



MedVA / BizVA Virtual Assistant Industry Backgrounder

OVERVIEW

Businesses are increasingly turning to remote virtual assistants to perform routine yet essential functions such as customer service, sales, marketing, reception, transcription, bookkeeping, paralegal work and inventory management. Key drivers for the virtual assistant industry include increasing demand for remote work solutions and advancements in technology that make it easier to work from anywhere in the world. The COVID-19 pandemic also contributed to the trend by popularizing remote work and helping expand the use of facilitating technology.

MARKET TRENDS

The market for human remote virtual assistants is growing significantly. According to a report from Grand View Research, the global virtual assistant market was valued at \$1.7 billion in 2020 and is expected to reach \$26.1 billion by 2028, with a compound annual growth rate (CAGR) of 38.4%. A report by Fortune Business Insights projects that the market will grow even higher, reaching an estimated \$31.7 billion by 2028.

SKILLED & HIGHLY EFFICIENT GLOBAL WORKFORCE

Remote virtual assistants can be based anywhere in the world. The Philippines, in particular, has become a leading source for professional virtual assistants. Reasons include:

- **High Level of English Proficiency:** English is spoken widely in the Philippines, making it one of the largest English-speaking nations in the world. It is taught from an early age and is the primary language used in business and government. As a result, Filipino virtual assistants can communicate easily with clients in English-speaking countries.
- **Highly Educated and Highly Skilled Workforce:** The Philippines has a well-developed education system with a large number of colleges and universities. According to the UN, the Southeast Asian nation has a 97% literacy rate. Many Filipinos are highly educated and have experience working in a range of business fields.
- **Cost-Effectiveness:** The cost of living in the Philippines is low compared to many other countries, which means that labor costs are also lower. According to May 2023 data from the Numbeo global cost of living database, consumer prices in the Philippines are, on average, 52% lower than in the US.
- **Cultural Alignment:** The Philippines has a strong cultural alignment with Western countries, particularly the United States. Many Filipinos are familiar with Western business practices and cultural norms.