Everest Group PEAK Matrix® for Customer Experience Management (CXM) Service Providers 2021

Focus on Teleperformance

July 2021

Background and scope of the research

Background of the research

Over a year into the COVID-19 pandemic, there has been an increase in Customer Experience Management (CXM) outsourcing as enterprises looking to cut costs, balance risks, and maintain CX levels have turned to service providers to digitize their operations, shift to non-voice channels, and migrate to cloud services, all the while complying with regulatory and security norms and ensuring well-being while agents work from home. First-time outsourcers are foraying into the CXM market as customer expectations increase, behaviors evolve, and buyers lacking requisite experience and technological capabilities to manage post-COVID-19 CX demands look for more third-party outsourcing support. Service providers not only showed resiliency by setting up their own Work-At-Home-Agent (WAHA) models, designing hybrid offices and operating frameworks, and establishing instant scaling and flexing options, but also invested in digital offerings such as Intelligent Virtual Assistants (IVAs), intelligent automation, cloud-based contact centers, and omnichannel delivery to ensure business continuity for clients. They are also nurturing more strategic partnerships through consultative engagements, risk-sharing through outcome-based pricing models, and agent engagement through advanced learning and collaboration platforms. To effectively cater to these requirements, providers are developing capabilities through internal investments, their partnership ecosystem, and acquisitions.

In this research, we present detailed assessments of 39 Customer Experience Management (CXM) service providers featured on the CXM Services PEAK Matrix® Assessment 2021. Each assessment provides a comprehensive picture of the service provider's market success, vision and strategy, service focus and capabilities, digital and technological solutions, domain investments, and buyer feedback. The assessment is based on Everest Group's annual RFI process for the calendar year 2020, interactions with leading CXM service providers, client reference checks, and an ongoing analysis of the CXM market.

In this research, we analyze the global CXM service provider landscape and its impact on the CXM market. We focus on:

- CXM Services PEAK Matrix® 2021
- Key insights into PEAK Matrix® dimensions
- Observations and comments on individual service providers
- Sourcing considerations for enterprises

The scope and methodology of this report:

This research covers the following CXM service providers: [24]7.ai, Alorica, Atento, Bosch Service Solutions, Capita, Cognizant, Comdata Group, Concentrix, Conduent, Covisian, Datamatics, DXC Technology, EXL, Genpact, GlowTouch, HGS, Ibex, Infosys, Inktel, Majorel, NTT DATA, Probe Group, Qualfon, ResultsCX, Sitel Group, Startek, Sutherland, SYKES, TCS, Tech Mahindra, Teleperformance, TELUS International, Transcom, transcosmos, TTEC, VXI, Webhelp, Wipro, and WNS

Scope of this report:

Geography
Global

Service providers
39

Services
CXM

CXM Services PEAK Matrix® characteristics

Leaders:

Concentrix, Sitel Group, Sutherland, SYKES, Teleperformance, TELUS International, TTEC, and Webhelp

- Leaders have been consistent in the delivery of CXM services and grew in 2020 through expansion by organic or inorganic means, entering or strengthening presence in new geographies, verticals, and serving smaller buyer sizes and start-ups through specific SMB offerings. They reported better client satisfaction scores due to greater domain expertise, access to a skilled talent pool, and better innovation and transition management in their engagements

- Leaders are also enhancing technological capabilities through proprietary solutions, partnerships, or acquisitions in the areas of AI, intelligent automation, omnichannel cloud contact centers, and remote working (both WAHA and GigCX models). Beyond technology, they are investing in innovation and design thinking labs to test and create new products, while also establishing well-being practices for agent engagement

Major Contenders:

[24]7.ai, Alorica, Atento, Bosch Service Solutions, Capita, Cognizant, Comdata Group, Conduent, Covisian, EXL, Genpact, HGS, Ibex, Infosys, Majorel, NTT DATA, Probe Group, Qualfon, ResultsCX, Startek, TCS, Tech Mahindra, Transcom, transcosmos, VXI, Wipro, and WNS

- Major Contenders are building capabilities in serving different geographies and industry segments, while specializing in a few regions or verticals

- They have also been able to develop sophisticated digital solutions, with some providers relying on third-party vendors to fill capability gaps. They are establishing experience centers and outcome-based commercial constructs for co-innovation and risk-sharing with clients, while also upskilling agents through partnerships or in-house learning platforms

Aspirants:

Datamatics, DXC Technology, GlowTouch, and Inktel

- Aspirants are focused on particular region(s), vertical(s), or buyers, and have relatively small-scale CXM operations, lower number of agents, and skewed shoring mix

- They also have digital capabilities and offer innovative models of delivery, but currently have limited digital and traditional capabilities to cater to requirements of large global buyers

Everest Group PEAK Matrix®
Customer Experience Management (CXM) Services PEAK Matrix® Assessment 2021 | Teleperformance positioned as Leader

Everest Group Customer Experience Management (CXM) Services PEAK Matrix® Assessment 2021[1]
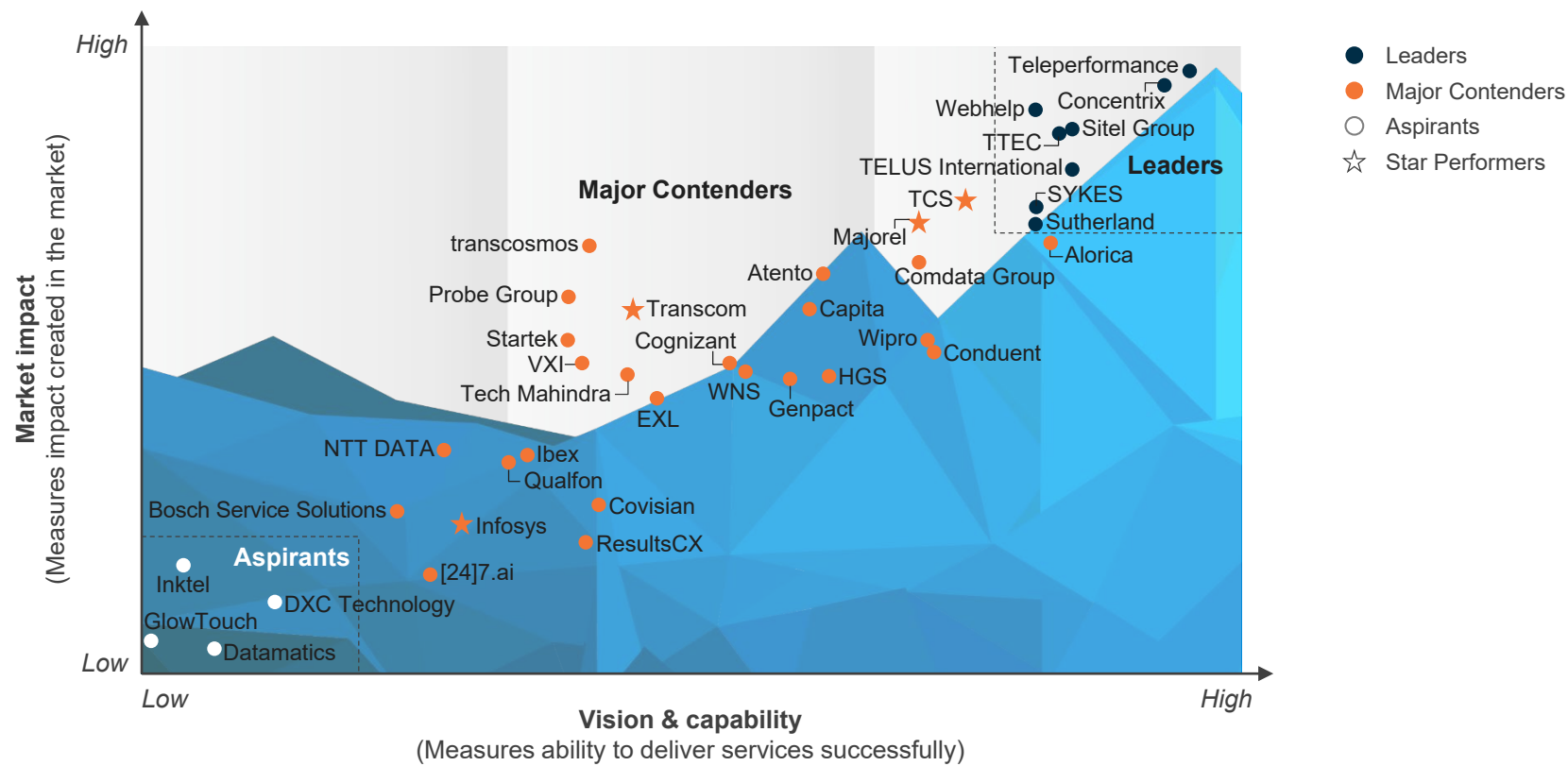
1 Assessment for DXC Technology and NTT DATA excludes service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with buyers
Source: Everest Group (2021)

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Teleperformance | CXM services profile (page 1 of 6)
Overview

Company mission/vision statement

Teleperformance's vision is to be a leading global company in digitally integrated business services and serve as a strategic partner to the world's largest companies in many industries. It offers a One Office support services model combining three wide, high-value solution families: customer experience management, back-office services, and business process knowledge services. Its mission is to develop end-to-end digital solutions that guarantee successful customer interaction and optimized business processes, anchored in a unique, comprehensive, and high-tech approach.

Headquarters: Paris, France   **Website:** www.teleperformance.com

Key leaders

- **Daniel Julien:** Chairman of the Board & Group Chief Executive Officer
- **Olivier Rigaudy:** Deputy Chief Executive Officer & Chief Financial Officer
- **Leigh Ryan:** Chief Legal Officer

- **Agustin Grisanti:** Chief Operating Officer
- **Bhupender Singh:** President of Transformation
- **Alan Winters:** Chief Human Resources Officer

- **Miranda Collard:** Chief Client Officer
- **Luciana Cemerka:** VP of Global Marketing

Recent developments

- **2020:** completed the acquisition of Health Advocate, a provider of consumer health management business services and digital solutions to further strengthen the added-value specialized services business in the US in the healthcare market
- **2020:** launched TP Cloud Campus, a global solution for enabling remote working in 170+ world markets / 265+ languages
- **2020:** joined CAC 40, the primary index of the Paris Stock Exchange
- **2019:** launched 100% WAHA in Japan
- **2019:** launched Teleperformance Innovation Experience Center (TIEC) in Santa Clara, California
- **2019:** launched a comprehensive global cybersecurity program

Note: This profile is based on 2020 data and the updated profile with 2021 numbers will be published in Q3 2021.

CXM revenue
In US$ million

5,998	6,534
2019	2020

Scale of CXM
Number of FTEs

330,000+	383,000+
2019	2020
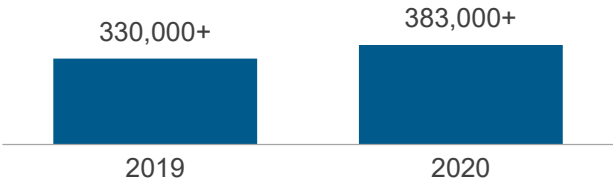
CXM client base
Number of clients

1,000+	1,000+
2019	2020

Teleperformance | CXM services profile (page 2 of 6)
Capabilities

Split of CXM FTEs
Number of FTEs

By location	By language	By process
Not disclosed	Not disclosed	Not disclosed

Teleperformance | CXM services profile (page 3 of 6)
Key CXM investments | proprietary solutions and partnerships
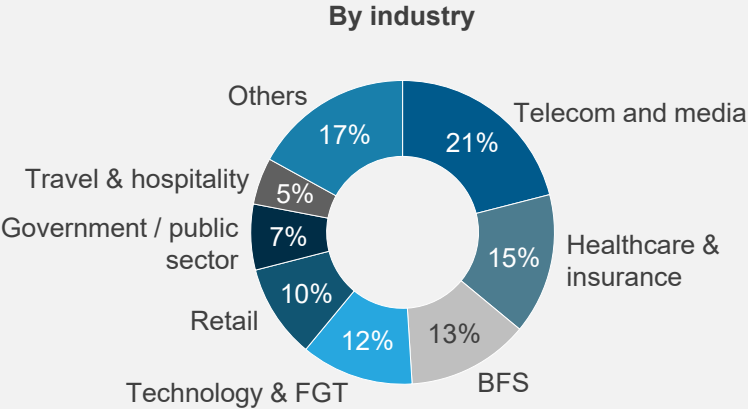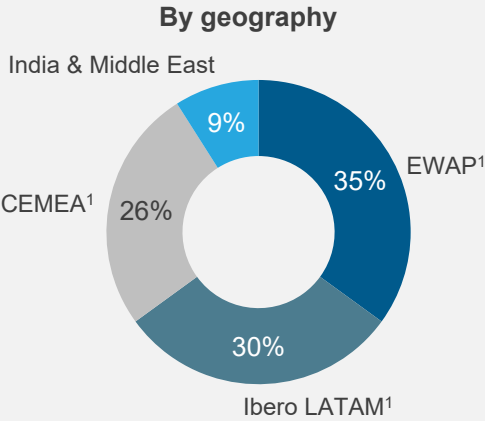
Key partnerships
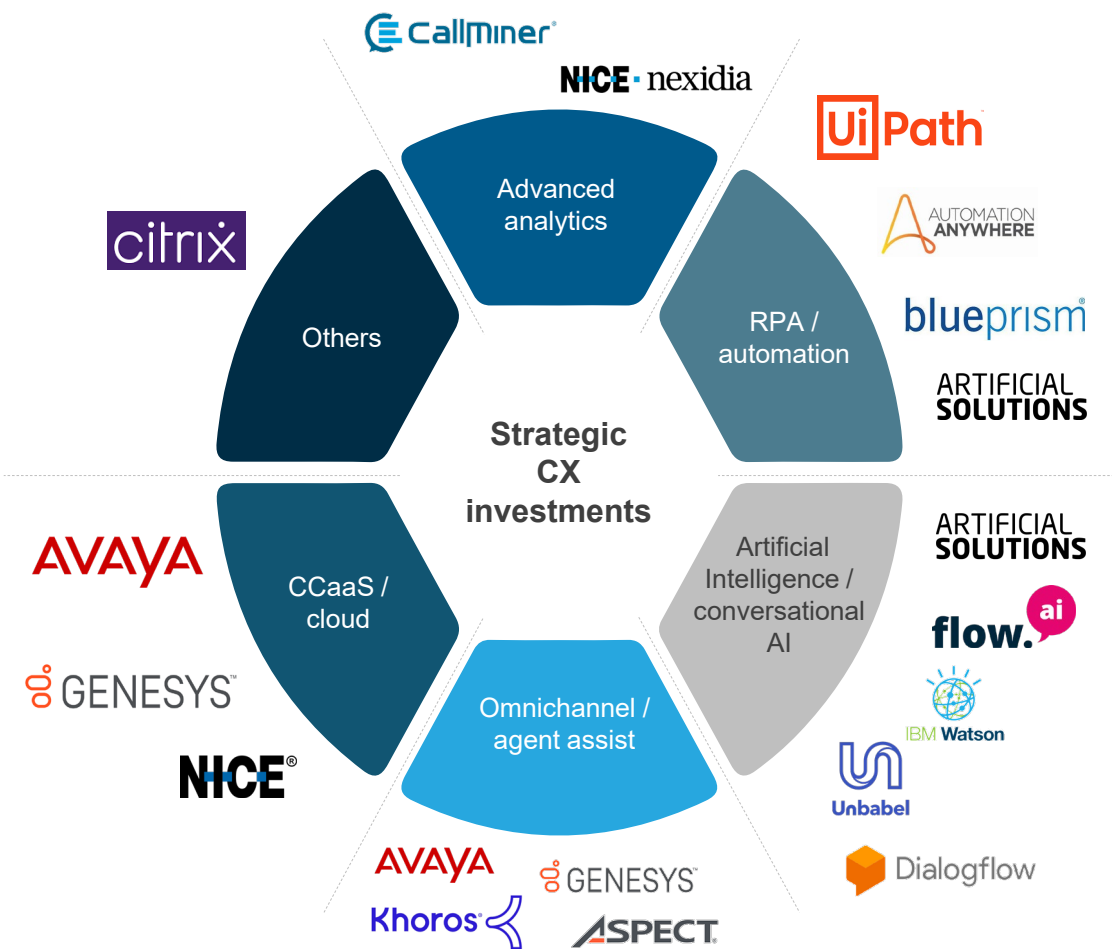
Key proprietary solutions

TP Prompto	The solution is used for analytics of unstructured data and sentiment analysis
TP Interact	The tool is used for speech analytics
TP Recommender	It is an analytics platform that recommends next best alternative products or services
TP Automation	The solution optimizes RPA/RDA projects with TP methodology
TP Bot	It is used to automate conversational AI projects
TP Email Bot	It is used to automate email responses through AI
TP Client	It is an omnichannel and workflow management tool
TP Gamification	It is a platform for reward and gamification on operations floor
TP Observer	The tool ensures real time floor management and security monitoring

Teleperformance | CXM services profile (page 4 of 6)
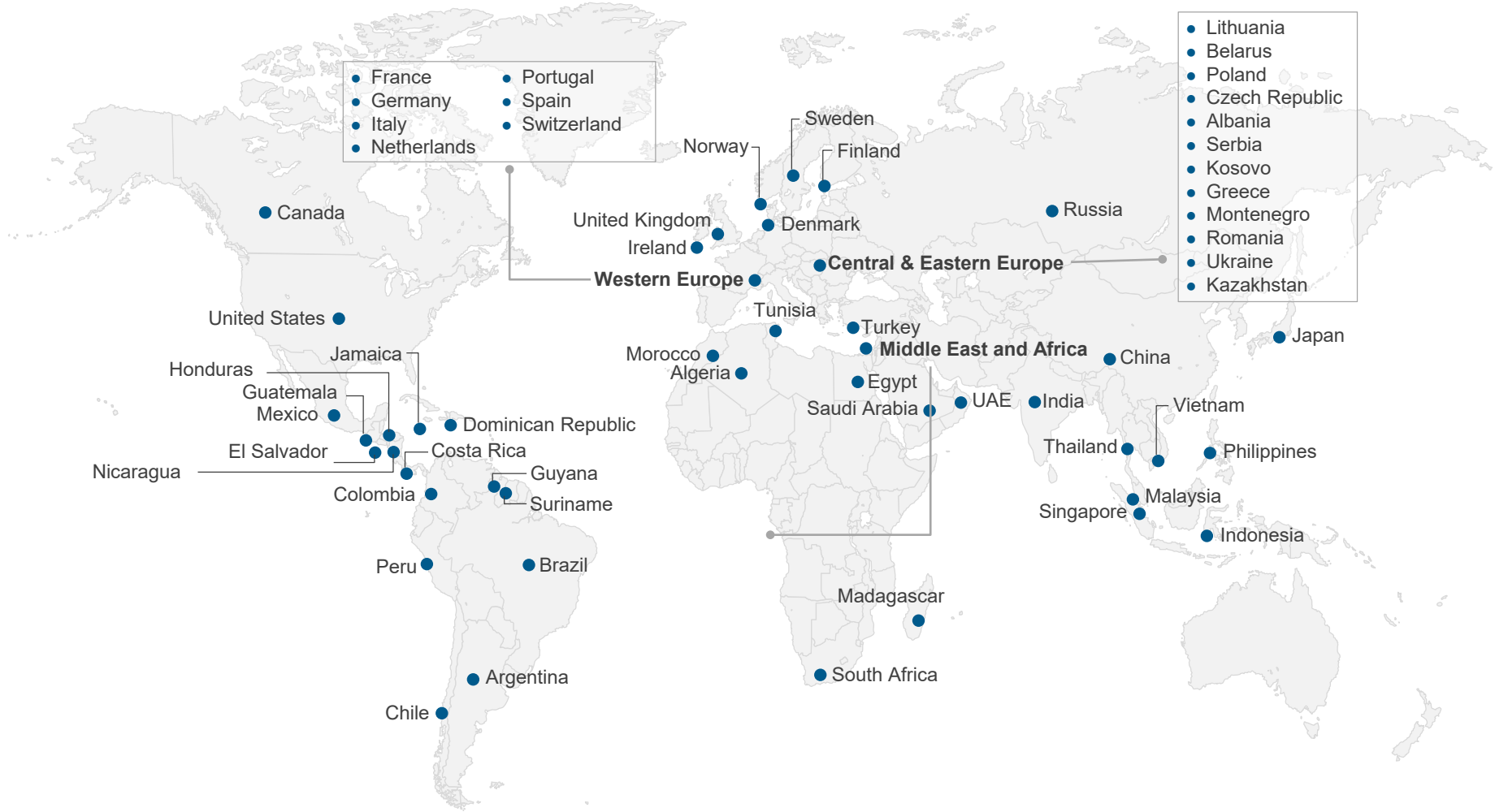## Client portfolio

CXM revenue mix
US$ million

By geography

- India & Middle East: 9%
- EWAP[1]: 35%
- Ibero LATAM[1]: 30%
- CEMEA[1]: 26%

By industry

- Telecom and media: 21%
- Others: 17%
- Healthcare & insurance: 15%
- BFS: 13%
- Technology & FGT: 12%
- Retail: 10%
- Government / public sector: 7%
- Travel & hospitality: 5%

By buyer size

Not disclosed

Key customer experience engagements		
Client name	**Region**	**Client since**
A global consumer electronics company	Multiple regions	2009
A Fortune 100 global retailer	Multiple regions	2008
A multinational banking company	Multiple regions	2008
A global telecom company	Multiple regions	2005
A top pharmaceutical benefits management company	North America	2005
A major transportation and logistics company	Multiple regions	1998

1 EWAP includes North America, the United Kingdom, and Asia Pacific including Australia and New Zealand; Ibero-LATAM includes Latin America, Portugal, and Spain; CEMEA includes Continental Europe and Middle East & Africa

Teleperformance | CXM services profile (page 5 of 6)
Location landscape

CXM delivery locations

France
Germany
Italy
Netherlands
Portugal
Spain
Switzerland

Sweden
Norway
Finland
United Kingdom
Ireland
Denmark
Russia

Lithuania
Belarus
Poland
Czech Republic
Albania
Serbia
Kosovo
Greece
Montenegro
Romania
Ukraine
Kazakhstan

Western Europe
Central & Eastern Europe

Canada
United States
Jamaica
Honduras
Guatemala
Mexico
El Salvador
Nicaragua
Colombia
Costa Rica
Dominican Republic
Guyana
Suriname
Peru
Brazil
Argentina
Chile

Tunisia
Morocco
Algeria
Turkey
Middle East and Africa
Egypt
Saudi Arabia
UAE
India
China
Japan
Vietnam
Thailand
Philippines
Malaysia
Singapore
Indonesia
Madagascar
South Africa

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Teleperformance | CXM services profile (page 6 of 6)
Everest Group assessment – Leader

Measure of capability: ◔ Low ● High

Market impact				Vision & capability				
Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services	Innovation & investments	Delivery footprint	Overall
●	●	◕	●	◕	◔	●	●	●

Strengths

- Teleperformance is a global provider of customer experience management services, with Lean Six Sigma operational excellence standards upheld by over 380,000 associates. Focused on human-centric "high-tech and high-touch" CX delivery, it offers digital solutions to empower its CX operations in key areas such as intelligent automation, integrated omnichannel, analytics and AI, advanced security, and cloud-based virtual workplaces

- It has distinguished language capability, delivering CX in more than 265 languages and dialects through several multi-lingual hubs, serving clients across key industries, with a balanced shoring mix to cater to their diverse shoring and BCP needs. It drives value for clients through T.A.P. transformation framework, focused on key levers in Technology, Analytics, and Process excellence, supported by 8,000+ bots, 100+ digital platforms, and over 700 knowledge experts

- It has a cloud-enabled remote customer experience management platform, TP Cloud Campus. It combines all the components of CX operations and talent management into one unified solution, consisting of talent acquisition, feedback and coaching modules, security protocols, and fraud detection practices. Teleperformance is also focused on strengthening cybersecurity across its operations through an integrated approach toward a cyber-safe ecosystem, with the recent launch of the Eagle Project, embedding security into solution design and revamping network architecture to improve risk identification

- Teleperformance has strong advisory capability, adding to the overall value of CXM operations by supporting innovation-led consulting in areas of target operating model, workforce optimization, customer journey mapping, CX analytics, channel strategy, and automation evaluation, to enable business transformation

- Buyers appreciated its flexibility, strong technical capability, deep subject matter expertise, customer-centric partnership, adaptiveness, and scalability

Limitations

- Buyers expect competitive pricing from Teleperformance and seek innovation in their commercial constructs to shift to outcome-based and risk-sharing pricing models

- Buyers pointed out opportunities for improvement in non-technological areas such as proactive sharing of cross-industry best practices, operational KPI delivery, workforce planning and optimization, and consistency in operations and reporting across global locations. They also noted Teleperformance's bureaucratic contracting and escalation processes

Appendix

Everest Group PEAK Matrix® is a proprietary framework for assessment of market impact and vision & capability

Everest Group PEAK Matrix
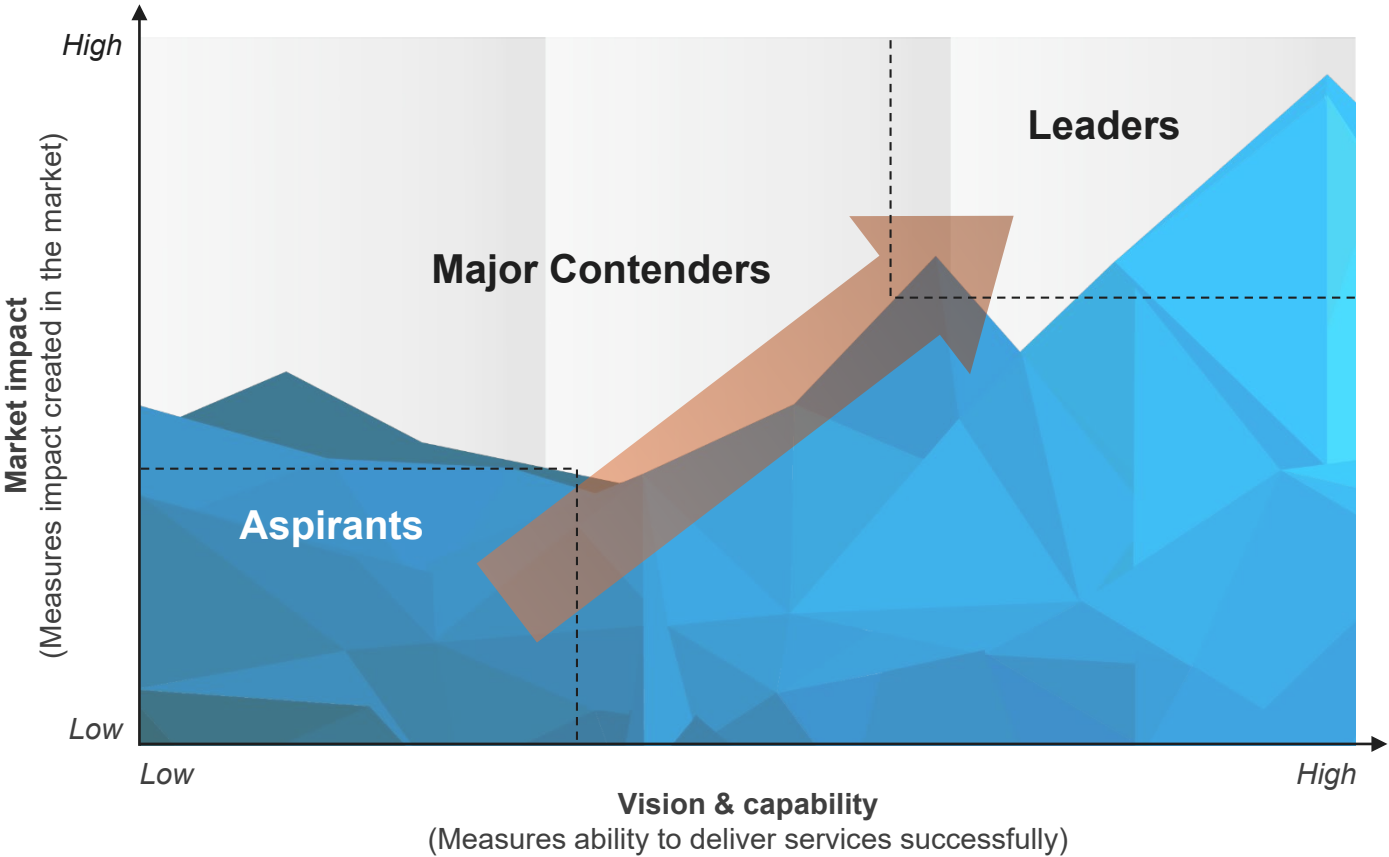
Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions
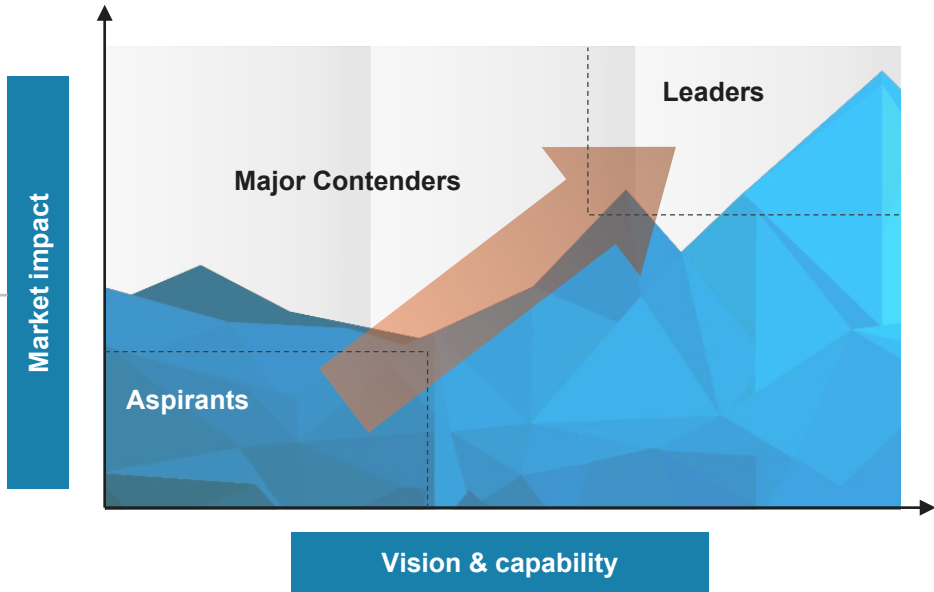
Market adoption

Number of clients, revenue base, YOY growth, and deal value/volume

Portfolio mix

Diversity of client/revenue base across geographies and type of engagements

Value delivered

Value delivered to the client based on customer feedback and transformational impact

Market impact

Leaders

Major Contenders

Aspirants

Vision & capability

Measures ability to deliver services successfully. This is captured through four subdimensions

Vision and strategy

Vision for the client and itself; future roadmap and strategy

Scope of services offered

Depth and breadth of services portfolio across service subsegments/processes

Innovation and investments

Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, M&A, etc.
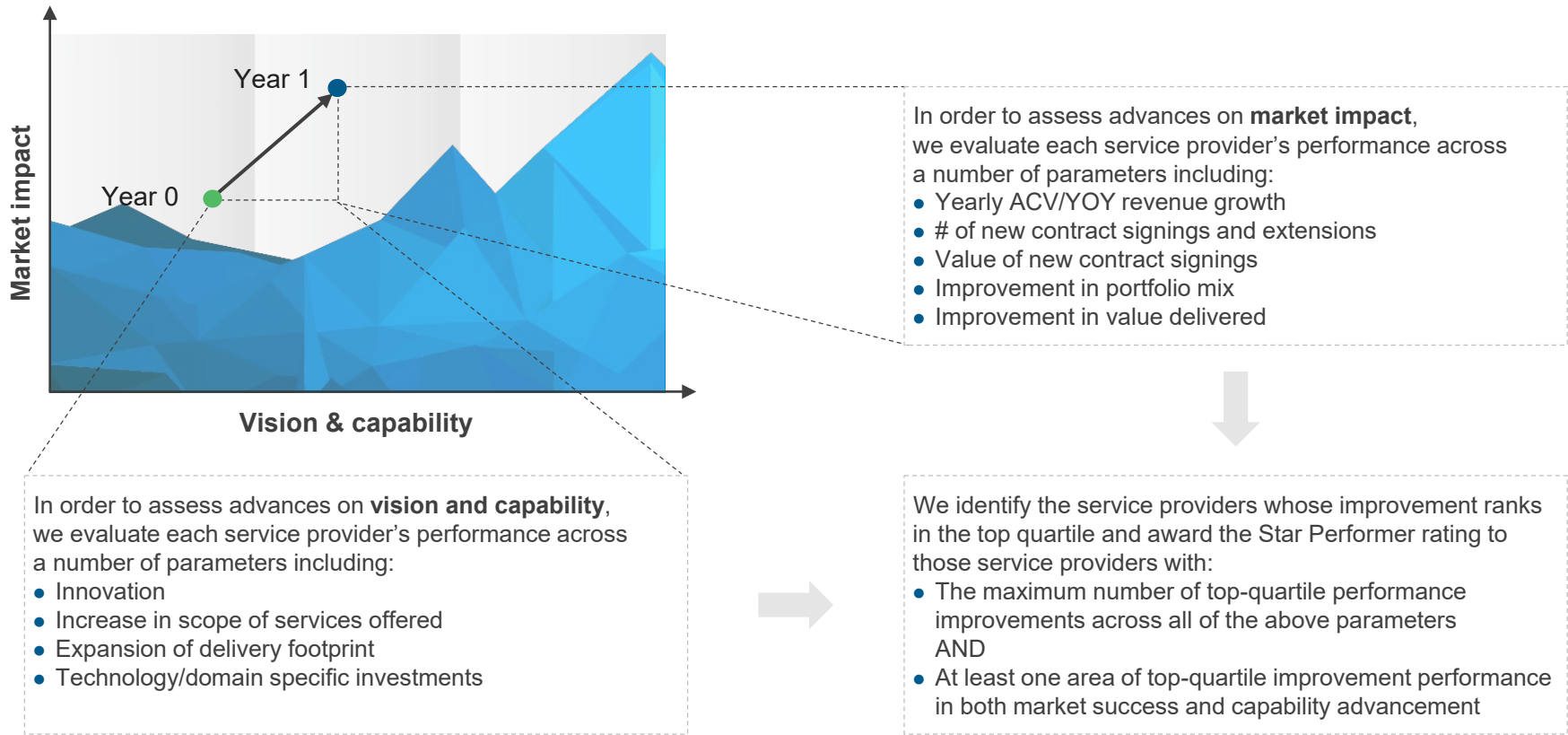
Delivery footprint

Delivery footprint and global sourcing mix

Everest Group confers the Star Performers title on providers that demonstrate the most improvement over time on the PEAK Matrix®

Methodology
Everest Group selects Star Performers based on the relative YOY improvement on the PEAK Matrix

Market impact (y-axis) — **Vision & capability** (x-axis)

Year 1

Year 0

In order to assess advances on **market impact**, we evaluate each service provider's performance across a number of parameters including:
- Yearly ACV/YOY revenue growth
- # of new contract signings and extensions
- Value of new contract signings
- Improvement in portfolio mix
- Improvement in value delivered

In order to assess advances on **vision and capability**, we evaluate each service provider's performance across a number of parameters including:
- Innovation
- Increase in scope of services offered
- Expansion of delivery footprint
- Technology/domain specific investments

We identify the service providers whose improvement ranks in the top quartile and award the Star Performer rating to those service providers with:
- The maximum number of top-quartile performance improvements across all of the above parameters AND
- At least one area of top-quartile improvement performance in both market success and capability advancement

The Star Performers title relates to YOY performance for a given vendor and does not reflect the overall market leadership position, which is identified as Leader, Major Contender, or Aspirant.

FAQs

Does the PEAK Matrix® assessment incorporate any subjective criteria?
Everest Group's PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging service provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information). In addition, these results are validated / fine-tuned based on our market experience, buyer interaction, and provider/vendor briefings

Is being a "Major Contender" or "Aspirant" on the PEAK Matrix, an unfavorable outcome?
No. The PEAK Matrix highlights and positions only the best-in-class service providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition

What other aspects of PEAK Matrix assessment are relevant to buyers and providers besides the "PEAK Matrix position"?
A PEAK Matrix position is only one aspect of Everest Group's overall assessment. In addition to assigning a "Leader", "Major Contender," or "Aspirant" title, Everest Group highlights the distinctive capabilities and unique attributes of all the PEAK Matrix providers assessed in its report. The detailed metric-level assessment and associated commentary is helpful for buyers in selecting particular providers/vendors for their specific requirements. It also helps providers/vendors showcase their strengths in specific areas

What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?
- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers/vendors include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own "profile" that is published by Everest Group as part of the "compendium of PEAK Matrix providers" profiles

What is the process for a service provider / technology vendor to leverage their PEAK Matrix positioning and/or "Star Performer" status ?
- Providers/vendors can use their PEAK Matrix positioning or "Star Performer" rating in multiple ways including:
  – Issue a press release declaring their positioning. See citation policies
  – Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
  – Quotes from Everest Group analysts could be disseminated to the media
  – Leverage PEAK Matrix branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with the designated POC at Everest Group.

Does the PEAK Matrix evaluation criteria change over a period of time?
PEAK Matrix assessments are designed to serve present and future needs of the enterprises. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality as well as serve the future expectations of enterprises

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