

FROST & SULLIVAN



2022
ENTREPRENEURIAL
COMPANY
OF THE
YEAR

SOUTHEAST ASIA
CLOUD CONTACT CENTER
SERVICES 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. Toku excels in many of the criteria in the cloud contact center services space.

AWARD CRITERIA	
<i>Entrepreneurial Innovation</i>	<i>Customer Impact</i>
Market Disruption	Price/Performance Value
Competitive Differentiation	Customer Purchase Experience
Market Gaps	Customer Ownership Experience
Leadership Focus	Customer Service Experience
Passionate Persistence	Brand Equity

Carving out a Name in a Growing Market

Digital transformation and the need to adopt new ways of engagement with customers are rapidly increasing after the Covid-19 pandemic. This trend accelerated the digitalization of customer and supply-chain interactions and internal operations in the Asia-Pacific (APAC) region¹. Cloud contact center services must enter this growth era with a modern approach to meet customers’ needs. Frost & Sullivan projects that the APAC market will grow at a 13.8% compound annual growth rate (CAGR) to reach \$771.1 million by 2027.² Although the cloud contact center market in APAC generated total revenue of \$354.4 million in

“In the last few years, Toku has garnered significant momentum in the market through the relentless pursuit of excellence and by adding innovative features to its products (e.g., sentiment analysis technology).”

**- Valentina Barcia,
Best Practices Research Analyst**

2021, recording 28.4% growth year-over-year³, some industry challenges like the difficulty of embracing scalable tech adoptions and the lack of customized solutions remain. Furthermore, many contact centers operating in APAC today run on legacy infrastructure and software that cannot keep up with customers’ digital needs.⁴

Founded in 2017 and headquartered in Singapore, Toku is a developer of enterprise software solutions and a

¹ Frost Radar™: Asia-Pacific Cloud Contact Center Services, 2022 (Frost & Sullivan, March 2022)

² Ibid.

³ Ibid.

⁴ Ibid.

cloud communications provider. The company customizes bespoke solutions that enable clients to optimize their customer experience in APAC. Toku's solutions fully integrate the clients' contact center with an omnichannel customer journey enabling seamless communication in just one place.

The company overcomes the APAC market's challenges by offering products and services to solve the disconnect between customer data, and communications. Frost & Sullivan research analysts recognize cloud-based technology designed for contact centers has become more robust and estimate the global cloud contact center market will reach \$9 billion by the end of the forecast period in 2026, at a CAGR of 13.2%.⁵ Toku leverages its cloud communications and telephony expertise to develop customized services. It is well-positioned to capitalize on new growth opportunities, cementing its leadership in the APAC cloud contact center market.

Fulfilling a Mission

Toku is a disruptive service provider in the regional cloud contact center market, continually evolving its product portfolio to create notable differentiation from competitors. Toku is one of the few companies in the region with a contact center platform powered by their own telephony network. Its flexible and scalable Omnichannel Contact Center offers clients a complete and localized solution to enhance their customer engagement. Frost & Sullivan notes as today's hyper-connected customers demand a seamless experience, contact centers must establish the capability to deliver a "real" omnichannel experience,

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***- Krishna Baidya,
Industry Analyst***

irrespective of the customer's choice of channel.⁶ By utilizing Toku's application programming interfaces (APIs) alongside their contact center solution, clients can administer all their customer communications, receive real-time productivity reports, and monitor recorded and live calls⁷ through a single platform.

Omnichannel communications enhance the customer and agent experience, incorporating artificial intelligence-enhanced tools and knowledge management to improve both outcomes.⁸ Toku's partnerships with leading technology vendors (e.g., Salesforce, Zoom, and Freshworks) allow the company to offer different features and

integrations, upgrading the client experience. For instance, in April 2022, the company partnered with Salesforce to support Toku's Omnichannel Contact Center vision. This partnership provides Toku's clients with unique voice communications integration with the customer relationship management (CRM) system, where the agents have the same call features as the administrator.

Toku initiates regular enhancements to its solutions to ensure their optimal performance. The company's integration with Microsoft Teams is an example of this approach. This integration offers the client a

⁵ *Global Cloud Contact Center Solutions Growth Opportunities.* (Frost & Sullivan, July 2021)

⁶ *The Importance of Workforce Optimization in Modern and Agile Contact Centers.* (Frost & Sullivan, January 2022)

⁷ <https://toku.co/contact-centre/>. Accessed July 2022.

⁸ *The Importance of Workforce Optimization in Modern and Agile Contact Centers.* (Frost & Sullivan, January 2022)

flexible ‘pay-as-you-use’ cloud phone system at a more affordable cost. The client can also integrate telephony directly with the Microsoft Teams console.⁹ The company differentiates itself from its competitors with its one-click integration process and high-quality APAC network connectivity.

In the last few years, Toku has garnered significant momentum in the market through the relentless pursuit of excellence and by adding innovative features to its products (e.g., sentiment analysis technology). Its laser-like focus on increasing the clients’ communications security has led them to offer an in-app voice software development kit (SDK) solution allowing businesses to offer embedded voice-calling capabilities on their mobile and web-based applications, avoiding scams, and increasing the trust component of customers’ relationships with their clients. Moreover, in June 2022, Toku joined the AB Handshake Community, a global solution for call validation¹⁰, to continue its effort to reduce fraudulent calls creating a safer environment for end-users.

With its public switched telephone network (PSTN), Toku has comprehensive coverage in 17 countries in APAC and virtual numbers in 120 countries. This feature allows the clients to have local number presentation via the cloud in 17 countries, so the call appears as a local caller, increasing the answer rate.¹¹ The superior experience Toku provides its clients and their customers sustains Toku's position as a leader in the market. Current clients include Lenskart, Gojek, Decathlon, and foodpanda¹²:

“Thanks to Toku’s deep knowledge of our business needs, they have helped create bespoke solutions for a complex foodpanda ecosystem across 11 markets and different business lines. Many more exciting solutions are in the works for our partners and customers, and we look forward to implementing them with Toku’s technical support.”

- Hossein Entekhabi, Senior Director, Central Operations (APAC) at foodpanda¹³

Roadmap to Success: Customer-centric, Continuous, Proactive

Toku serves clients across various industry verticals, including logistics, financial and insurance services, and the sharing economy industry. The company provides exceptional 24/7 customer service through its dedicated team of customer success experts and a consolidated APAC-based platform that brings consistent support to its clients.

Toku uses client feedback and industry trend monitoring to guide its product roadmap and continuously evolve its solutions to maintain its innovative edge. For instance, the company’s partnership with Salesforce allows the clients to have one centralized view in the same interface, enabling them to “resolve calls for customers faster, and access customer information like contact history more readily.”¹⁴

⁹ <https://toku.co/toku-for-microsoft-teams/>. Accessed July 2022.

¹⁰ <https://toku.co/blog/how-toku-helps-fight-fraudulent-calls-apac/>. Accessed July 2022

¹¹ <https://toku.co/contact-centre/>. Accessed July 2022.

¹² Ibid.

¹³ Ibid.

¹⁴ <https://toku.co/blog/customer-experience-driven-contact-centre-the-key-differentiator-hiding-in-plain-sight/>. Accessed July 2022.

Throughout the entire purchasing process, Toku creates solutions to meet clients' specific requirements. The company has its own solutions and is able to customize them or their features to fit each client's needs, which is one of the company's biggest differentiators. For example, Lenskart, an eyewear retailer, reach out to Toku to precisely optimize their short message service (SMS) campaign. Toku leveraged its expertise in bespoke solutions and presence in APAC to transform Lenskart's SMS campaign, resulting in a 15% more cost-effective SMS campaign.¹⁵

"For most cases, Toku has successfully kept the undelivered SMS rate to between 5-6%. This is a good number compared to other delivery rates I've seen in my experience. I think it's because Toku has a better presence in Southeast Asia. That means they have better reach, and higher deliverability. And we are seeing that across our campaigns."

- Ajith Kumar, CRM Lead, SEA at Lenskart¹⁶

Growth Potential

In September 2021, Toku announced it raised \$5 million in a Series A funding round, which it plans to use to accelerate its expansion through APAC and develop new products. The company's ambitious roadmap supports a promising product development future, e.g., a speech transcription feature with exportable reports. With the recent investment, Toku expects a vast deployment, doubling its current size. As a testament to the company's high client satisfaction rate, Toku acquires many of its clients through word-of-mouth, fueled by its exceptional customer-centric approach.

In Q1 2022, the company generated a 117% year-over-year revenue growth increase from Q1 2021. Indonesia and the Philippines are the primary vital markets, achieving great success in the last two years. Delivering an average of 15% increase in agent productivity, Toku earned its commercial success. The company's impressive growth and trajectory attest to its customer-centric approach, groundbreaking services, and exceptional operational strategies, earning its clients' trust and loyalty and enabling it to capture more market share.

¹⁵ <https://toku.co/blog/how-lenskart-improved-their-sms-campaign-operational-efficiency-with-toku/> . Accessed July 2022.

¹⁶ Ibid.

Conclusion

Even though the APAC cloud contact center market is rapidly expanding, companies continue to encounter challenges such as the lack of customized solutions, difficulty scaling technology, and legacy infrastructure issues. Overall, Toku bridges these market gaps while disrupting entrenched market players. With a native APAC telephony network, Toku's solutions enhance the operational efficiency of its clients with products such as the Omnichannel Contact Center, a unified platform to view and administer all customer communication. By offering seamless connectivity to its network via unified communications platforms such as Zoom and Microsoft Teams, Toku is able to provide high-quality calling capabilities and better pricing for its enterprise customers. Through technology partnerships (e.g., Salesforce, and Freshworks), Toku offers an accessible integration to enhance customer experience. The company also delivers APIs that optimize and improve the customer experience. Including technology like sentiment analysis in its platform, Toku helps its clients solve their customer service problems quickly, delivering an outstanding experience.

With its strong overall performance, Toku earns Frost & Sullivan's 2022 Southeast Asia Entrepreneurial Company of the Year Award in the cloud contact center industry.

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

Frost & Sullivan's Entrepreneurial Company of the Year Award recognizes the best up-and-coming, potentially disruptive market participant.

Best Practices Award Analysis

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

Entrepreneurial Innovation

Market Disruption: Innovative new solutions have a genuine potential to disrupt the market, render current solutions obsolete, and shake up competition

Competitive Differentiation: Strong competitive market differentiators created through a deep understanding of current and emerging competition

Market Gaps: Solution satisfies the needs and opportunities that exist between customers' desired outcomes and their current market solutions

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

Passionate Persistence: Tenacity enables the pursuit and achievement of seemingly insurmountable industry obstacles

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™.

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Key

- **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

Impacts:



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. Learn more.

Analytical Perspectives:

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

