
MEXICO



PLUGG
TECHNOLOGIES

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Mexico Report



As one of LATAM's most dynamic economies, Mexico boasts a thriving tech sector with strong government support for innovation and infrastructure. With a focus on STEM education, rising English proficiency, and strategic geographic advantages, Mexico offers an ideal environment for businesses looking to enhance operations through nearshoring. Its cost-effective solutions and proximity to the U.S. make it a top choice for companies seeking to streamline operations and access top talent.

Talent Pool and Workforce

Mexico is a thriving hub for tech talent, producing over 130,000 tech graduates annually and contributing to a robust talent pool that now exceeds 700,000 skilled engineers and over 600,000 IT professionals. Cities like Mexico City, Guadalajara (often called the "Silicon Valley of Mexico"), Monterrey, Querétaro, and Mérida are key tech centers driving this growth. Mexico's technology industry has seen consistent expansion, with an average annual growth rate of 10.5% from 2002 to 2018, and the IT services market is projected to grow by 7.53% annually from 2023 to 2028, reaching a value of \$18.03 billion by 2028.

This growth is supported by a highly collaborative and group-oriented work culture, where employees prioritize company goals over individual achievements, fostering a supportive and cohesive work environment. With a rapidly expanding tech ecosystem, cost advantages, and strong government support, Mexico is positioning itself as a major player in global innovation and a prime destination for companies seeking to outsource or expand operations in software development and IT services.

Highlights:

- Mexico's IT sector adds 65,000 new professionals to its workforce every year, with a current talent pool of over 600,000 skilled IT professionals.
- Hiring in Mexico offers significant cost savings, with salaries for tech professionals being 40-60% less than those in the U.S.

Language

The official language of Mexico is Spanish, spoken by nearly the entire population. Mexican Spanish has its own regional dialects and nuances but is generally understood across the Spanish-speaking world. Spanish is used in all official, educational, and business settings.

In the tech and nearshoring sectors, English proficiency is particularly important, and many professionals working in these industries have a good command of the language. Companies that operate internationally often require their employees to have at least intermediate to advanced levels of English, facilitating collaboration with US and European businesses. English is not only important for business but also widely used in Mexico's pop culture, entertainment, and tourism sectors. As globalization increases, so does the emphasis on English proficiency in education and professional training programs, particularly in areas that interact with global markets.

Highlights:

- According to a recent report, 47.4% of tech professionals in Mexico speak English at an advanced level or higher
- Many tech workers pursue additional English certifications through online courses and training programs. Popular certifications include: TOEFL (Test of English as a Foreign Language)





Tech Hub & Business
Quarter in Mexico City

Government

Mexico's government has actively created a business-friendly environment that encourages foreign investment, particularly in the tech and outsourcing sectors. The country's stability, innovation-focused policies, and strong trade agreements have made it an attractive nearshoring destination for US companies seeking cost-effective, high-quality talent with geographic proximity. Mexico's robust trade relationship with the US, strengthened by the United States-Mexico-Canada Agreement (USMCA), simplifies business operations between the two nations, especially in the technology and manufacturing industries. With additional tax incentives for foreign companies investing in innovation-driven sectors, along with lower labor costs and a skilled workforce, Mexico presents a highly appealing environment for US businesses looking to nearshore operations.

Highlights:

- Mexico has invested over \$32 billion in telecommunications infrastructure and IT services over the past six years.
- The government's support for innovation, through tax breaks and R&D incentives, encourages continuous improvement and fosters a smooth transition from education to employment, ensuring a steady pipeline of tech talent.

Education

Mexico has developed a strong foundation in tech education, driven by a robust emphasis on STEM disciplines and government investment. Annually, the country produces over 130,000 graduates from STEM-related programs, with a sharp increase in students pursuing specialized courses such as computer science, software engineering, and information technology. Top universities, including Tecnológico de Monterrey (ITESM), Universidad Nacional Autónoma de México (UNAM), and Instituto Politécnico Nacional (IPN), offer cutting-edge programs that align with the needs of Mexico's growing tech-driven economy.

Highlights:

- With over 50% of tech professionals holding a bachelor's degree, Mexico boasts a highly educated workforce proficient in today's most sought-after programming languages and frameworks.
- English language training is also a priority, with many tech professionals pursuing certifications to enhance their employability.
- Public-private partnerships are emerging, where companies collaborate with universities to tailor training programs that meet industry demands.

Economic Outlook

Mexico's economy is expected to maintain moderate growth in 2024, buoyed by strong trade relationships, particularly with the United States, and a growing manufacturing and technology sector. The economy expanded by 0.2% in Q2 2024, matching preliminary estimates. Annual GDP growth was 2.1% in Q2 2024, slightly below initial readings of 2.2%. The services sector accounts for the largest share of Mexico's GDP at around 6 Mexico's Foreign Direct Investments (FDI) was up 30% in 2023, with \$33 billion in Q3 alone. New investments represented 48% of total FDI into Mexico in 2022, the highest since 2013. Overall, the economic outlook for Mexico regarding nearshoring is very positive, with significant potential for growth in exports, GDP, and foreign investment.



CURRENCY

\$1 USD = 19.94 Pesos
Mexican Peso (MXN)



*Angel of Independence,
Mexico City*

Mexican Culture

Known for their warmth and friendliness, the Mexican people embody a culture that is a vibrant blend of indigenous traditions, Spanish colonial influences, and modern elements, creating a rich and diverse cultural landscape. Family, community, and a strong sense of identity are central to Mexican life, with traditions deeply rooted in the arts, religion, and festivals. As a collectivist society, Mexico places great importance on the needs and goals of the group, often prioritizing them over individual aspirations. This focus on collaboration and teamwork is reflected in both family dynamics and workplace interactions. Politeness and respect are also deeply ingrained in Mexican communication, where formal titles like Señor or Señora are commonly used during first meetings, whether in professional or social settings, reinforcing the value of mutual respect and cordiality.



Top Nearshoring Industries

Technology & IT Services
 Business Process Outsourcing (BPO)
 Fintech and Financial Services
 Healthcare and Medical Devices
 Manufacturing

US Companies in Mexico

- Google
- Microsoft
- Intel
- Stripe
- Amazon
- Nvidia
- Verato

Capital: Mexico City

Time Zone: Multiple - CST, PST, MST, EST

Population: 130 Million

Currency: (MXN) Pesos

Cultural Facts:

In Mexican business culture, personal relationships and trust are highly valued, and meetings often start with small talk about family or personal interests. This warm and friendly approach helps build rapport, as Mexicans prefer to do business with people they know and trust, making relationship-building a key aspect of successful professional interactions.

Why Nearshore?

Optimize Your Workforce with Strategic Talent Arbitrage

As companies continue to seek innovative ways to stay competitive, nearshoring offers a compelling solution that balances cost-efficiency, collaboration, and high-quality service. By choosing nearby locations for outsourcing, businesses can foster long-term partnerships with external teams, ensuring both cultural compatibility and smoother operational integration.

Benefits of Nearshoring

Access to a Highly-Skilled Talent Pool: Latin America offers professionals with advanced technical skills and business training.

High English Proficiency: Many professionals in the region possess excellent English skills, minimizing communication barriers and enhancing collaboration.

Aligned Time Zones: Teams in nearby regions work in similar time zones, allowing for real-time communication and quicker decision-making.

Cultural Compatibility: Teams from neighboring countries often share cultural similarities with the US, leading to smoother collaboration and stronger business relationships.

Faster Onboarding and Ramp-Up Time: Teams can be onboarded quickly due to geographical proximity and cultural alignment, reducing project delays.

Cost Efficiency: Companies can access skilled talent at a significantly lower cost than hiring locally in the US.

Latin America's Key Advantages

Latin Americans are well known for their innovative and collaborative approach to problem-solving. The ability to quickly access and integrate highly specialized talent into a shared culture with unified metrics for productivity and success opens the door to enhanced value creation and a distinct competitive edge. The strategic advantages of nearshoring are significant, and forward-thinking business leaders who embrace this innovation will stay ahead of the competition.



Plugg Technologies

In 2015, our founder, Brian Samson, took a bold leap. Leaving San Francisco for Buenos Aires, he embraced the challenge of scaling a FinTech startup. What began as a small team grew into a powerhouse of 85 talented professionals in Argentina. This transformative experience revealed a powerful truth: Latin America is brimming with exceptional tech talent poised to drive global innovation.

Inspired by this discovery, Brian founded Plugg—a company dedicated to bridging U.S. businesses with the best and brightest minds in LATAM.

Joining him on this mission is Ruben Santana, a staffing expert with 30 years of experience leading successful nearshoring operations in Mexico. Ruben’s deep understanding of the region’s talent landscape has been pivotal in shaping Plugg’s success.



Ruben Santana, President



Brian Samson, Founder

The Plugg Technologies Experience

Today, Plugg is more than a staffing partner—we’re a trusted ally for U.S. companies looking to build exceptional teams throughout Latin America. With a strong foundation of trust, honesty, and transparency, we’ve placed hundreds of top candidates, helping businesses scale faster and more efficiently. Our robust infrastructure, visionary leadership, and unmatched recruiting expertise ensure a seamless nearshoring experience every step of the way.

At Plugg, our mission is simple yet profound: to provide personalized, hands-on service tailored to the unique needs of every client. We combine deep regional roots with an unwavering commitment to excellence, offering a level of care and attention that sets us apart.

From the initial consultation to ongoing support, we focus on building lasting partnerships grounded in integrity and genuine collaboration. With Plugg, you’ll experience more than a service—you’ll gain a partner dedicated to your success.

Contact Us Today to Learn How We Can Help

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