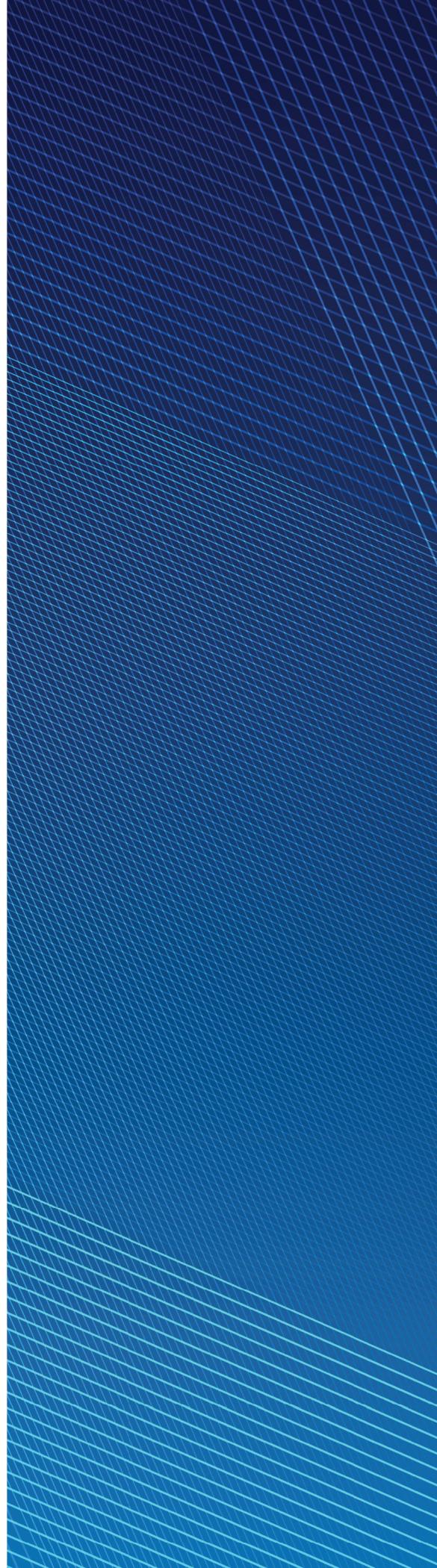


FIVE9 **RECEIVES THE 2023** COMPETITIVE STRATEGY LEADERSHIP AWARD

*Identified as best in class in the Latin American
contact center 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. Five9 excels in many of the criteria in the contact center as a service space.

AWARD CRITERIA	
Strategy Innovation	Customer Impact
Strategy Effectiveness	Price/Performance Value
Strategy Execution	Customer Purchase Experience
Competitive Differentiation	Customer Ownership Experience
Executive Team Alignment	Customer Service Experience
Stakeholder Integration	Brand Equity

Cloud and Automation Drive Remarkable Growth in the LATAM CCaaS Market

In 2022, the Latin American (LATAM) cloud contact center market achieved astonishing growth, driven by accelerated migration from premises-based contact center implementations and a considerable uptake

“Five9’s growth strategy focuses on key differentiators, such as investing in research and development to accelerate product innovation and service excellence. Building a solid partner ecosystem is a crucial pillar in Five9’s expansion in LATAM, one of the company’s most partner-driven regions in the world. Five9 keeps a rapid growth trajectory based on its regional businesses, including Brazil, Mexico, Colombia, Argentina, Chile, Peru, and Ecuador.”

**- Sebastian Menutti,
Industry Principal**

of artificial intelligence (AI)-based applications, workforce optimization, workforce engagement management (WEM), and reporting and customer analytics. These market trends significantly impact large enterprises in the banking and financial services and retail sectors, as companies increasingly focus on the employee experience of both on-site and remote agents and on creating hyper-personalized customer journeys.

Superior customer experience (CX) is fundamental for any successful business. Due to growing customer expectations, enterprises must deliver seamless, effortless, memorable customer journeys. Therefore, the need for better CX represents a pivotal opportunity for contact center as a service (CCaaS) providers. Frost & Sullivan estimates the LATAM cloud contact center market will reach \$355.9 million in 2023, with a compound annual growth rate of

about 26.4% from 2022 to 2029.¹

The holy grail of CX is finding the ideal balance between automation and human interaction, automating tasks and interactions through self-service whenever possible while connecting the customer with live agents for situations that require emotional intelligence, empathy, and the human touch to affect customer outcomes positively. Enterprises must ensure customers feel their time with an agent is relevant, meaningful, and valuable.

“Five9 continues to deliver rewarding and valuable client experiences via its commitment to innovation excellence, which ensures its portfolio remains up-to-date with best-in-class technology that complements and addresses customer needs.”

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

To accommodate these demands, CCaaS providers are expanding their capabilities to include AI-based features like intelligent virtual assistants (IVAs), skill-based routing, improved knowledge management tools, and automated post-call summarization. Natural language processing (NLP), speech recognition, and automated models for scheduling and forecasting within WEM are some of the most popular functionalities embedded in contact center solutions.

These features enable time and cost savings for businesses and produce trustworthy, valuable insights that facilitate decision-making.

CCaaS providers must ensure their partners can provide extensive training, strong integration and development abilities, and marketing and sales assistance. Additionally, market participants must commit to strict rules of engagement to minimize the likelihood of channel disputes. Consequently, robust partner programs and effective incentives, training, and support are critical to maintaining and expanding market presence.

Strategy Effectiveness and Execution Serving Several Industry Verticals

Founded in 2001 and headquartered in California, United States, Five9 is a CCaaS platform provider. The company stands out in the LATAM cloud contact center space as a leading software provider with over 150 customers and 21 years of experience. Its solutions fully integrate clients' customers across channels of choice (e.g., voice, email, chat, and social messaging), enhancing CX and business agility.

The company's primary mission is to help organizations to create memorable customer connections and transform clients' CX approach to excel in increasingly competitive industries. It identifies and fulfills clients' needs. Five9's growth strategy focuses on key differentiators, such as investing in research and development to accelerate product innovation and service excellence. Building a solid partner ecosystem is a crucial pillar in Five9's expansion in LATAM, one of the company's most partner-driven regions in the world. Five9 keeps a rapid growth trajectory based on its regional businesses, including Brazil, Mexico, Colombia, Argentina, Chile, Peru, and Ecuador.

It formed strategic alliances with 50 resellers, distributors, and systems integrators, which often help customize solutions to specific clients' needs. By approaching a tight relationship with its partners and streamlining operational efficiencies, Five9 can drive into new Tier 1 marketplaces.

¹ [Cloud Contact Center Solutions Market in Latin America, Forecast to 2029](#) (Frost & Sullivan, March 2023)

Five9 taps into available growth opportunities by leveraging industry expertise and customization in its solutions. The company recognizes that various industries have unique demands, and tailored plans are necessary for particular segments to address their needs. For instance, in 2022, Five9 significantly expanded its footprint in the business process outsourcing (BPO) space. BPO is a highly competitive market, and Five9 recognizes its significant influence in the overall LATAM arena. BPO providers are transitioning from merely a labor arbitrage value proposition to offering a true value service integration, including consultative and advisory services. By proactively analyzing data using AI and automation capabilities, Five9 provides BPO clients with real-time insights to make informed decisions. In addition, the company allows BPOs to scale much quicker at cost-competitive price points, as a virtuous balance between virtual agents and human agents represents notable cost savings.

The migration to the cloud is still disrupting the CCaaS market. Traditionally, insurance and banking companies were reluctant to migrate to the cloud due to the sensitive data they manage and the security around it. These industry verticals are accelerating and migrating rapidly and are noteworthy examples of Five9's adaptability. Well-known organizations such as Itau, BBVA, and Bancolombia rely on Five9's solutions to optimize the CX, maintaining seamless transitions between digital and voice touchpoints. Banks can use IVAs and self-service features to dedicate resourceful human agents to higher-value opportunities that need empathy (e.g., fraud, emergencies, delicate situations). Five9 applies real-time collaborative intelligence in its platform to help determine which tasks should be automated and which ones a live agent could handle.

Frost & Sullivan believes Five9 is uniquely prepared for today's demands and exceptionally positioned for tomorrow's needs. Five9's clear strategic vision and execution underpin its partner-of-choice status and sustainable growth for years to come.

Continuous Innovation

Five9 has earned a sterling reputation in the marketplace for helping companies embrace the power of AI in their CX operations. Its AI-based products are experiencing the most rapid growth. Although IVAs lead the way with a triple-digit increase in adoption in Q3 2022, Five9's Agent Assist solution, powered by AI, machine language, NLP, and Large Language Model technology, is also gaining traction among large enterprises. Applying Five9's IVA software, clients can select from hundreds of text-to-speech voices, including custom, life-like voice avatars for high-fidelity voice-over recordings.

The company is continuously enhancing its product portfolio by incorporating high-level market trends. For example, Five9 Inference Studio 7 is a no-code cloud-based IVA development platform that requires no programming expertise and allows users to leverage a variety of leading NLP, voice biometrics, and sentiment analysis technologies to create automated workflows that unleash the power of conversational AI. Moreover, in March 2023, Five9 announced two new product offerings leveraging GPT-3 from OpenAI; AI Insights and AI Summaries to improve operational efficiency, CX, and agent performance. Highlights include real-time transcription to automatically interpret interactions and group them into categories, enabling customers to identify areas for automation and process improvement. In addition, with AI Summaries, customers can quickly generate call summaries from transcripts and publish them in real time,

reducing the after-call work and saving 20% in average handle time.²

Five9 upgraded its CX Platform with workforce automation (WFA) tools to integrate data and automate processes between the contact center and other enterprise business systems. As part of this update, Five9 workflow automation is now a standard feature on the company's core platform. Integrating these capabilities, Five9 allows existing and new customers to create and manage more personalized CXs and improve business agility and agent productivity.

Five9 continues to deliver rewarding and valuable client experiences via its commitment to innovation excellence, which ensures its portfolio remains up-to-date with best-in-class technology that complements and addresses customer needs. The company has established several access points in LATAM, significantly enhancing omnichannel services' quality and reliability.

Five9's Exceptional Customer Support Promotes Client Satisfaction

With its customer-centric corporate philosophy, Five9 operates on the central tenet that its success depends on customer satisfaction. This philosophy permeates the company's daily practices. Five9's professional services and customer support deliver exceptional CX through strategic implementations, helping customers accelerate digital transformation. At a pre-purchase stage, Five9 meets with clients to assess their needs and develop tailored solutions with roadmaps for seamless execution. Then, the company leads pilot programs to support customers in incorporating novel technologies and creates a joint action plan segmented into phases, including discovery, design, migration, implementation, testing, post-go-live support, optimization, and managed services. This foundational approach, part of the company's "from day one to forever" support, establishes ongoing customer trust for long-lasting relationships throughout the product lifecycle.

Five9 guides customers and partners on the most suitable pricing models for their desired business outcomes. Additionally, the company offers service bundles that enable customers to use the features they need quickly. Furthermore, it partners with Blackchair to accelerate and optimize cloud migrations by automatically cataloging and analyzing legacy solutions. To ensure smooth migration to the Five9 platform, the company continuously reviews changes in business and behavior (e.g., identifying and documenting relevant information in legacy solutions, creating migration profiles, automating configuration translations, and ensuring end-to-end governance and compliance). This strategy results in up to 30% faster project execution.³

After implementation, Five9 collects clients' feedback through customer feature requests, local user groups, annual customer events, and customer and partner advisory boards. Notably, in 2022, customers influenced 55% of Five9's new features as direct requests or via refinement of an idea.⁴ The company has a proven track record of innovation and agility, and its professional services reflect its successful go-to-market strategy, holding a 90+ Net Promoter Score.

² <https://www.five9.com/news/news-releases/five9-introduces-agent-assist-20-ai-summary-powered-openai>. Accessed March 2023.

³ Frost & Sullivan Interview with Five9, March 2023.

⁴ Ibid.

Growth Potential

Five9's solutions span several industry verticals, such as banking, financial services and insurance, retail, telecommunications, BPO, healthcare, education, manufacturing, government, travel and hospitality, and professional services organizations. The company consolidates exciting growth opportunities in the CCaaS space due to its strong relationships with some of the largest carriers in LATAM (e.g., TIM, Oi, América Movil/Claro, Tigo, Telefonica/Movistar). In 2022, the company's international market segment grew 40% compared to 2021, and LATAM represents the fastest-growing region for Five9 globally.⁵ Frost & Sullivan's independent research shows that Five9 holds LATAM's second-largest market share in the LATAM cloud contact center market, with 9.2% of the revenues.⁶ The company's impressive growth momentum and trajectory are a testament to its customer-centric approach and revolutionary technologies, earning its clients' trust and loyalty and enabling it to capture more market share.

Conclusion

Frost & Sullivan believes that innovation and growth opportunities drive future success; many factors contribute, yet having a competitive strategy is critical. Five9 understands this core concept and is leading the contact center as a service market due to its focused strategies, helping it to outpace competitors. The company acknowledges the power of delivering a seamless customer experience in today's world. Thus, it offers a comprehensive product portfolio that allows clients to increase customer engagement, due to its flexibility between channels, even during the same conversation with intelligent virtual assistants, digital channels, or human agents, depending on the user preference and context. Five9 core products embedded artificial intelligence, natural language processing, and speech recognition to address specific industry needs. Overall, the company develops and implements its strategies with its clients in mind, securing its position as a trusted partner and market leader.

With its strong overall performance, Five9 earns Frost & Sullivan's 2023 Latin American Competitive Strategy Leadership Award in the contact center as a service industry.

⁵ <https://investors.five9.com/events-presentations>. Accessed March 2023

⁶ [Cloud Contact Center Solutions Market in Latin America, Forecast to 2029](#) (Frost & Sullivan, March 2023)

What You Need to Know about the Competitive Strategy Leadership Recognition

Frost & Sullivan's Competitive Strategy Leadership Award recognizes the company with a stand-out approach to achieving top-line growth and a superior customer experience.

Best Practices Award Analysis

For the Competitive Strategy Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Strategy Innovation

Strategy Effectiveness: Effective strategy balances short-term performance needs with long-term aspirations and overall company vision

Strategy Execution: Company strategy utilizes Best Practices to support consistent and efficient processes

Competitive Differentiation: Solutions or products articulate and display unique competitive advantages

Executive Team Alignment: Executive team focuses on staying ahead of key competitors via a unified execution of its organization's mission, vision, and strategy

Stakeholder Integration: Company strategy reflects the needs or circumstances of all industry stakeholders, including competitors, customers, investors, and employees

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)**

