



Topic: Everest Group PEAK Matrix™ for CCO Service Providers

Focus on Teleperformance
July 2014



Everest Group recently released its report titled “[Contact Center Outsourcing \(CCO\) – Service Provider Landscape with PEAK Matrix™ Assessment 2014](#)”. This report analyzes the changing dynamics of the CCO landscape and assesses service providers across several key dimensions.

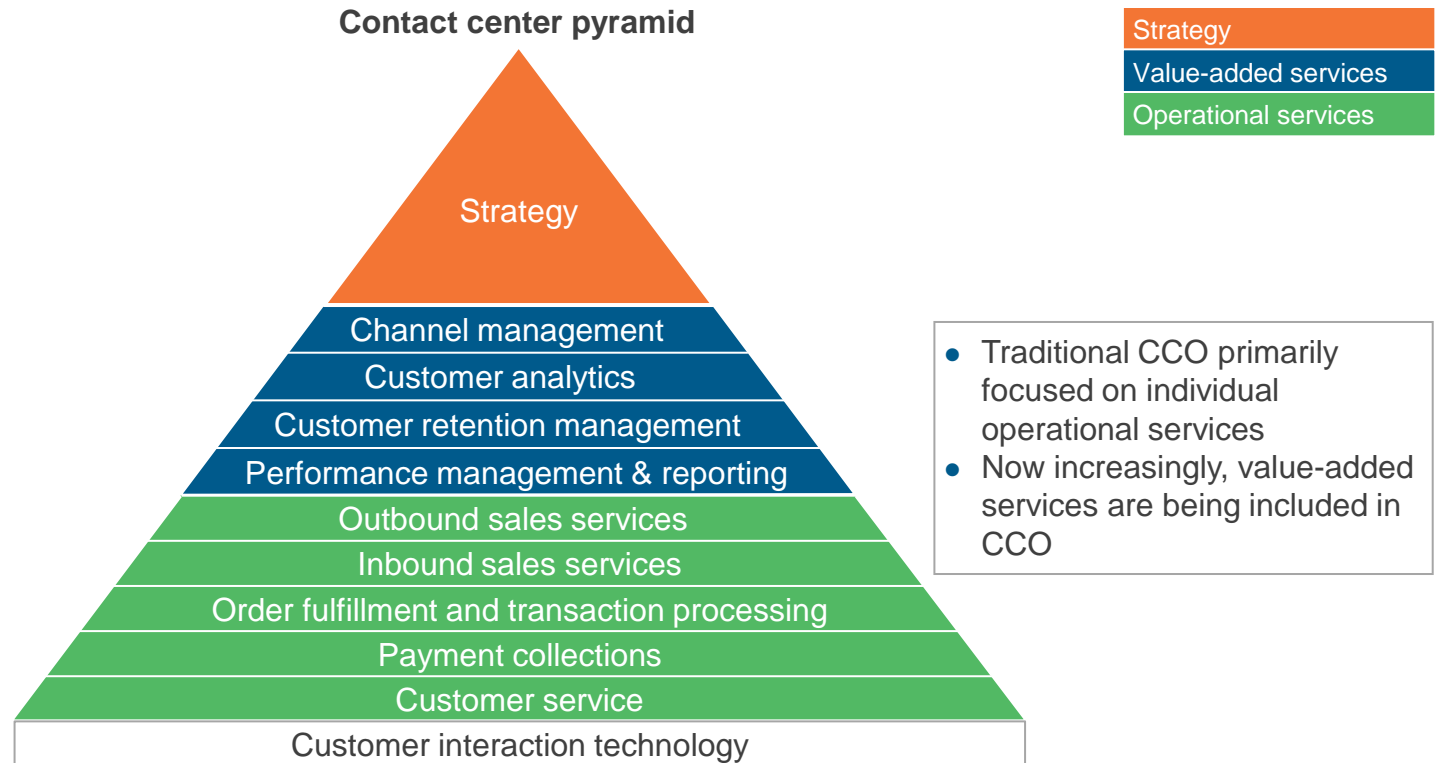
As a part of this report, Everest Group updated its classification of 20+ service providers on the Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix for CCO into Leaders, Major Contenders, and Emerging Players. The PEAK Matrix is a framework that provides an objective, data-driven, and comparative assessment of CCO service providers based on their absolute market success and delivery capability. Everest Group also identified five service providers as the “2014 CCO Market Star Performers” based on the strongest forward movement demonstrated on the PEAK Matrix year-on-year.

Based on the analysis, **Teleperformance emerged as a Leader and a Star Performer**. This document focuses on Teleperformance’s CCO experience and capabilities and includes:

- Teleperformance’s position on the CCO PEAK Matrix
- Teleperformance’s year-on-year movement on the CCO PEAK Matrix
- Detailed CCO profile of Teleperformance

Buyers can use the PEAK Matrix to identify and evaluate different service providers. It helps them understand the service providers’ relative strengths and gaps. However, it is also important to note that while the PEAK Matrix is a useful starting point, the results from the assessment may not be directly prescriptive for each buyer. Buyers will have to consider their unique situation and requirements, and match them against service provider capability for an ideal fit.

Everest Group's definition of the CCO market is centered on the delivery aspects of customer interaction



- Everest Group defines the CCO market as one that includes engagements for which the primary purpose is to support all forms of direct and indirect (or in support of direct) interactions with customers, external and internal to the buyer organization, involving a structured multi-channel and remote communication environment
- CCO does not include contact center services embedded within the scope of outsourcing engagements targeting processes other than customer care, such as IT Outsourcing (ITO) or Human Resources Outsourcing (HRO)

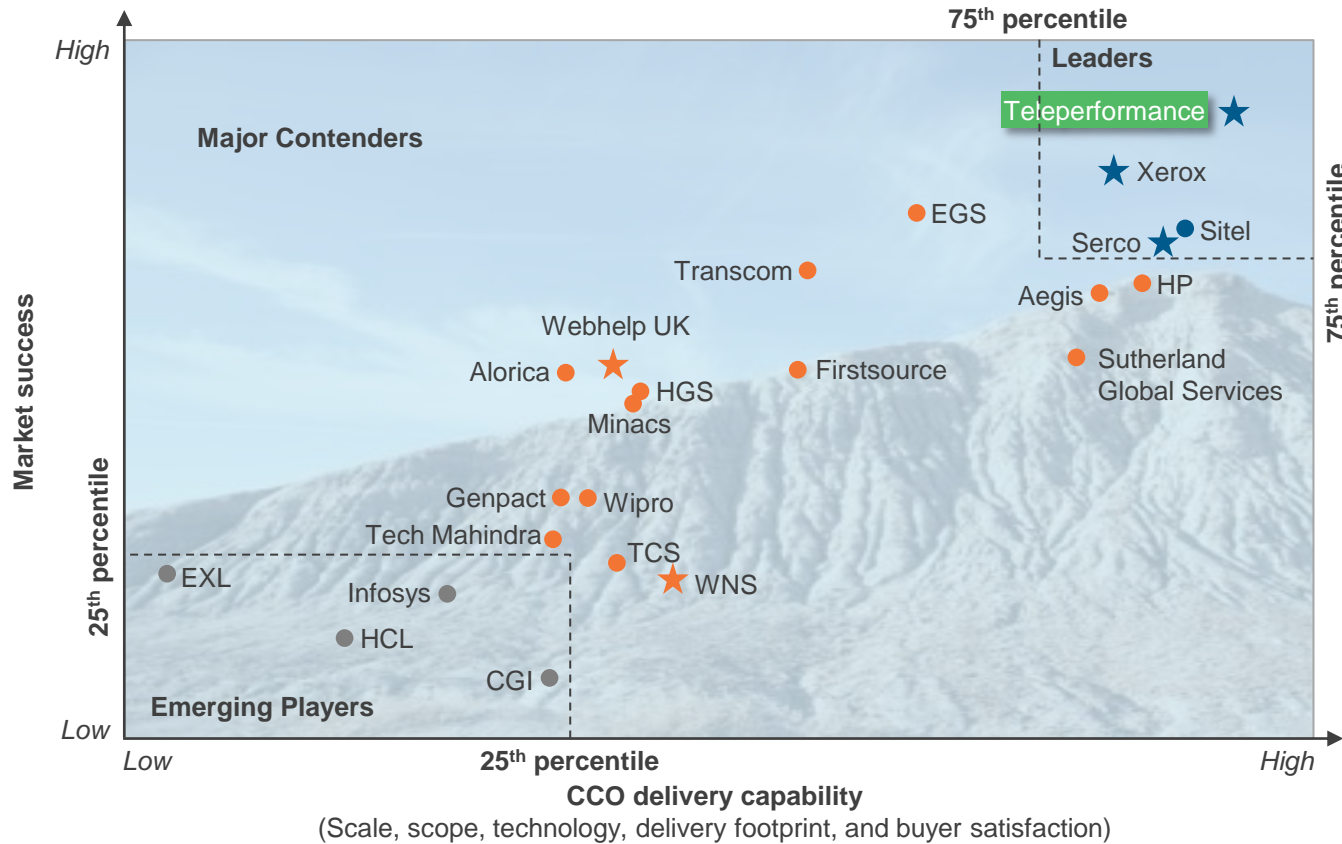
Source: Everest Group (2014)

Everest Group PEAK Matrix – 2014 CCO market standings

Performance | Experience | Ability | Knowledge

Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix for CCO

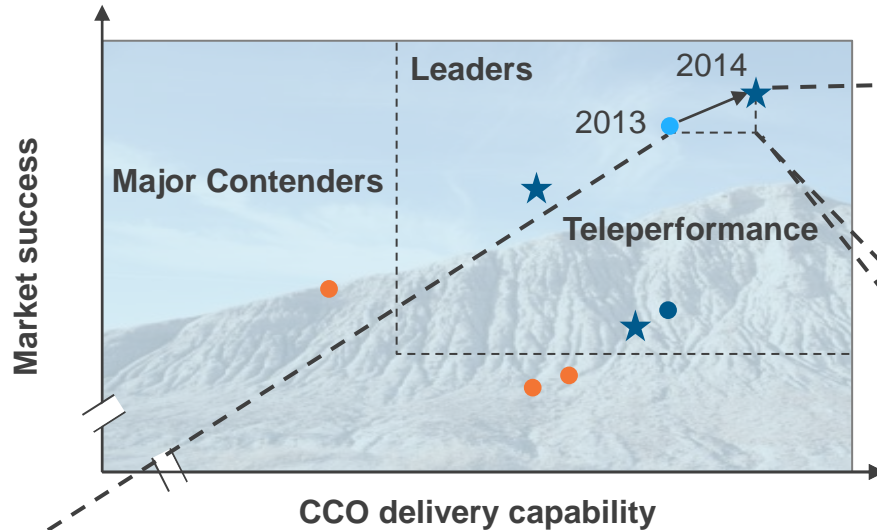
- Leaders
- Major Contenders
- Emerging Players
- ☆ Star Performers



Source: Everest Group (2014)

Teleperformance is a CCO Star Performer based on strong forward and upward movement over time on the Everest Group PEAK Matrix

Change in Teleperformance's position on the Everest Group PEAK Matrix for CCO



Market success in 2013

- Posted over US\$200 million growth in CCO revenue in 2013
- Increased the number of clients served by 40, to current tally of over 700
- Publicly-announced wins in 2013-2014 include Her Majesty's Passport Office, UK Home Office, and Environment Agency (United Kingdom)
- High buyer satisfaction driven by robust quality, pricing, and implementation capabilities

Capability enhancements in 2013

- Teleperformance acquired full control of TLS Contact, strengthening its position in government sector
- Opened eight new centers across Brazil, Colombia, Mexico, Portugal, Spain, and Dominican Republic in 2013
- Established a customer experience lab in Lisbon, Portugal. The lab will conduct multi-cultural research related to changing customer behaviors, preferences, and key satisfaction drivers
- Launched TP BPO NON-INTERACTION, a new non-voice CRM solution to further enhance its capabilities in the non-voice segment.

Company overview

Teleperformance is a global customer service, technical support, call center, debt collection, and social media company with 230 contact centers in 62 countries. The company conducts programs in more than 63 different languages and dialects in various industries

Key leaders

- Daniel Julien, Chairman of the Board
- Paulo César Salles Vasques, Chief Executive Officer
- Lucio Apollonj, Chairman of the French-speaking market
- Yannis Tourcomanis – Chairman of the Southern Europe region
- Norbert Van Liemt – Chairman of the Northern & Eastern Europe
- Alejandro Perez, Chairman of the Ibero-LATAM region
- Brent Welch – Chairman of the English-speaking & Asia-Pacific region

Headquarter: Paris, France

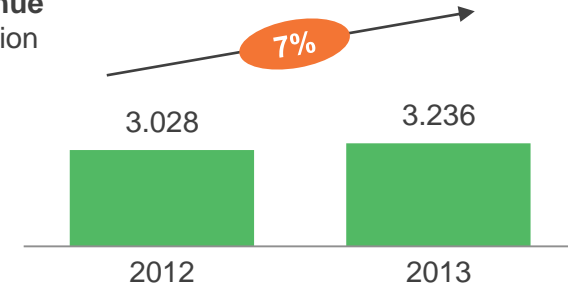
Website: www.teleperformance.com

Recent developments

- Enhanced it's LATAM business by opening eight new centers across Brazil, Colombia, Mexico, Portugal, Spain, and Dominican Republic in 2013
- Established a customer experience lab in Lisbon, Portugal. The lab will conduct multi-cultural research related to changing customer behaviors, preferences, and key satisfaction drivers
- Appointed Paulo César Salles Vasques as CEO

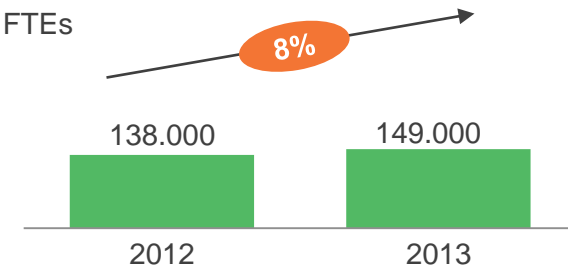
CCO revenue

In US\$ million



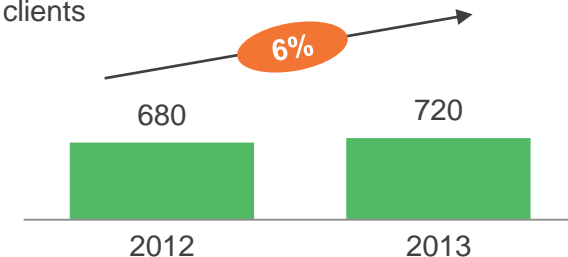
Scale of CCO

Number of FTEs



CCO client base

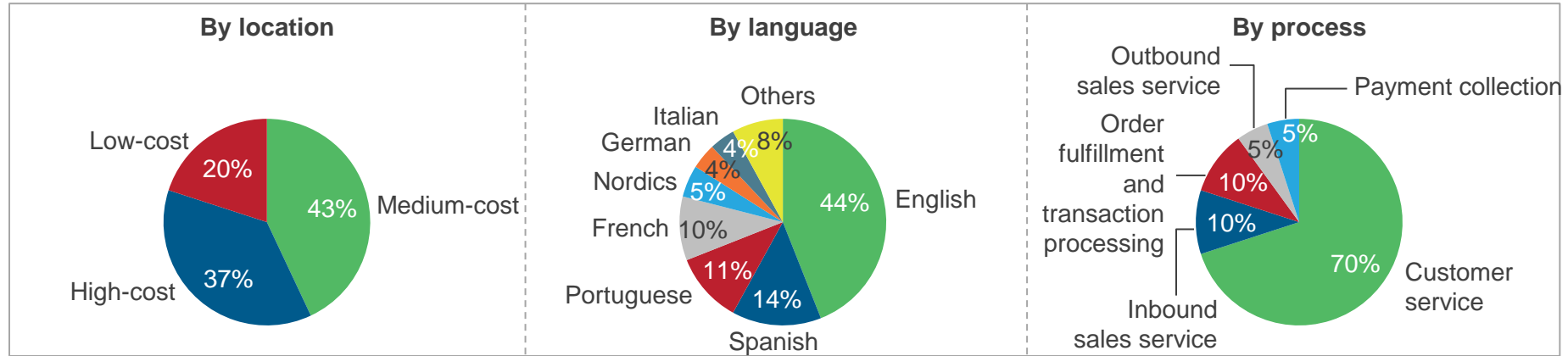
Number of clients



Source: Everest Group (2014)

Split of CCO FTEs

Number of FTEs



Key CCO Investments

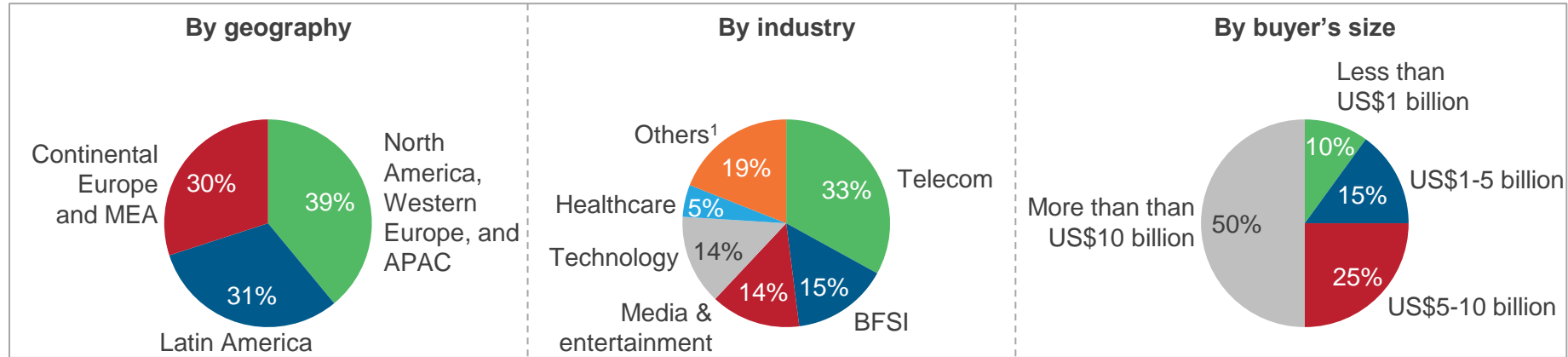
Description	Investment type	Year of investment	Comments
CX Lab	Internal	2012-2014	Multi-channel customer experience research and development trends labs
Multi-lingual Hubs	Internal	2012-2014	Pan-European multi-market outsourced facilities
TP Client	Internal	2010-2015	Proprietary CRM Software
New delivery location	Internal	2013	Dominican Republic
TP BPO NON-INTERACTION	Internal	2013	Non-voice CRM solution
TP AVAN	Internal	2012	Advanced research and analytics solutions

Source: Everest Group (2014)

Teleperformance (page 3 of 5)

CCO client portfolio

CCO revenue mix US\$ million



Key contact center engagements

Client name	Region	Client since
Sprint Nextel	U.S.	1998
France Telecom	Europe	1998
Vodafone Group	Europe	1999
Apple Computer	U.S. and Europe	2000
AT&T	U.S.	2002
Sky	Latin America	2006

1: Include travel and hospitality, energy and utilities, government and public sector, and other industries

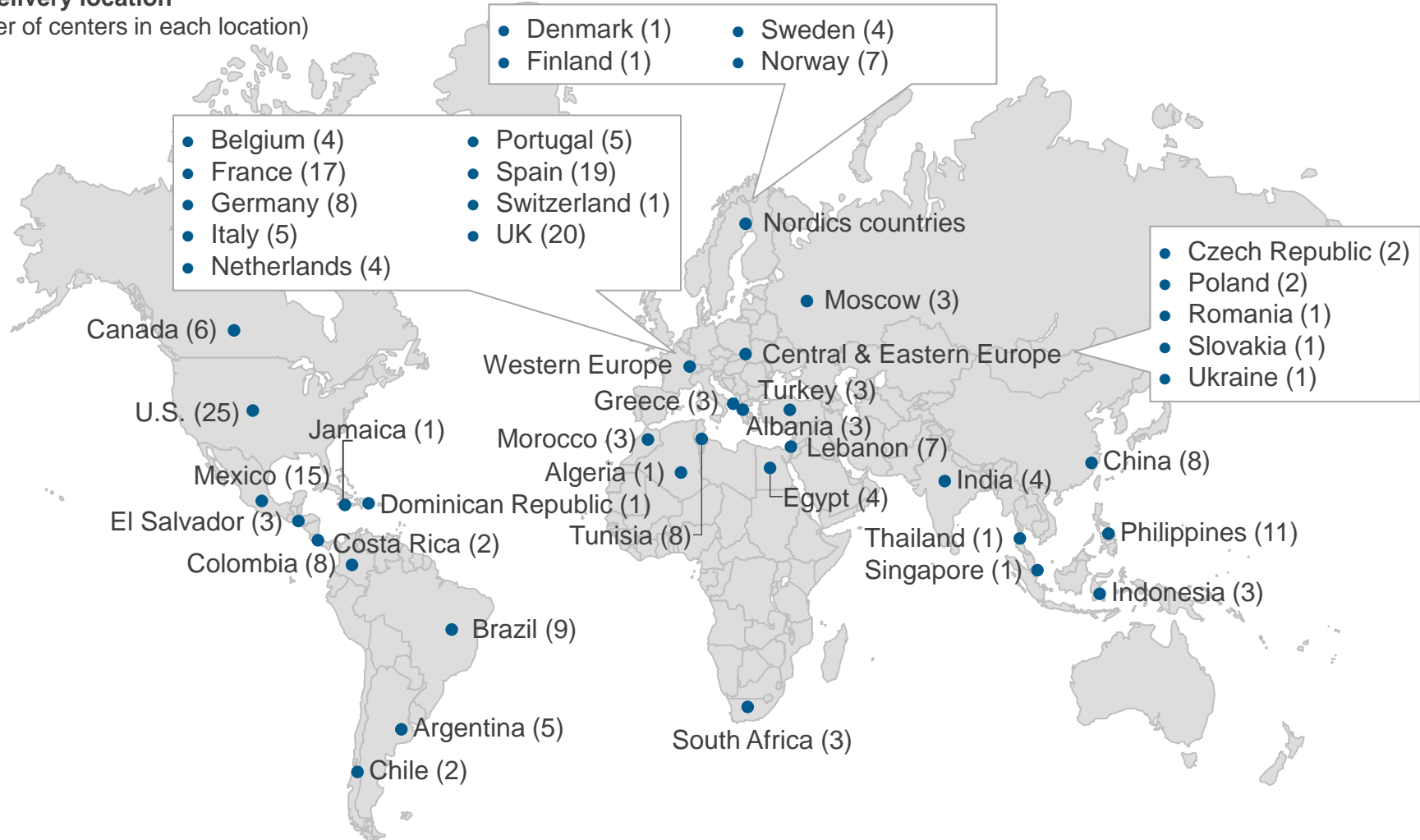
Source: Everest Group (2014)

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CCO location landscape

CCO delivery location

(Number of centers in each location)

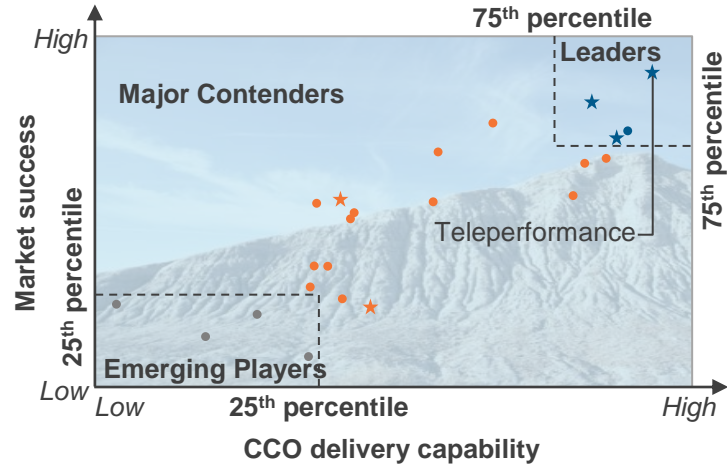


Source: Everest Group (2014)

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Everest Group assessment

Teleperformance is a Leader on the Everest Group PEAK Matrix for CCO



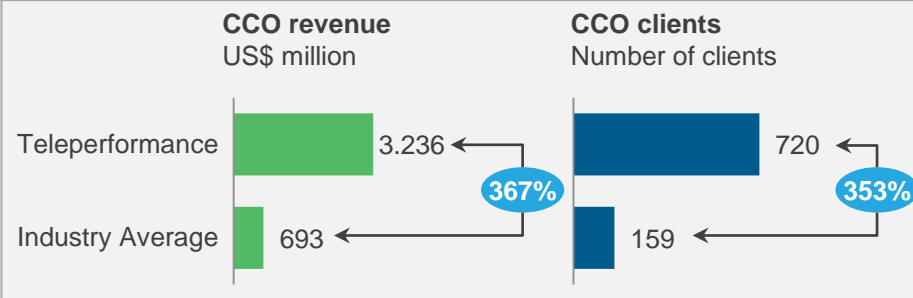
(Scale, scope, technology, delivery footprint, and buyer satisfaction)

● Low ● Medium ● Medium-high ● High

Delivery capability assessment¹

Assessment dimension	Rating	Remarks
Scale	●	Has the largest scale in the industry of about 150,000 FTEs
Scope	●	Well diversified across geographies, languages, and industries
Technology capability	●	Deploys proprietary solutions for CRM, communication, and enabler technologies
Delivery footprint	●	Balanced delivery model with scale across high-, medium-, and low-cost locations
Buyer satisfaction	●	Robust quality, pricing, and implementation drive high buyer satisfaction. However, analytics capability is less than satisfactory

Market success assessment



Overall remarks

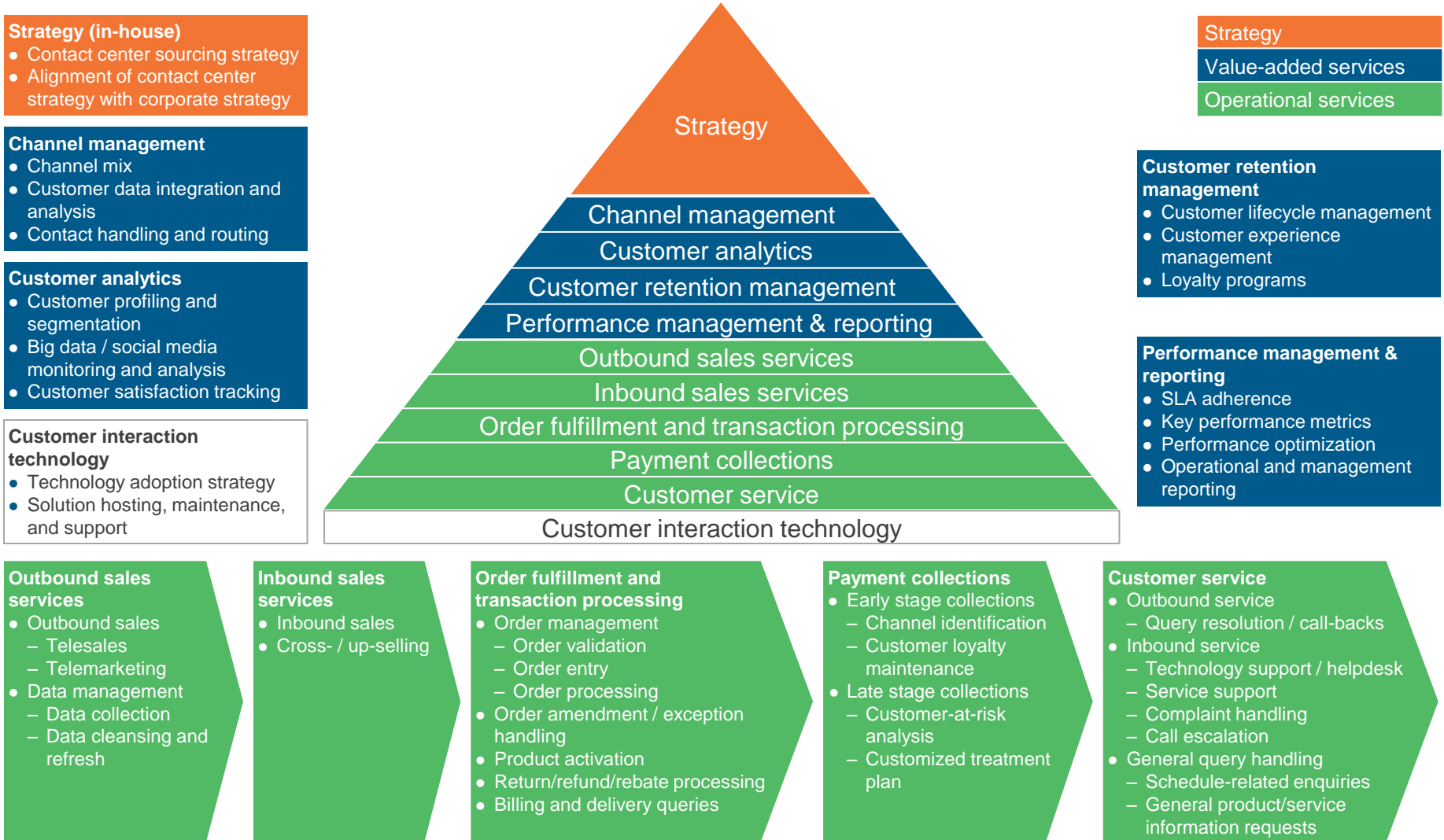
- Teleperformance is a Leader and a Star Performer on the Everest Group PEAK Matrix for CCO
- Emerges as a key player across all market segments due to a balanced client portfolio across languages and industries. Need to expand its coverage in the Asia Pacific region to
- Balanced delivery mix (onshore-nearshore-offshore) allows it to serve majority of its clients domestically
- In order to maintain its leadership position, it must continue to enhance capabilities in value-added services and non-voice channels

¹ Everest Group estimates based on contractual and operational information till December 2013

Source: Everest Group (2014)

Appendix

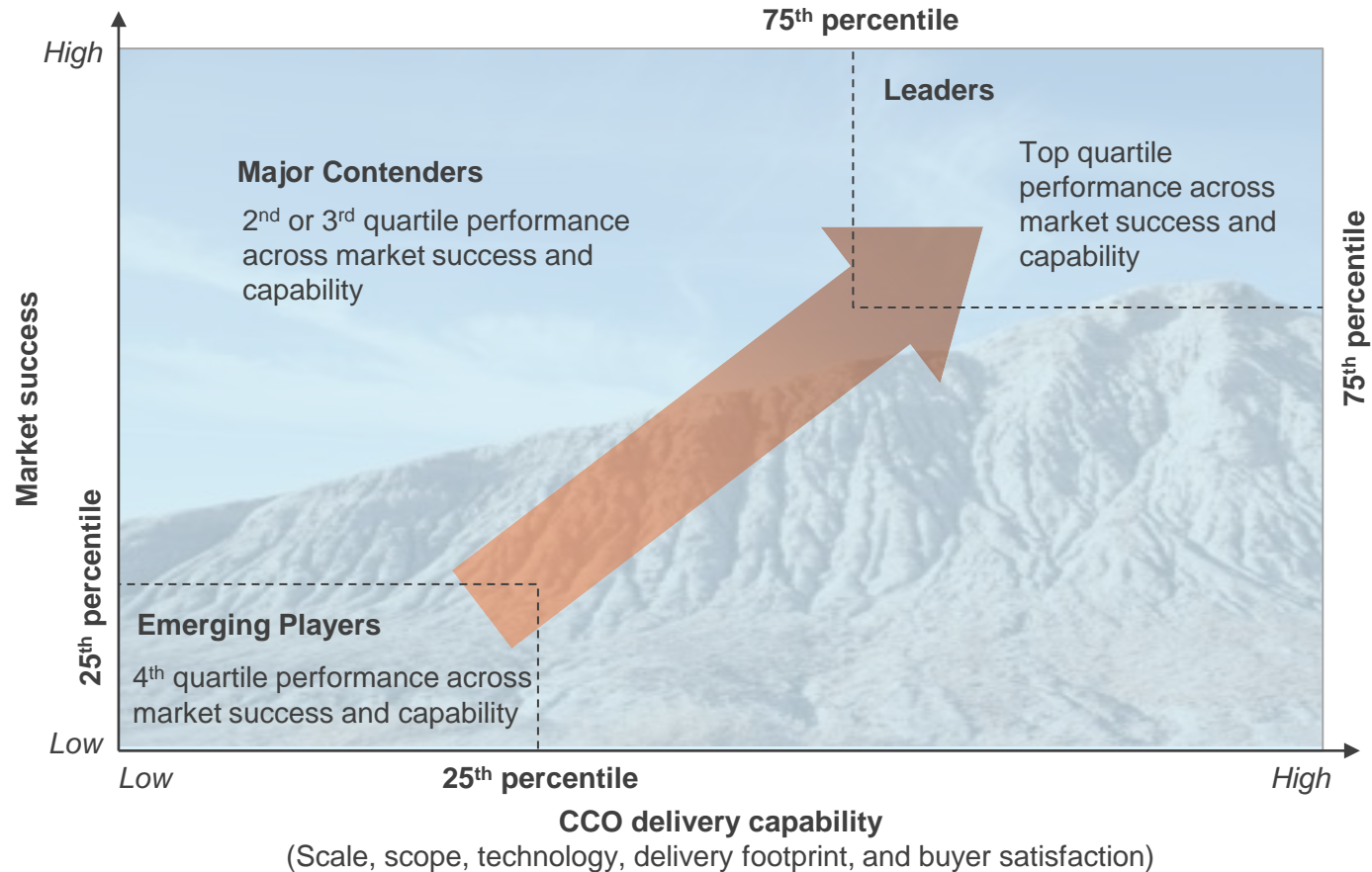
We break each element into subprocesses of the customer interaction value chain



Everest Group classifies the CCO service provider landscape based on its PEAK Matrix

Performance | Experience | Ability | Knowledge (PEAK) Matrix

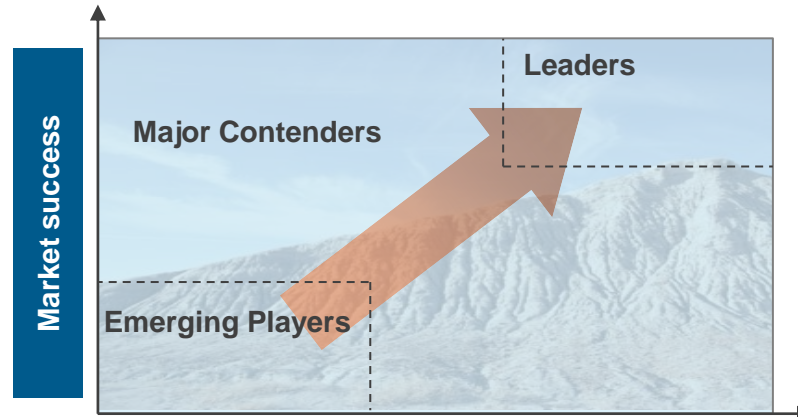
Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix for CCO



Source: Everest Group (2014)

Service providers are positioned on Everest Group PEAK Matrix based on the evaluation of two key dimensions

Measures success achieved in the market. Captured through CCO revenue and number of current CCO clients



Measures ability to deliver services successfully. Captured through five subdimensions

Scale	Scope	Technology	Delivery footprint	Buyer Satisfaction
Measures the scale of operations through: <ul style="list-style-type: none"> Overall company revenue CCO FTEs 	Measures the scope of services provided through: <ul style="list-style-type: none"> Process coverage Number of channels covered Geographic scope Number of industries served Number of languages covered 	Measures the capability and investment in technology through: <ul style="list-style-type: none"> Investments in contact center-related technology Enabler technology solution capability, including analytics and social media 	Measures the delivery footprint and the global sourcing mix through: <ul style="list-style-type: none"> Delivery footprint across nine regions¹ Balanced shoring capability 	Measures the satisfaction levels ² of buyers across: <ul style="list-style-type: none"> Goal realization Process delivery Implementation Relationship management

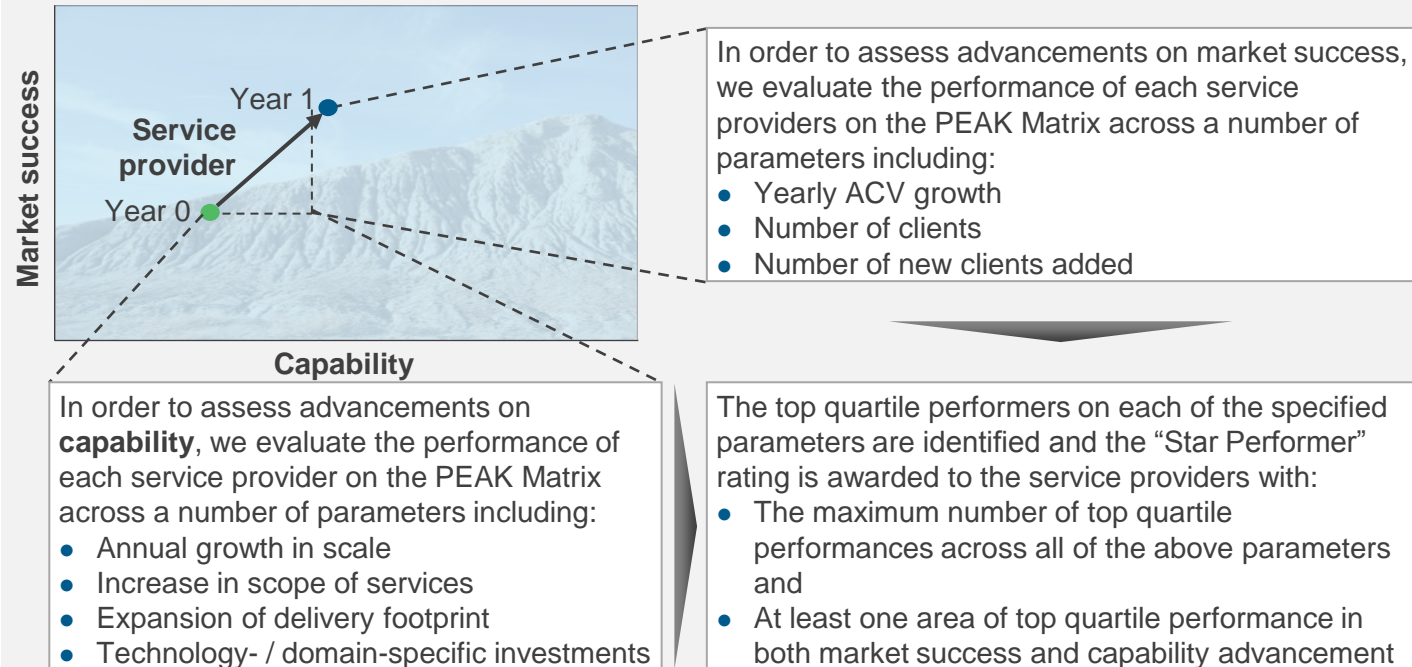
¹ North America, Latin America, Western Europe, Eastern Europe, Australia & New Zealand, India, Philippines, Rest of Asia, and Middle East & Africa

² Measured through responses from two/three referenced buyers for each service provider

Additionally, Everest Group confers the “Star Performers” title to the providers that demonstrate the strongest forward movement over time on the PEAK Matrix

Methodology

Everest Group selects Market Star Performers based on the relative YoY movement of each service provider on the PEAK Matrix



2014 CCO Star Performers

The “Star Performers” designation relates to YoY performance for a given service provider and does not reflect the overall market leadership position. Those identified as “Star Performers” may include “Leaders”, “Major Contenders”, or “Emerging Players”

- Buyer satisfaction has not been considered, as it has been introduced as a separate dimension for the first time in 2014
- Alorica, CGI, EXL, HGS, and Wipro were not accounted for in Star Performer analysis due to their first-time participation in the PEAK Matrix analysis

Does the PEAK Matrix assessment incorporate any subjective criteria?

- Everest Group's PEAK Matrix assessment adopts an objective and fact-based approach (leveraging service provider 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 briefings

Is being a “Major Contender” or “Emerging Player” on the PEAK Matrix, an unfavorable outcome?

- No. PEAK Matrix highlights and positions only the best-in-class service providers in a particular functional/vertical services area. 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”?

- PEAK Matrix position is only one aspect of Everest Group's overall assessment. In addition to assigning a “Leader”, “Major Contender” or “Emerging Player” 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 for their specific requirements. It also helps providers 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 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 to leverage their PEAK Matrix positioning status ?

- Providers can use their PEAK positioning rating in multiple ways including:
 - Issue a press release declaring their positioning/rating
 - Customized PEAK profile for circulation (with clients, prospects, etc.)
 - Quotes from Everest Group analysts could be disseminated to the media
 - Leverage PEAK 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**



From **insight** to **action**.



At a glance

- With a fact-based approach driving outcomes, Everest Group counsels organizations with complex challenges related to the use and delivery of the next generation of global services
- Through its practical consulting, original research, and industry resource services, Everest Group helps clients maximize value from delivery strategies, talent and sourcing models, technologies, and management approaches
- Established in 1991, Everest Group serves users of global services, providers of services, country organizations, and private equity firms in six continents across all industry categories

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