



Excool Recognized for

2021

Customer Value Leadership

Global Data Centre Cooling Industry

Excellence in Best Practices

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 company. Excool excels in many of the criteria in the Data Centre Cooling space.

AWARD CRITERIA	
Business Impact	Customer Impact
Financial Performance	Price/Performance Value
Customer Acquisition	Customer Purchase Experience
Operational Efficiency	Customer Ownership Experience
Growth Potential	Customer Service Experience
Human Capital	Brand Equity

Excellence in Price/Performance Value

The most intriguing aspect about Excool is its rock solid determination and relentless pursuit for technology innovation and excellence. Its comprehensive product portfolio represents the next generation of data centre cooling solutions that are not only truly end-to-end, but also state of the art

“When it comes to anticipating future market needs and addressing unmet needs, Excool has time and again maintained its position at the forefront of the industry. More interestingly, with its innovation capabilities, the company manages to raise the bar much higher every time it launches a new product generation; this makes it even harder for its competitors to catch up.”

- Gautham Gnanajothi, Research Director

and future ready. When it comes to anticipating future market needs and addressing unmet needs, Excool has time and again maintained its position at the forefront of the industry. More interestingly, with its innovation capabilities, the company manages to raise the bar much higher every time it launches a new product generation; this makes it even more difficult for its competitors to catch up. Frost & Sullivan feels that “Excool Zero”, the company’s next generation cooling solution, is the perfect testament to its constant innovation efforts to address the evolving market and customer

needs. This path breaking solution will be quite instrumental in transforming data centre capabilities not only from an operational stand point - but also from a cost savings perspective.

Excool's vast technology know-how and manufacturing expertise has allowed it to create an industry leading cooling solution, specifically designed to enhance customer value multi fold and strike a perfect balance between price / performance value. Frost & Sullivan finds Excool's manufacturing excellence second to none. The company leverages cutting edge tools and processes throughout all of its manufacturing plants and incorporates a wide array of supply chain and procurement best practices, thereby offering significantly reduced build costs to its customers. The company's success in this area is largely driven by its design ethos, which is based on simplification of the whole cooling system by leveraging modular concepts. It eliminates the need for onsite construction, complex arrangements of components pipework, valves and pumps, etc. - all of which significantly add to the data centre build cost. Excool empowers its customers to deploy "plug and play" units to match their current IT loads, thereby significantly improving return on investment and payback. The company's unique and innovative approach towards product design, complemented by reduced equipment costs and ease of installation, provides its customers with a solid ~15% reduction in overall build costs, which roughly translates to £1 million savings per megawatt (MW) of IT load.

Commitment to Innovation and Superior Customer Ownership Experience

Frost & Sullivan analysts monitor how Excool's futuristic approach towards product development has placed it in the forefront of this highly competitive industry. The company's ever increasing focus on technology and innovation has been instrumental in creating a niche for itself; it also plays a crucial role in propelling the company's growth and penetration in international markets. Excool's technology and innovation excellence is primarily driven by ability to envisage visionary scenarios by constantly analyzing Mega Trends and creating revolutionary solutions to address those developments. With its expertise in tracking and studying Mega Trends, Excool was able to not only anticipate the advent of path breaking events that would change the landscape of the data centre cooling industry, but it also diligently capitalize on them; key events include increasing focus on speed to market, dramatically increasing campus sizes, and increasing concerns on high water usage in data centres.

Excool's ardent journey towards reducing water consumption and lowering equipment footprint is highly commendable. The recently launched Excool Zero is a vivid testament to its dedication and focus on pushing boundaries to address unmet market needs and customer pain points. Excool Zero is the latest iteration of its indirect evaporative cooling solution and represents the 5th generation of the Excool product in 11 years. With Excool Zero, the company has further reduced the overall product footprint; it now occupies 48% less space per kW cooling and can deliver 20% more capacity per metre of outside wall. On the other hand, it has managed to cut down water usage by over 50% when compared to its previous design and also offers the option to operate with little or no water at all. Furthermore, the new unit is offered at 30% lower price point. The other noteworthy aspect is that the company has tremendously ramped up production capacity and is now able to produce 2.5 times more units per week. Given that Excool Zero is now its standard product, the company has nicely adopted a strategy to build-for-stock in order to further reduce lead times. In essence, Excool not only delivers more cooling capacity in a smaller footprint with significantly reduced water consumption, but also goes above and beyond to offer reduced lead times by enhancing its production capabilities.

Outstanding Customer Service Experience

While technology and innovation form the core of the Excool's DNA, it is certainly intriguing to see the level of emphasis the company places on service, which is second to none in the industry. The global business economy is in a day and age where COVID-19 has severely restricted travel; in response to these challenging circumstances, Excool has developed a new approach to service and commissioning by leveraging a combination of technology know how and local resources. There are essentially two aspects to the company's services excellence – onsite support and offsite support through its factory based service bureau. With this two pronged approach, Excool employs and trains highly qualified engineers local to the customer sites. These engineers are fully equipped with the necessary skills and knowledge base to perform commissioning, service, and maintenance of the Excool units at customer sites.

On the other hand, the company provides full tactical support through its senior engineers based in its mother factory (Bromsgrove, UK). These remote technicians provide offsite support every step of the

“This high level of proximity and collaboration with its customers enables Excool to continually monitor each unit for indicators of potential issues, allowing it to adopt active preventative intervention to avert future problems. Excool's superior customer service experience is a critical factor responsible for its remarkable repeat business.”

- Gautham Gnanajothi, Research Director

way with the highest attention to detail, where they are able to visualize each and every unit in real time with the local engineer in attendance on site. The other crucial aspect that drives Excool's success in providing exemplary customer service is its high level of proximity and synergy with its customers. The company has consciously moved away from the general industry practice of using customer feedback forms; instead, it has put in place a scrupulous customer interaction program where the

company regularly interacts with its clients by leveraging its remote monitoring service. This high level of proximity and collaboration with its customers enables Excool to continually monitor each unit for indicators of potential issues, allowing it to adopt active preventative intervention to avert future problems. Frost & Sullivan firmly believes that Excool's superior customer service experience is a critical factor responsible for its remarkable repeat business.

Excellent Financial Performance

Excool's growth trajectory in the data centre cooling market is highly impressive; this is a direct result of its unique set of product and service differentiators aimed at pure value creation for the customer. The company's laser sharp focus on R&D and product development have resulted in a unique set of cooling features and functionalities that are expected to create a step change in the data centre industry; this will in turn boost the company's financial performance to much greater heights over the coming years. Excool's financial performance during the year 2020 was brilliant; the company recorded a year-on-year revenue growth rate of 39%, which is nearly 4 times the industry average growth rate; a highly commendable feat. Excool not only excelled at revenue growth rate, but also outshined its closest competitors in other key financial metrics. It registered a gross profit increase of 42% and increased its EBITDA by 11% during the same year. This included Excool's research and development budget of 4-6% of turnover. The continuing growth and success has seen Excool appear at no. 30 in the Sunday Times

HSBC International Track 200 for companies with the fastest growing international sales and at No. 12 in the Sunday Times BDO Profit Track 100.

Industry Leading Operational Efficiency

Frost & Sullivan believes that Excool's multi-dimensional approach to implementing best practices will fast track its course to a leadership position in the market. One of the key aspects that drive success for the company in this regard is its operational best practices that allow for successful execution of customer value enhancement strategies. Its focus on all aspects of manufacturing (such as supply chain, procurement, production cost, and quality) all play a crucial role in its outstanding operational efficiency. Over the course of Frost & Sullivan's research it was quite evident that the company's operational strategies were built on four key pillars – enhancing product performance, reinforcing product longevity, ensuring program certainty, and lowering costs; a perfect amalgamation that delivers top-notch customer experience.

To address the ongoing structural changes in the market and increased competition, Excool has added further emphasis to improve its operational efficiency and lower production costs. It is working towards optimizing economies of scale and capacity utilization. The company has invested in new factory premises to increase production space by 6,000m² and introduced a streamlined production line to increase productivity and further enhance quality control. It is noteworthy that through these new initiatives, Excool has managed to cut down production times by more than half; from 800 hours per unit to 300 hours per unit. Furthermore, as a part of its strategy to further reduce costs, the company acquired the business of one of its heat exchanger suppliers, which allows it to keep the manufacturing of the heat exchanger (a major component) in-house.

High Growth Potential

Frost & Sullivan's research findings suggest that Excool has tremendous growth potential over the coming years. The company has gained a reputation of delivering products and solutions that are not only technically brilliant, but also offer significant cost savings; this rare combination will drive its future growth and market penetration in the global arena. Excool's deep understanding of end user needs and specific requirements is the foundation of its product development process. The company's growth potential is underpinned by its ability develop cooling solutions that not only seamlessly align with data centre operators' current expectations, but also anticipated future requirements; this is due to the simple fact that its product designs are directly inspired and influenced by evolving customer needs. Customer loyalty and repeat business both continue to be Excool's forte, and Frost & Sullivan analysts conclude that this will play a crucial role in the company's future growth potential and international market expansion.

Some of Excool's recent growth success includes establishment of a joint venture manufacturing in China and delivering its first project on Chinese soil; establishment of operations in the USA and setting up of a national distribution network; expansion of EMEA business with new projects in Switzerland; and market penetration in Africa (with a significant project pipeline in ten countries lined up over the next two years).

Conclusion

Frost & Sullivan views Excool's meticulously laid out R&D and product positioning strategies as highly commendable. The company's technology innovation is purely driven and quantified by the value addition it brings to its customers. The company's constant product development efforts by leveraging a strong technical know-how will substantially elevate its position in a highly competitive market. Its latest product Excool Zero is packed with value added features and functionalities and has the potential to truly transform the landscape of data centre cooling. The CAPEX enhancing Excool zero is a boon to data centre service providers, especially to operators building data centers for cloud providers; it is indeed a value proposition that is hard to ignore.

With its strong overall performance, Excool earns the 2021 Frost & Sullivan Global Customer Value Leadership Award.

What You Need to Know about the Customer Value Leadership Recognition

Frost & Sullivan's Customer Value Leadership Award recognizes the company that offers products or services customers find superior for the overall price, performance, and quality.

Best Practices Award Analysis

For the Customer Value Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Business Impact

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

Customer Acquisition: Customer-facing processes support efficient and consistent new customer acquisition while enhancing customer retention

Operational Efficiency: Company staff performs assigned tasks productively, quickly, and to a high-quality standard

Growth Potential: Growth is fostered by a strong customer focus that strengthens the brand and reinforces customer loyalty

Human Capital: Commitment to quality and to customers characterize the company culture, which in turn enhances employee morale and retention

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

About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at <http://www.frost.com>.

The Growth Pipeline Engine™

Frost & Sullivan's proprietary model to systematically create on-going growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.

[Learn more.](#)

Key Impacts:

- **Growth Pipeline:** Continuous flow of Growth opportunities
- **Growth Strategies:** Proven Best Practices
- **Innovation Culture:** Optimized Customer Experience
- **ROI & Margin:** Implementation Excellence
- **Transformational Growth:** Industry Leadership



The Innovation Generator™

Our six analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- **Mega Trend (MT)**
- **Business Model (BM)**
- **Technology (TE)**
- **Industries (IN)**
- **Customer (CU)**
- **Geographies (GE)**

