FROST & SULLIVAN

TALKDESK

2022
CUSTOMER
VALUE
LEADER

NORTH AMERICAN RETAIL CONTACT
CENTER AS A SERVICE INDUSTRY

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. Talkdesk excels in many of the criteria in the the retail contact center as a service 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

Customer Purchase Experience

The past decade has seen a swift transformation of the consumer retail market driven by a changing customer base and an infusion of new technology. Change that has buffeted the retail landscape includes the transition from in-store to online shopping, the meteoric adoption of consumer mobile apps, and increased consumer preference for self-service. Thrown into the mix are the effects that the COVID-19 pandemic has wrought with store closures, lockdowns, and supply chain issues, forcing retailers to rethink customer engagement completely.

> *"Talkdesk is a premier contact center solutions provider that has risen to the challenge of empowering retail customers to thrive amid current and emerging industry changes."*
>
> *– Nancy Jamison,*
> *Senior Industry Director*

Talkdesk, founded in 2011 and headquartered in San Francisco, is a premier contact center solutions provider that has risen to the challenge of empowering retail customers to thrive amid current and emerging industry changes. Talkdesk CX Cloud™ is a comprehensive contact center platform with core capabilities such as automatic call distribution/interactive voice response, omnichannel routing and interaction handling, outbound engagement, workforce management, knowledge management, quality and performance management, and live reporting and historical and real-time analytics. It offers more than 60 pre-built integrations with third-party business tools, customer relationship management systems, and software providers.
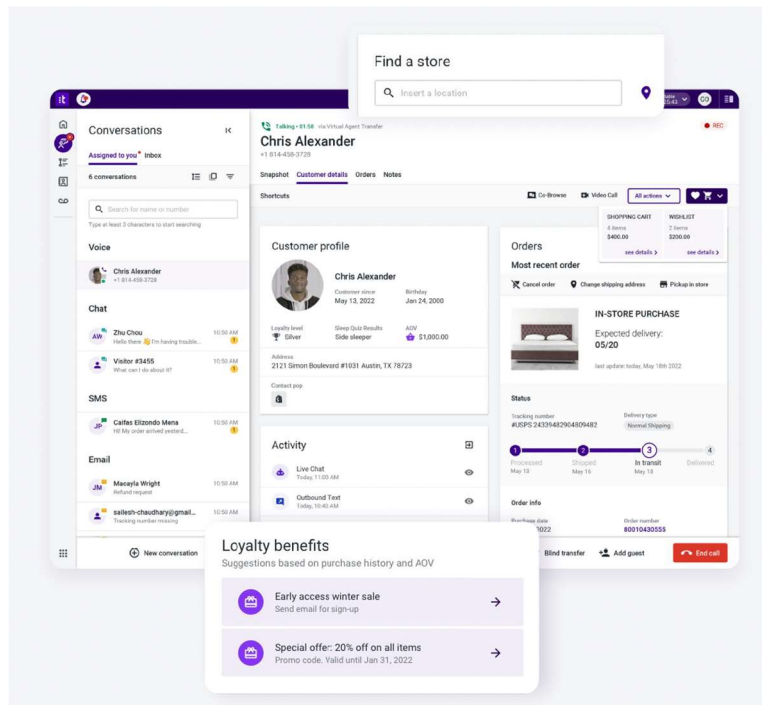
Talkdesk Retail Experience Cloud™   (Source: Talkdesk)

The platform enables brands to provide customers with a balanced blend of self-service and live assistance. It helps brands bridge the digital divide between in-store and online customer engagement. Particularly notable is Talkdesk's reputation for making it easy to expand a business's customer care environment by rapidly adding ancillary applications for tailored functionality, which is critical in the fast-changing retail market. This reputation began with Talkdesk AppConnect™, an enterprise app marketplace allowing one-click downloads and pre-integrations of more than 80 third-party offerings for expedited time to value and industry-specific out of the box integrations, like Shopify for retail. The marketplace is backed by a 30-day free trial, making it effortless for customers to adopt the solution.

Talkdesk enhances its reputation for ease of use by paying close attention to the unique needs of numerous vertical markets and nurturing deep practices within those markets, such as retail. After identifying a specific market, Talkdesk maintains an unwavering commitment to furthering capabilities in those markets. To ensure vertical market excellence, Talkdesk has introduced first-in-the-industry products tailored for targeted vertical markets. These products include Financial Services Experience Cloud™ for Banking, Financial Services Experience Cloud™ for Insurance, Healthcare Experience Cloud™ for Providers, and most recently, Retail Experience Cloud™. Using Talkdesk CX Cloud as a base, the company has designed each industry cloud to reduce the customer's risk and cost, accelerate the time to value and to market, integrate data, and improve the customer's ability to optimize the customer experience (CX) as a competitive advantage.

For example, in Retail Experience Cloud, the unified agent interface provides a 360 view of the customer. This enables agents to see all interactions and communicate across every channel, provide enhanced service through co-browse and video, have real-time visibility to shipping and returns, and even make changes to orders without switching applications. Artificial intelligence (AI)-powered, pre-configured

retail workflows and scripts assist the agent, further enhancing the customer journey, expediting time to resolution. Customer interaction analytics and sentiment, coupled with sensors that identify trending topics, provide brands a real-time bird's-eye view into customer issues that can be quickly shared and addressed by relevant teams. Connecting the online experience to the in-store experience, Talkdesk provides in-store associates with access to enable various customer support tasks as they interact directly with customers. These tasks include helping with in-store pick-ups, scheduling appointments, placing or canceling orders online, or making changes to their account information.

Customer Ownership Experience

With Retail Experience Cloud, Talkdesk is poised to maximize its competitive edge in the retail market as the solution specifically addresses retail challenges, such as providing personalized support across the digital and in-person experience, identifying, and capturing upselling opportunities from customer service interactions, closing the customer feedback loop and simplifying customer support.

Talkdesk's Retail Experience Cloud was designed to address the nuances of the retail market and provide out-of-the-box functionality to enable customers to 'hit the ground running' when upgrading their retail CX. The solution includes embedded AI tuned to the retail market with pre-designed agent workflows for common retail use cases, such as order status, returns or exchanges, and order cancellations. The solution's real-time analytics offers insights into every customer interaction and pairs them with proactive communication and process automation to speed up service delivery and improve CX. It also has natural language vocabularies calibrated to the retail market for self-service conversational AI, such as bots and virtual assistants that come pre-trained with automated workflows.

In addition, Retail Experience Cloud provides integrated knowledge management with retail domain expertise to support live and virtual workers. Agents can use a rich set of tools to work with the customer, including co-browsing with the ability to highlight areas for the customer, a callback scheduler, and next-best-action/agent assistance. There are also pre-built scripts that can add value to the conversation and match the customer's issue or the point in the journey where the customer needs help. The solution's supervisor screens also present a unified picture of the ongoings in the contact center, including the option to show customer sentiment.

Through Retail Experience Cloud, customers can take advantage of the Talkdesk marketplace or the pre-integrated core retail systems, such as Shopify. Talkdesk has also pre-built the platform to assist customers in maintaining regulatory compliance. Frost & Sullivan lauds Talkdesk for its trailblazing innovations in streamlining the retail CX and facilitating a retailer's ability to cement brand loyalty and increase customer lifetime value.

Price/Performance Value

While competitive offerings in the market provide components such as speech technology grammars tuned to the retail market or integrations with popular third-party retail applications, Talkdesk has gone above and beyond in tailoring the Retail Experience Cloud. The solution significantly improves time to value through its out-of-the-box configuration and ease of use. Because the solution is designed end-to-end to the retail environment, customers can significantly cut down on setup and maintenance costs, not

have to pay for professional services, and automatically capitalize on any software updates or additions in the platform.

The features of the Retail Experience Cloud also help increase a retailer's brand loyalty and revenue. By bridging the digital and the physical, contact center and in-store associates can collaborate using the most pertinent data to assist the customer. For instance, the buy online, pick up in-store (BOPIS) or return in-store (BORIS) approach is increasingly more common. An agent interacting online or over the phone with a customer, who wants a product quickly, can assign an in-store employee to the case for in-store pickup. The agent can place the customer's order and alert the in-store employee to arrange the pickup. Armed with the knowledge of the sale, the in-store associate has the opportunity to upsell items complementing the purchase to the customer, personalizing the interaction and increasing customer satisfaction (CSAT), customer lifetime value (CLV), and revenue.

> *"A key to Talkdesk's success in the retail market is its commitment to investing strategically in enriching its portfolio capabilities and developing its talent pool to have deep domain expertise in each target market."*
>
> *– Nancy Jamison,*
> *Senior Industry Director*

Human Capital

A key to Talkdesk's success in the retail market is its commitment to investing strategically in enriching its portfolio capabilities. To support its vertical market efforts, Talkdesk also develops its talent pool to have deep domain expertise in each target market. For example, in retail, Shannon Flanagan, Talkdesk's Vice President of Global Industry Strategy, Retail and Consumer Goods, has held executive positions at Slalom, Infor, Gap, Inc., Land's End, and Macy's and demonstrates a proven track record in strategic transformation, change management, and retail leadership.

Génesis Miranda Longo, Head of Retail Marketing, is a brand ambassador for brands like Aerie and Express, which complements the work she does at Talkdesk. She plays a critical role in Talkdesk's retail success, working with clients as a resident shopper to identify opportunities for change, developing best practices, and helping craft a strategy for the customer journey. These approaches become repeatable processes for the customer success team.

Additional retail executive team members include Preeti Padiyar, Director of Product Management; Dan Heynen, Retail Practice Leader, Enterprise Customer Success, Sumedh Jigjinni, CX Strategy Director for Retail; and Inês Carvalho, Head of Retail Campaigns. They represent a cross-functional team driving strategy, marketing, product, professional services, and customer success. Frost & Sullivan believes Talkdesk's strength as a leading provider of CX solutions lies in its expertise and dedication to delivering innovative solutions that maximize customer value.

Customer Acquisition

Talkdesk takes a multifaceted marketing approach to increase its retail customer base. Its retail executive team ensures a broad press coverage of the company's retail endeavors, including judiciously placing Talkdesk-authored thought leadership articles and blogs in retail and contact center industry publications. Talkdesk also maintains a solid presence at industry events and trade shows in the contact center industry,

such as Contact Center Week and Enterprise Connect, and retail industry-specific events. Recent examples include the Paris Retail Week, the National Retail Federation show, and Shoptalk 2022. Talkdesk's publications and participation in industry events exemplify its commitment to understanding its target market thoroughly, keeping abreast of the latest trends to address evolving customer needs, and bridging knowledge gaps in the contact center industry.

Brand Equity

A leader in the cloud contact center space, Talkdesk is in its second decade of creating omnichannel customer-centric contact centers. The company is known for its ease of use and ability to add new functionality quickly when needed, and customers have grown accustomed to its regular cadence of product introductions. For example, the company launched 40 new solutions in 2020 and 2021. It strongly facilitates its product launches with R&D investments, as 50% of its employees are working on its latest solutions. With its investments in developing its vertical market cloud solutions, Talkdesk's reputation will continue to grow as client use cases are showcased.

Contributing to Talkdesk's robust brand loyalty are its 100% uptime service-level agreements and hands-on customer support. The company reports an overall net customer retention rate of more than 100% and a 95% CSAT score. Frost & Sullivan commends Talkdesk's accomplishments and anticipates further innovation and growth from this visionary company.

Conclusion

Talkdesk is a well-established contact center solutions provider known for a comprehensive suite of user-friendly and customer-centric solutions tailored for different markets. Its addition of the Retail Experience Cloud is yet another example of its ability to empower customers in a specific market and make enriching CX effortless. With Retail Experience Cloud, Talkdesk delivers an omnichannel solution that goes beyond managing retail CX by addressing the critical need for business agility in a market known for rapidly fluctuating goods and services demands compared to most industries. For its achievements in elevating retail CX and elegantly addressing retail challenges, Talkdesk earns Frost & Sullivan's 2022 North American Customer Value Leadership Award in the retail contact center as a service market.

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 ongoing 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 6 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)**