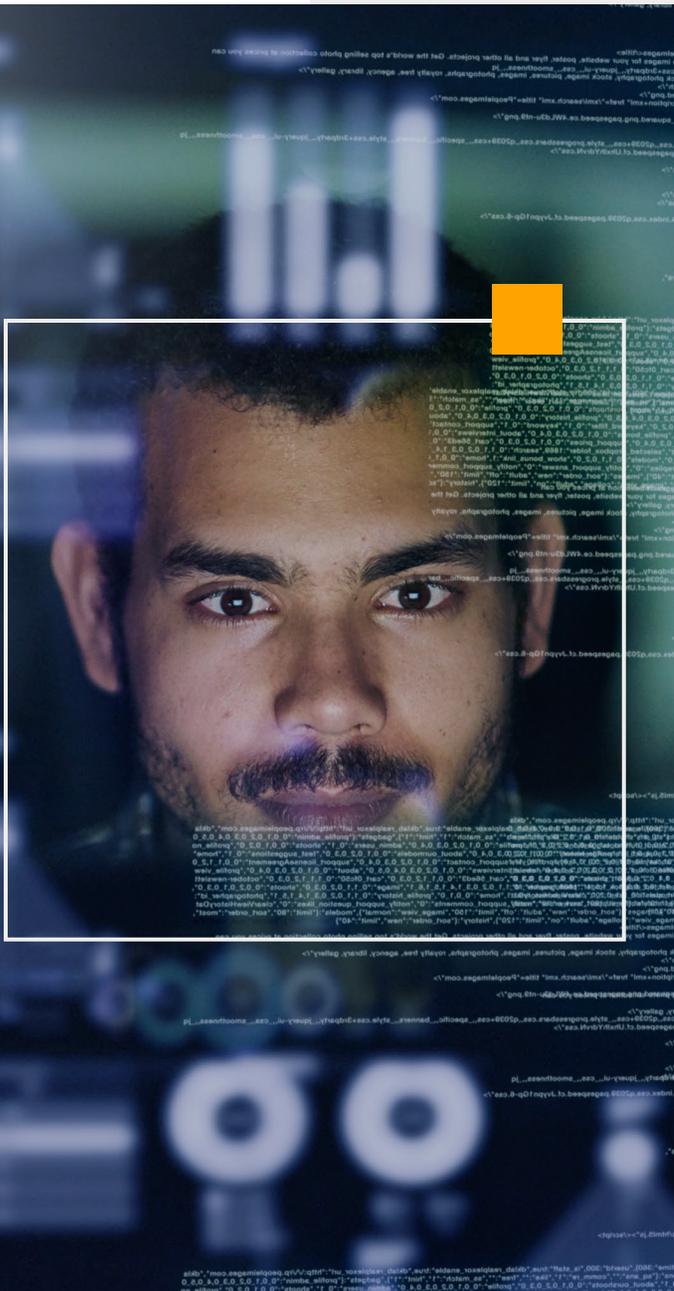
The concept of friendshoring reflects a strategic shift toward building more resilient and stable supply chains by fostering closer ties with trusted allies and partners. By aligning economic interests with countries that share common values and principles, nations can minimize the risks associated with disruptions in international trade and geopolitical conflicts.

Nearshore outsourcing supports friendshoring efforts and its accompanied desire to streamline supply chains by:

- Reducing delivery and turnaround times, resulting in faster time to market
- Minimizing shipping and inventory expenses
- Allowing for closer coordination between production facilities and end markets

"Friendshoring is an emerging practice that entails sourcing raw materials and manufactured goods from countries that share similar economic and political values with one's own nation."
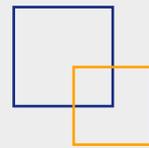
The Rise of Hybrid Work & Remote Services

Regardless of whether or not the cultural shift toward a work-from-home (WFH) model was inevitable, the COVID-19 pandemic arguably accelerated the pace of this trend. When virtually everyone had to suddenly adapt to a fully digital life, the working world was forced to quickly catch up.

Now, after the fact, many of today's businesses desire the same fully remote capabilities (just in case) while aiming to keep their services as close to home as possible (once again, just in case). The result? The prevalence of WFH and hybrid work models in LATAM has skyrocketed, with remote models surging tenfold just three years after the start of the lockdown.

And it's not just working professionals who have been impacted by the rush to remote offerings. Telemedicine is just one example of a rapidly growing field in the healthcare space; it's driven both by advancements in technology and the increasing demand for remote healthcare services.

Nearshore partners with expertise in telemedicine platforms, medical device integration, and virtual care delivery can assist healthcare organizations in expanding their telemedicine offerings, reaching underserved populations, and improving patient access to healthcare services.
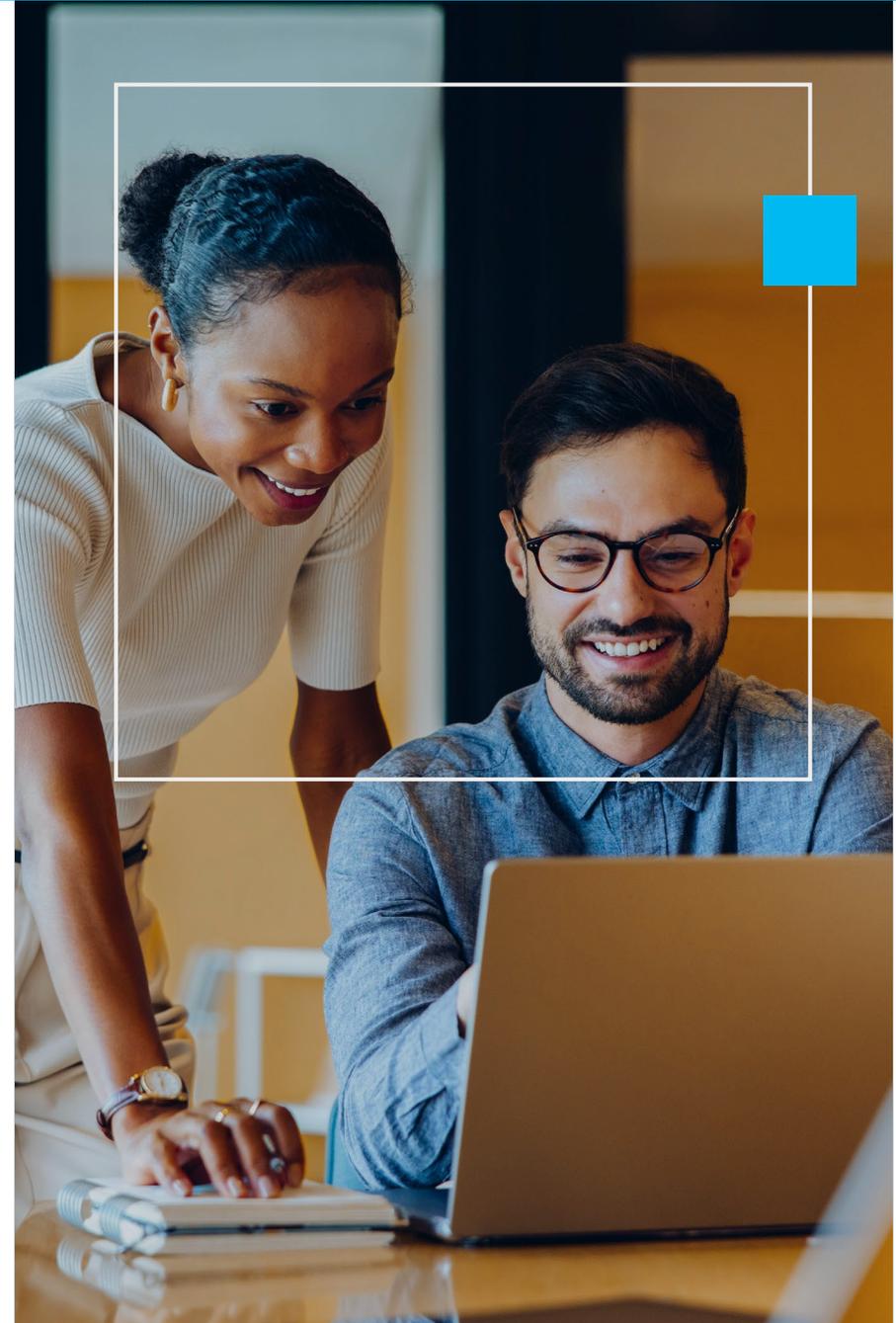
> "*The prevalence of WFH and hybrid work models in LATAM has skyrocketed, with remote models surging tenfold just three years after the start of the lockdown.*"

The Need for Seamless Scalability

Traditional hiring processes tend to involve terminating or redeploying employees upon project completion—a process that's proven to be both cumbersome and costly. The evolving demands of today's business landscape call for strategic access to necessary talent through a scalable, highly adaptable approach.
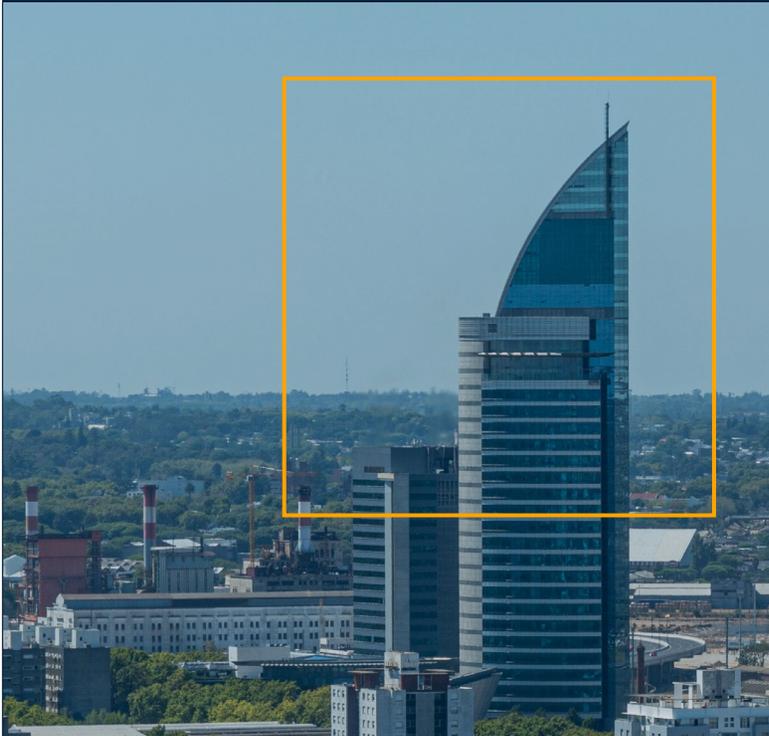
Nearshore models tap into a wide pool of highly skilled professionals readily available to support your projects, ensuring that you have access to the right talent at the right time.

In this way, nearshore outsourcing provides manufacturers with greater flexibility and scalability to adapt to changing market demands and technological advancements. The on-demand support, rapid prototyping capabilities, and agile development methodologies nearshore teams supply enable manufacturers to respond quickly to market opportunities and stay ahead of competitors. This flexibility not only optimizes resource utilization and project efficiency but also minimizes the risks and overhead associated with traditional staffing models.

"*Nearshore teams are often experienced in collaborating with international clients and are familiar with global best practices.*"

Talent Globalization

Thanks to global digitalization, skilled, specialized talent is now more accessible than ever. This advancement has certainly made it easier to access high-demand talent anywhere in the world, but that capability only scratches the surface of the nearshore outsourcing advantage.

Nearshore destinations in LATAM boast a well-educated and skilled tech talent pool. Many countries in this region prioritize investments in education and technology, producing graduates with strong technical expertise and proficiency in cutting-edge technologies. Universities in countries like Brazil, Chile, Mexico, and Argentina have expediently made their way onto lists of highly-ranked institutions worldwide, including the U.S. News & World Report 2025-2026 Best Global Universities. By nearshoring, companies can tap into this talent pool, ensuring access to skilled professionals who can deliver high-quality work in major practice areas, including software development, cybersecurity, quality assurance, and more.

Moreover, nearshore teams are often experienced in collaborating with international clients and are familiar with global best practices, further enhancing their ability to meet and exceed expectations. This combination of talent and experience allows companies to maintain high standards of quality and performance while also benefiting from cost efficiencies associated with nearshore operations.

Employee Development to Address Skills Gaps

Also gaining traction as a method of creating a competitive advantage is the pressing need for constant upskilling and reskilling of employees. Not only is keeping your workforce informed of the latest advancements and technologies paramount to staying ahead in the digital world, but it also contributes to higher job satisfaction and lower attrition rates. That means that prioritizing employee success through development initiatives benefits both your people (by furthering their careers or goals) and your business directly (by addressing skills gaps and promoting innovative thinking).

Furthermore, workforce training aimed at upskilling and reskilling the labor force can enhance the competitiveness of domestic industries and make nearshoring more viable for companies seeking skilled talent. Government-funded training programs, apprenticeships, and vocational education initiatives can address skills gaps, boost productivity, and attract investment in high-value-added manufacturing and IT services.

Data Security & Governmental Compliance

Like currency, business data is both a valuable asset and a considerable liability. Keeping that data safe while maintaining necessary access is a challenge that spans every industry. What's more, government policies and regulations regarding the use and management of that data are constantly changing, making it difficult for any one company to reliably remain compliant while maintaining data integrity—unless that company has access to resources that can help with navigating the nuances of regulatory compliance, as is the case with nearshore outsourcing.

Nearshoring offers U.S. manufacturers the opportunity to maintain greater control over intellectual property and data security. Partnering with nearshore providers in countries with robust intellectual property laws and stringent data protection regulations allows manufacturers to safeguard their proprietary information and ensure compliance with relevant legal and regulatory requirements.
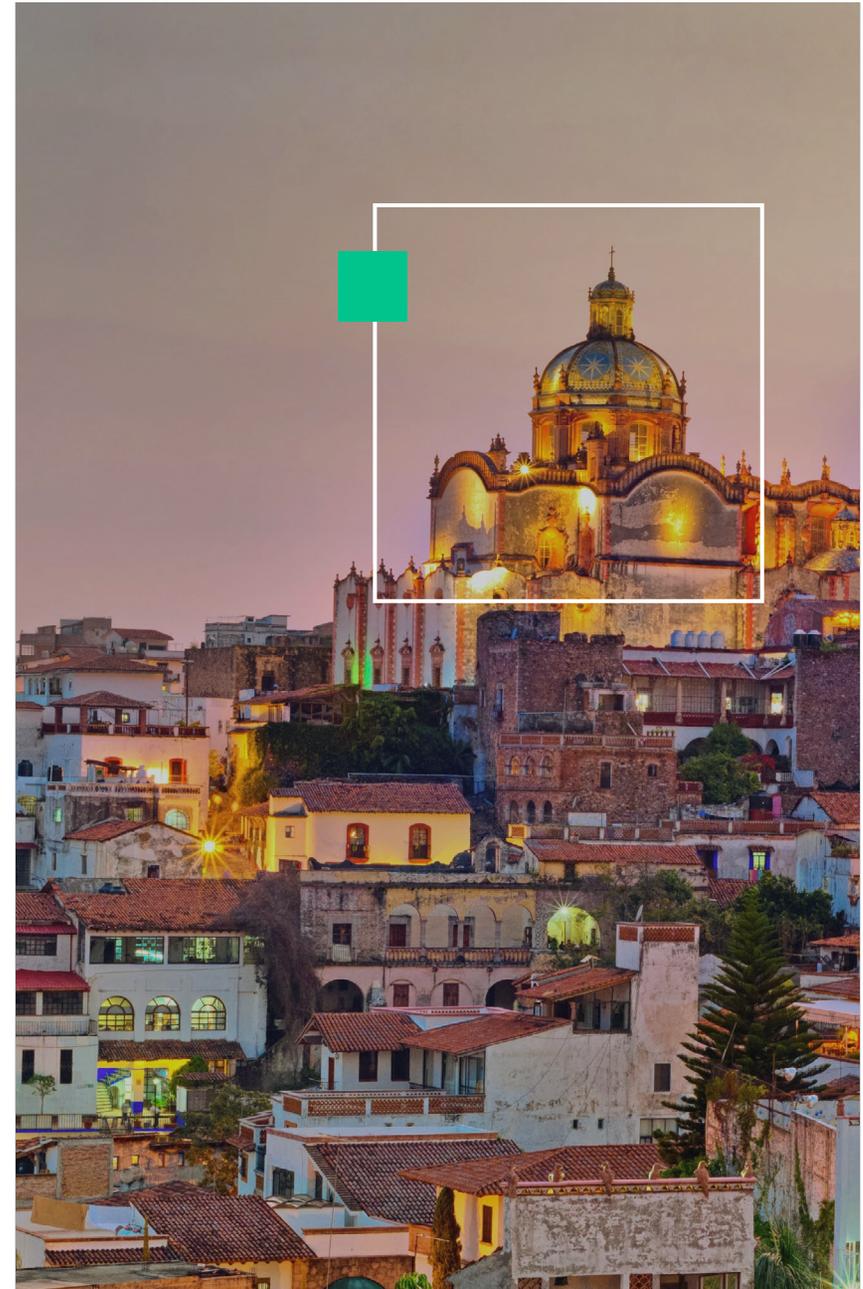
Additionally, government legislation, trade agreements, and incentives play a pivotal role in shaping the trajectory of nearshoring trends in IT services and manufacturing sectors. By implementing supportive policies that promote domestic production, research and development, workforce training, and infrastructure investment, governments can incentivize companies to nearshore their operations and stimulate economic growth in targeted industries.

Sustainability & Environmental Considerations

Lastly, nearshoring initiatives are increasingly recognizing the importance of sustainability and environmental considerations in manufacturing operations. By prioritizing factors such as energy efficiency, carbon footprint reduction, and responsible sourcing practices, companies can not only minimize their environmental impact but also align with corporate social responsibility goals and meet the growing consumer demand for environmentally conscious products and services.

One key aspect of sustainable nearshoring is selecting partners with a commitment to environmentally friendly practices. This may include nearshore manufacturers that employ sustainable manufacturing techniques, utilize renewable energy sources, and incorporate eco-friendly technologies into their production processes. By collaborating with such partners, companies can reduce their carbon footprint, minimize resource consumption, and contribute to the preservation of natural ecosystems.

Sustainable nearshoring also extends beyond manufacturing operations to encompass the entire supply chain. Companies may prioritize nearshore partners that adhere to responsible sourcing practices, such as ethically sourcing raw materials and ensuring fair labor practices throughout the supply chain. By promoting transparency and accountability in sourcing decisions, companies can build trust with stakeholders and demonstrate their commitment to ethical and sustainable business practices.

Aditi Consulting, Nearshoring, & LATAM

Selecting the right partner for your technology and software development needs is crucial for ensuring the quality and success of your organization. As companies increasingly recognize the importance of reliable and skilled service providers, Aditi Consulting's nearshore solutions have emerged as a preferred choice for many.

With a robust presence in popular nearshoring destinations such as Argentina, Brazil, Colombia, Ecuador, Uruguay, and Mexico, Aditi Consulting offers a compelling blend of expertise, proximity, and cultural alignment. Our nearshore teams are equipped with the skills and experience necessary to deliver high-quality solutions tailored to the unique requirements of each project, ensuring efficient collaboration and seamless communication throughout the development process. Consulting teams are trained on all relevant guidelines and regulatory frameworks according to specific project needs, making them valuable resources for managing and maintaining compliance.

At Aditi Consulting, we understand the importance of building strong partnerships and delivering value to our clients. By leveraging our extensive network of nearshore resources, we provide companies with access to top-tier talent, cost-effective solutions, and strategic advantages in today's competitive market landscape. Whether you're looking to accelerate innovation, improve efficiency, or enhance your competitive edge, Aditi Consulting's nearshore solutions offer a reliable and scalable approach to digital engineering services (DES).

Nearshoring Explained

Put simply, Aditi Consulting's nearshore delivery model effectively strikes a balance between offshoring and onshoring approaches, reaping the benefits of both.

	Nearshoring	Offshoring	Onshoring
Definition	A balanced approach that outsources talent to nearby countries in similar time zones (most commonly LATAM)	The practice of relocating IT tasks and digital services to a distant country (most popularly Europe or Asia)	The practice of engaging a company within your own country or region to provide business support
Advantages	✔ Geographic proximity and time zone alignment ✔ Large, diverse pools of tech talent ✔ Improved response times ✔ Cultural familiarity ✔ Regulatory similarities ✔ Cost-effective	✔ Cost-effective ✔ Wide pool of tech talent	✔ Geographic proximity and time zone alignment ✔ Cultural familiarity
Drawbacks	✖ Possible economic or political risk	✖ Time discrepancies and slow feedback loops ✖ Economic or political risks	✖ High labor costs ✖ Limited talent availability

The Aditi Advantage

Aditi Consulting's nearshore teams offer the best of both worlds: the efficiency of agile methodologies combined with the advantages of real-time collaboration and in-person communication, leading to enhanced project outcomes and client satisfaction.

The Aditi Advantage is multifaceted, leveraging expertise in critical areas of information technology and digital engineering, such as:

AI + Automation

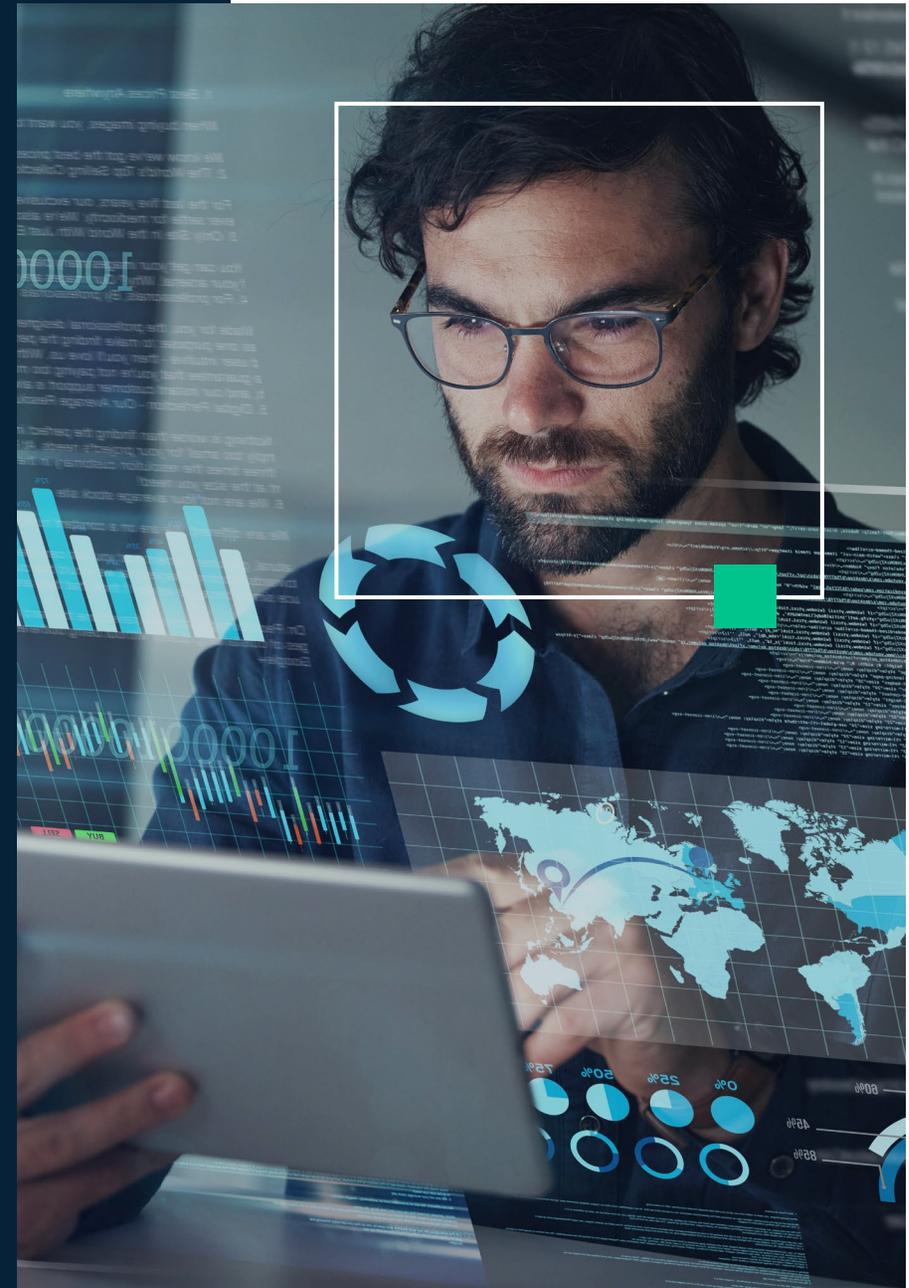Application Modernization

Cloud + Infrastructure

Data + Analytics
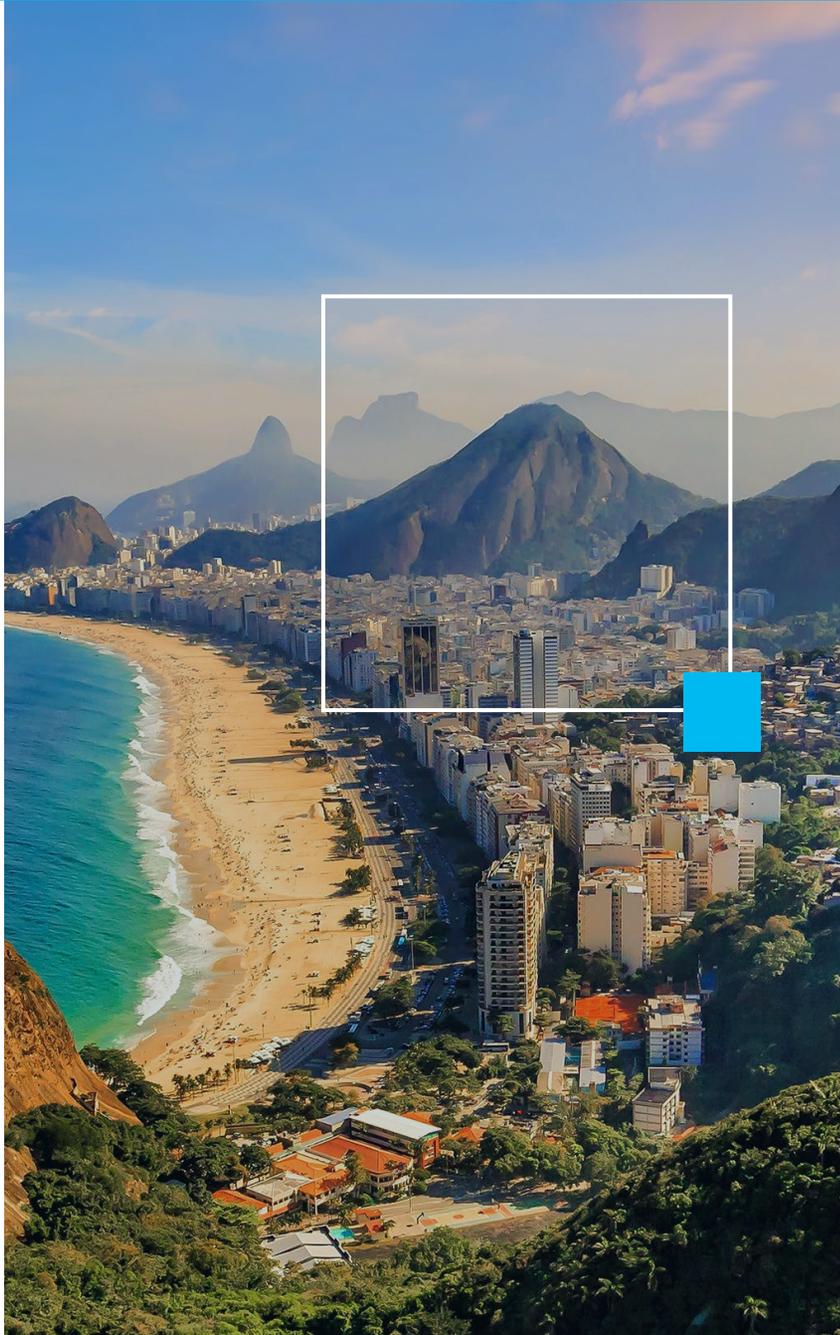
Managed Support

Talent on Demand

Why Proximity Matters

In software development, multidisciplinary agile teams have become the standard for executing technology projects efficiently. Their productivity stems from an emphasis on collaboration, iteration, and short feedback loops.

Unlike offshore teams, which may face challenges due to significant differences in working hours, Aditi Consulting's nearshore teams operate in aligned time zones, enabling real-time collaboration and communication. This alignment facilitates seamless coordination among team members, leading to faster decision-making and smoother project execution.

Moreover, the proximity of nearshore teams allows for easier scheduling of in-person meetings and site visits when necessary. These face-to-face interactions are often invaluable for establishing strong working relationships, fostering trust, and discussing complex project details more effectively. By facilitating direct communication and fostering a sense of camaraderie, in-person meetings contribute to better understanding and alignment among team members, ultimately driving project success.

A Focus on Cultural Alignment

Effective communication is undeniably essential for implementing new processes, receiving valuable feedback, and maintaining productivity in any business setting. At Aditi Consulting, we don't overlook the significance of clear and efficient communication, especially in our nearshore teams based in LATAM. Our highly skilled professionals possess not only technical expertise but also cultural agility, enabling them to navigate diverse working environments seamlessly. Plus, proficiency in English ensures that communication barriers are minimized, fostering smooth collaboration across our nearshore teams.

Teams of culturally agile professionals with strong English language skills create an environment where misunderstandings are rare and collaboration flows effortlessly. This facilitates the exchange of ideas, enables effective problem-solving, and limits the potential for miscommunication. As a result, our nearshore teams in LATAM can work cohesively with clients and colleagues, regardless of geographical boundaries, to deliver exceptional results and drive project success.

At Aditi Consulting, effective communication isn't just a necessity—it's a cornerstone of our approach to nearshoring, enabling us to exceed client expectations and achieve shared goals with confidence. Our emphasis on cultural alignment has even earned Aditi Consulting recognition as a Certified Great Place To Work for February 2025-2026.

High-Quality Labor at Reduced Pay Rates

The lower costs of living and wages in Mexico and other LATAM countries present a significant advantage for companies seeking to achieve their technical goals at a more economical price point compared to their U.S. counterparts. Labor costs in LATAM are notably lower than those onshore, with potential savings ranging from 30 percent to as much as 45 percent, depending on factors such as skills, roles, and experience levels. For example, proficiency level in the English language is taken into account when sourcing talent to encourage blended teams, which helps to optimize costs. The resulting cost differential enables companies to leverage the expertise of skilled professionals in the LATAM region while maintaining cost-effectiveness in their operations.

Additionally, the reduced expenses associated with on-site visits contribute positively to overall operating costs. Unlike offshore arrangements—where travel costs can be substantial due to long distances and time zone disparities—nearshore locations in Mexico and LATAM offer closer proximity to the U.S., resulting in more manageable travel expenses. This proximity allows for easier coordination of on-site visits, face-to-face meetings, and collaborative sessions, facilitating smoother communication and project management while keeping travel costs in check.

Overall, the combination of lower labor costs and reduced travel expenses makes nearshoring in Mexico and LATAM an attractive option for companies looking to optimize their budgets without compromising on quality or efficiency.
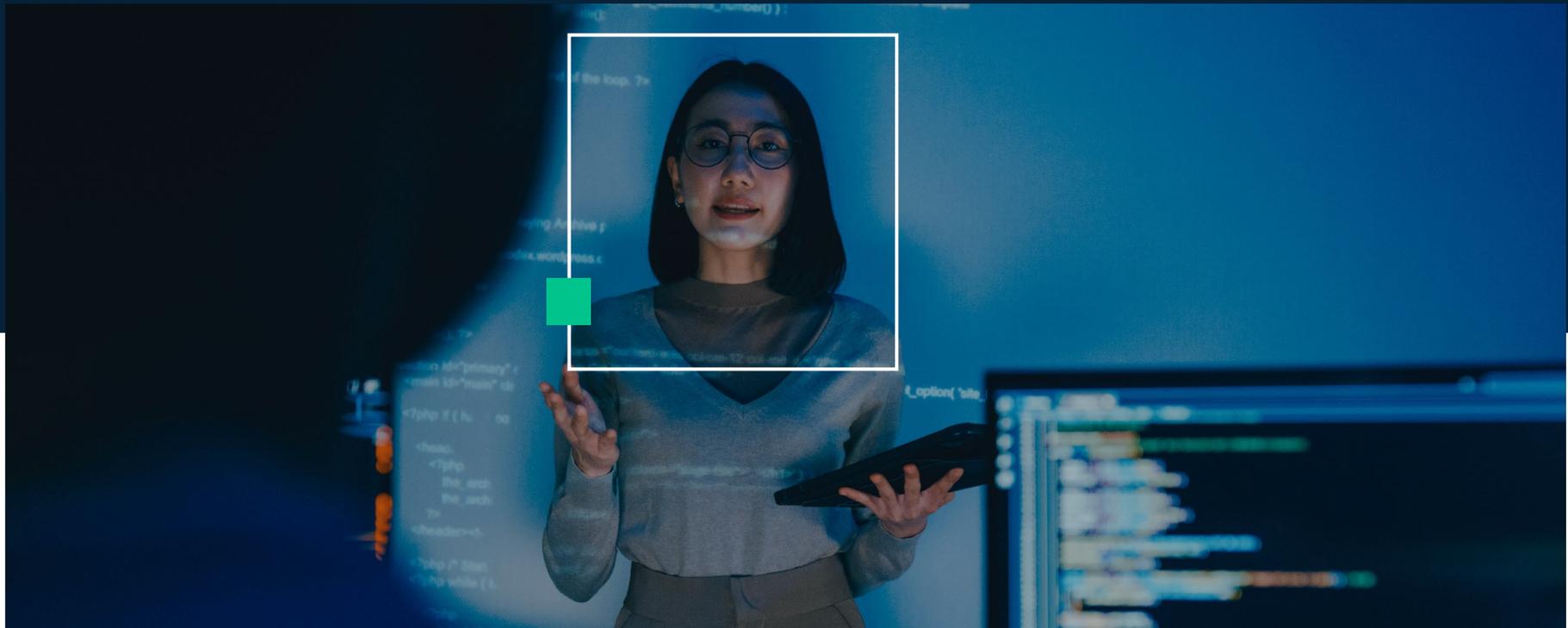
Labor costs in LATAM are notably lower than those onshore, with potential savings ranging from 30% to as much as 45%.

Future Forecast: Nearshoring & AI

Seamless integration of AI capabilities with nearshore outsourcing services is the ultimate goal, and the business world is quickly making progress toward that objective. As we've seen, AI has numerous applications in nearshoring, and the number of use cases is only expanding as AI capabilities advance. AI-driven [pattern recognition, predictive analytics, and price optimization](#) are just a handful of those currently being leveraged by modern businesses for nearshoring purposes.

Additionally, as more and more administrative and data analysis tasks are offloaded to [AI](#), human-enabled strategy will become increasingly valuable. Talent development initiatives must prioritize teaching today's professionals how to work in tandem with AI tools and focus on the tasks and disciplines that AI isn't yet trained to accomplish (e.g., strategic plan development, creative endeavors, and emotional communication).

Learn More About Nearshore Outsourcing

Are you intrigued by the potential benefits of nearshore outsourcing for your business? Contact Aditi Consulting today to discover how our nearshore DES can transform your operations. Our extensive presence in LATAM countries such as Argentina, Brazil, Colombia, Uruguay, Ecuador, and Mexico provides a unique blend of expertise, cultural alignment, and cost-effectiveness.

Regardless of your technology goals, our nearshore solutions provide the flexibility, scalability, and agility you need to succeed in today's competitive landscape. Reach out to us to learn more about how Aditi Consulting can help you leverage the power of nearshore outsourcing to drive innovation, efficiency, and growth for your organization.

ADITI
CONSULTING

www.aditiconsulting.com