



Teleperformance Recognized as the

2021

Company of the Year

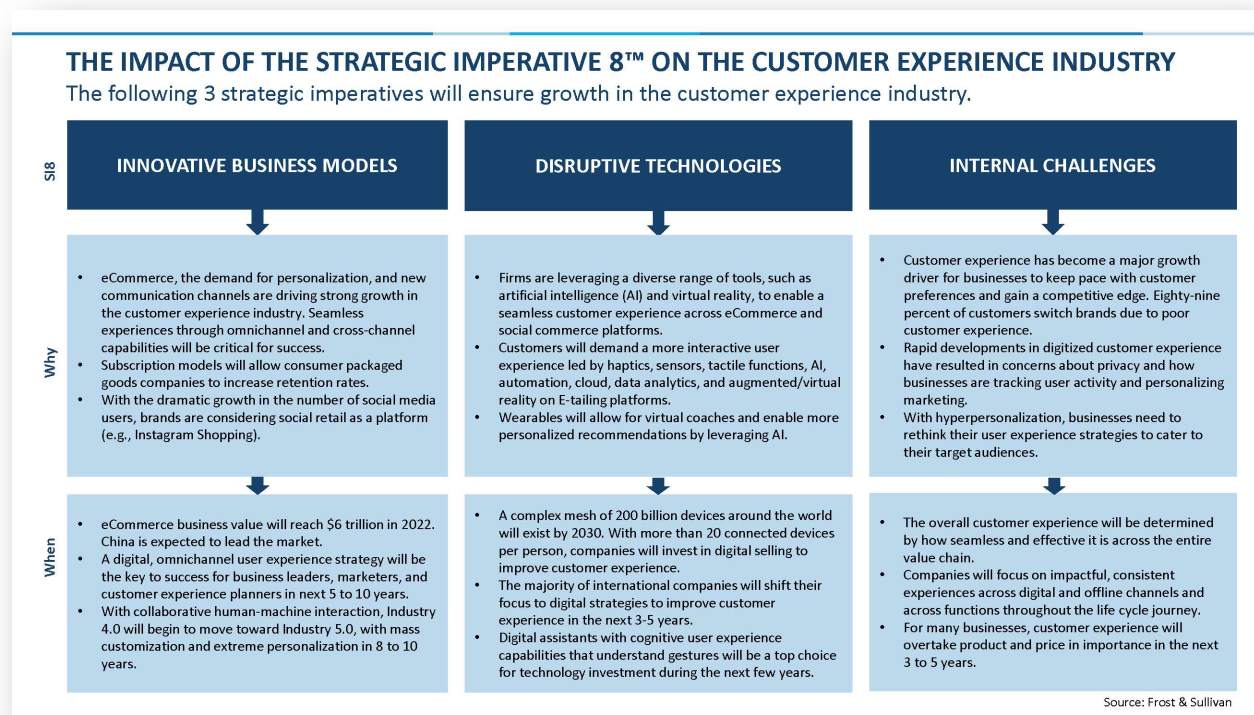
Brazilian Customer Experience

Outsourcing Services Industry

Excellence in Best Practices

Strategic Imperatives

Frost & Sullivan identifies three key strategic imperatives that impact the customer experience industry: innovative business models, disruptive technologies, and internal challenges. Every company that is competing in the customer experience space is obligated to address these imperatives proactively; failing to do so will almost certainly lead to stagnation or decline. Successful companies overcome the challenges posed by these imperatives and leverage them to drive innovation and growth. Frost & Sullivan’s recognition of Teleperformance Brazil is a reflection of how well it is performing against the backdrop of these imperatives.



Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated companies. Teleperformance Brazil excels in many of the criteria in the customer experience outsourcing services space.

AWARD CRITERIA	
<i>Visionary Innovation & Performance</i>	<i>Customer Impact</i>
Addressing Unmet Needs	Price/Performance Value
Visionary Scenarios Through Mega Trends	Customer Purchase Experience
Implementation of Best Practices	Customer Ownership Experience
Leadership Focus	Customer Service Experience
Financial Performance	Brand Equity

Leadership Focus

Teleperformance (TP) Brazil started its transformational journey in 2017, when new leadership put in motion a thoughtful revamp of the company. In addition, new management was incorporated into the local operation, and world-class talent from other locations traveled to Brazil to join high-tenure native employees, all to enhance operational procedures and quality standards.

Most human resource (HR) processes have been undergoing a deep renovation since 2017, impacting the entire employee journey, including recruiting, training, employee support (RH para você program that means HR for you), career path (Jump! program), and termination. The company added video-enabled HR Totems in all its buildings in Brazil, facilitating self-service tools for agents and allowing employees to talk and engage with HR representatives when needed. Moreover, TP Brazil created an employee portal on the Intranet, where all relevant information is accessible online, which was a great leap forward considering the current remote work environment and social distancing regulations. Furthermore, the company implemented a helpdesk channel through WhatsApp, reducing employees’ efforts to resolve issues or concerns related to their salaries or benefits.

When the COVID-19 pandemic reached Brazil, TP Brazil rapidly upgraded and updated its HR processes to provide a fully virtual employee journey. Today, the company can conduct 100% of its recruiting process virtually, which only a few other companies in the market can accomplish. All employee documentation processing can be conducted remotely by leveraging optical character recognition (OCR) solutions, thus eliminating the need for agents to travel to a TP Brazil site to conclude the hiring process. Training sessions were moved entirely to a virtual setting, and TP Brazil currently uses best-in-class tools, such as digital whiteboards and video collaboration, to provide a similar face-to-face experience in training rooms.

With its new approach to HR, TP Brazil has gained a competitive edge by creating an engaged, high-performance workforce, which is a key factor in delivering a best-in-class customer experience (CX). In fact, the company has improved several key performance indicators (KPIs) since the beginning of the pandemic and has attained a 50% reduction in employee absenteeism and an 80% decrease in employees’ unproductive time.

Frost & Sullivan independent research shows that the degree to which employees feel connected and supported by a company is an accurate measure of how they usually interact with customers; therefore, providing better tools for agents and employees is extremely relevant to meet customer expectations. As an expert in customer interaction, TP Brazil realizes the relevance of offering the appropriate instruments and support to its agents so they can be better equipped to provide a superior experience during every contact with the customer.

Implementation of Best Practices

TP Brazil successfully implemented a work-at-home agent (WAHA) program during the COVID-19 pandemic, and by November 2020, 60% of these agents work and operate remotely within several cities in the country. TP is the undisputed global leader in the area, with 220,000 active employees working remotely in 55 countries.

The transition to this new operative model, however, was not easy in Brazil. Fortunately, the company learned from the experience of other TP locations in Europe and Asia on how they dealt with the pandemic. Locally, the company put in place enhanced security processes and further invested in IT infrastructure to guarantee voice quality and data privacy. Given its unique financial strength, TP Brazil invested in a strong security framework and extensive security protocols designed specifically for a WAHA environment, built to deliver the same defenses as a physical solution, including highly secure access controls; two-factor authentication; encrypted data communication; and renewed security procedures, training, and auditing, to remain compliant with industry-specific certifications, such as Payment Card Industry (PCI), Health Insurance Portability and Accountability Act (HIPAA), and General Data Protection Regulation (GDPR).

In addition, TP Brazil developed an image recognition solution for the WAHA environment that can verify the identity of each employee during the login process and can even detect smartphones and intruders at a short distance from the remote agent's desktop, wherein the solution will immediately block access to avoid security incidents. Moreover, the company deployed TP Observer in Brazil to detect deviations or changes in an employee's activities that could suggest fraud or data leak attempts.

To strengthen local WAHA operations further, the company assures consistency by deploying global best practices standards, including Teleperformance Operational Processes & Standards (TOPS); Baseline Enterprise Standard for Teleperformance (BEST); and Technology, Analytics, and Process Excellence (T.A.P.). Furthermore, TP Brazil mapped the best practices used for WAHA worldwide and created a new standard and processes for these operations while integrating several communication tools to offer better support to the leaders that were managing their remote teams and needed to replace the face-to-face coaching sessions with video and chat sessions.

Financial Performance

TP Brazil attained double-digit growth rates in the local currency in both 2018 and 2019. According to Frost & Sullivan independent research, TP Brazil outpaced the overall market's growth rate in 2019, achieving the second highest market share of 8.5% in the country.

A portion of this success comes from TP Brazil renewing its business with some of the most renowned local brands and adding 25 new logos since 2019, especially in retail, eCommerce, and online payments. In addition, the company has gained a solid reputation in the digital segment because the recent boom of digital interactions in Brazil introduced a constant revenue stream for TP Brazil.

During the first couple of months of 2020, contact centers were overwhelmed with phone calls and were unable to attend to all of them in a timely manner. This situation led to the accelerated use of digital channels because providers rely on these technologies, especially chat, social media, and web collaboration, to cater to the increasing demand for CX services. As a result, digital channels are expected to be the fastest-growing segment in 2020 and expected to outgrow by more than five times the overall front-office growth in Latin America, at a compound annual growth rate (CAGR) of 10.8% between 2019 and 2025.

Unlike the strategies of other established and traditional vendors in the local market, TP Brazil's long-term strategy is to avoid low complexity, low quality, and big-volume operations. This approach has already paid off greatly and is creating even more opportunities for growth in the short term. The

"TP Brazil's long-term strategy of avoiding low complexity, low quality, and big-volume operations has paid off greatly."

- Juan Gonzalez, Research Director

company is currently focusing on increasing its participation in digital sales, remote support, and eCommerce, which correlates with the most recent Frost & Sullivan analysis on the Brazilian CX outsourcing services market, where high growth in the retail segment was noted.

Price/Performance Value

TP Brazil's strengths are clearer when dealing with global clients (as per their global standards and tools), complex and critical operations, digital interactions, and business-to-business (B2B) support and sales services. In addition, the company has been battling to position itself as the preferred Brazilian vendor for new economy companies (unicorns and born-digital) because they have unique requirements in terms of deployment speed and flexibility that only strong support teams, such as those from TP Brazil, can meet.

Furthermore, several key features and abilities play a major role when analyzing why TP Brazil can retain leading brands and add new customers in the country, including its approach to security infrastructure and technological capabilities (e.g., the extended WAHA environment), recent investments in adding artificial intelligence (AI)/cognitive solutions to improve agent performance, a leading performance in implementing digital solutions and non-voice channels, and the speed and flexibility to ramp up project and solution delivery.

TP Brazil's latest innovation is the Cloud Campus, a global initiative to build local physical environments to support, control, and improve the performance and security of WAHA programs. While Cloud Campus is already being implemented in some countries worldwide (e.g., India, Mexico, Portugal, and Colombia), it is currently being deployed in Brazil and expected to be operative by December 2020. Cloud Campus is yet another clear example of TP Brazil moving in the right direction and taking the lead in the CX outsourcing industry because remote work models are here to stay.

Customer Service Experience

TP Brazil's consistent and repeatable level of success is based on long-standing client relationships that aim to create a solid foundation rather than achieve immediate results. In fact, the company is constantly looking for new ideas to drive digital transformation and continuous innovation for clients. During this process, TP Brazil leverages its T.A.P. practice that identifies rapid transformation

opportunities and easily adapts to new environments. Based on the Lean Six Sigma methodology, T.A.P. offers a stepped approach to designing the right solution for each transformational opportunity.

To drive change, both internally and externally, TP Brazil relies on a highly qualified team of employees that have different perspectives and diverse backgrounds yet with the same innovative mindset. The company develops its local talent by providing training sessions; achieving industry certifications, such as Customer Operations Performance Centre (COPC) and International Organization for Standardization (ISO); and adding more analytical and business integration (BI) tools for an enhanced performance that has a direct impact on client satisfaction.

TP Brazil strives for constant and close interaction with clients and has implemented mandatory quarterly meetings to review performances, targets, and results. By leveraging its own research practice (TP CX Lab), an achievement that only a few global competitors have managed to imitate, the company can anticipate market trends while acting as a trusted advisor to improve and incorporate future-proof solutions. Furthermore, by offering worldwide expertise with one of the largest portfolios of global cases in the industry and a strong suite of proprietary solutions (e.g., TP Client, CCMS, and TP Observer), TP Brazil can consolidate its role as a strategic partner and pave the way for solid, long-standing relationships.

Brand Equity

TP's brand is strong in Latin America, particularly in Brazil where the company has been operating since 1998. TP Brazil's current footprint in the country includes 15 sites, with 13 in São Paulo and 2 in Rio Grande do Norte (Natal), and the company employs more than 23,000 people. TP Brazil has built a solid and diverse portfolio, with clients from different industry verticals, such as financial services, insurance, technology, born-digital, and retail.

To remain relevant and gain mindshare, TP Brazil is active on social media, frequently engages in top local CX events, and participates in other industry-specific shows that are relevant for its core clients in the finance, innovation, and retail segments; however, the company performs several one-to-one activities to focus on decision makers and relevant executives.

Conclusion

TP Brazil's long-term strategy of avoiding low complexity, low quality, and big-volume operations has clearly paid off; the company attained a double-digit growth rate in both 2018 and 2019. The company achieved this success by renewing its business with some of the most renowned local brands and adding 25 new logos since 2019. The company's solid reputation in the born-digital segment has played a part as well, in addition to its local revamped HR processes, global standards, proprietary technological tools, successful WAHA program, and highly qualified team of employees with different perspectives and diverse backgrounds yet with the same innovative mindset.

With its strong overall performance, Teleperformance Brazil has earned the 2021 Frost & Sullivan Company of the Year Award.

What You Need to Know about the Company of the Year Recognition

Frost & Sullivan's Company of the Year Award is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Award Analysis

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Visionary Innovation & Performance

Addressing Unmet Needs: Customers' unmet or under-served needs are unearthed and addressed by a robust solution development process

Visionary Scenarios Through Mega Trends: Long-range, macro-level scenarios are incorporated into the innovation strategy through the use of Mega Trends, thereby enabling first to market solutions and new growth opportunities

Leadership Focus: Company focuses on building a leadership position in core markets and on creating stiff barriers to entry for new competitors

Best Practices Implementation: Best-in-class implementation is characterized by processes, tools, or activities that generate a consistent and repeatable level of success

Financial Performance: Strong overall business performance is achieved in terms of revenue, revenue growth, operating margin, and other key financial metrics

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

