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TELEPERFORMANCE RECEIVES THE 2023 COMPANY OF THE YEAR AWARD

Identified as best in class in the German customer experience outsourcing services industry

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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. Teleperformance excels in many of the criteria in the customer experience outsourcing services space.

AWARD CRITERIA

Visionary Innovation & Performance	Customer Impact
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

Opportunities in the Customer Experience Outsourcing Services Market

According to the Frost & Sullivan survey of 1,120 information technology decision-makers, customer experience (CX) improvement is the top business objective priority for the third consecutive year.[1] Organizations across the board know that offering a great CX is now essential for any business that wants to remain competitive. As a result, this market is receiving more attention and investment prospects. In 2021, the German CX outsourcing services market generated revenue of €3.86 billion, representing an 8.2% increase from 2020.[2] Content moderation, intelligent CX, hyper-automation, and driving clients' digital agendas are substantial growth opportunities for this market. At the same time, rising costs of local human resources are leading German companies to highly appreciate near and offshoring operations. Therefore, providers offering simultaneous solutions on all these fronts will have the upper hand in an increasingly competitive market.

As new tools emerge and create a seamless and effortless CX while drastically decreasing costs across front and back-office operations (e.g., artificial intelligence [AI], advanced analytics, omnichannel capabilities, natural language processes [NPL]), the industry is becoming considerably more technologically intensive. Along the same line, the expectations from well-informed and tech-savvy consumers increase, and companies are willing to partner with outsourcers to deliver optimal CX for their

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[1] *Customer Experience Outsourcing Services Market in Europe, Forecast to 2028* (Frost & Sullivan, September 2022).
[2] Ibid.

customers. Frost & Sullivan's research forecasts the European market to experience over 5% growth in 2022 as companies increasingly outsource CX services, with a 3.5% compound annual growth rate from 2021 to 2028.[3]

An Established Regional Leader

Founded in 1978 and headquartered in Paris, France, Teleperformance (TP) provides business process outsourcing services in over 170 countries. Teleperformance leads the European CX outsourcing market, offering its services in over 300 languages and dialects, remaining an industry pioneer in omnichannel customer care and a trusted partner. In 2022, Frost & Sullivan recognized TP for its growth strategy, technology leverage, and commitment to innovation and remains impressed with the company's continuing innovation and sustained leadership.

The company's vision centers on creating valuable solutions for its clients with the stated purpose of blending human touch, diversity, and inclusion with innovative digital business services to upgrade customer care with the philosophy that "each interaction matters." Its vision connects deep-seated domain and operational knowledge with advanced products and capabilities to help its experts deliver for clients enhanced CX, and cost and time reductions while increasing efficiency. Although the company has gained significant expertise in four influential industry verticals (banking and financial services, insurance, healthcare, retail and e-commerce companies) with established verticalized solutions, it strongly focuses on solution adaptability. By looking at the clients' specific situations, TP transforms its services to meet the requirements with a proactive approach. Thus, the company analyzes benchmarks with its consulting team and develops solutions that may not be in the original plan but would enhance the CX of final users.

> *"The company has held high growth rates in the past and has a solid growth pipeline for the future. For instance, TP considerably grew in the German CX outsourcing market, positioning itself as a top competitor with 4.1% of the market share in 2021."*
>
> *- Valentina Barcia,*
> *Best Practices Research Analyst*

With a legacy of market leadership in many European countries, the company's compelling value proposition underpins its sustained success. TP has developed robust digital and non-voice offerings to expand its product portfolio with emerging tools such as AI, NPL, and metaverse to offer real-time monitoring, analytics reporting, content moderation, and fraud detection and prevention. In addition to its vast, internally developed suite of solutions, TP partnered with a long list of strategic technology providers to orchestrate the best

and most tailored solution for each client. Furthermore, the company aligns with the European Union's General Data Protection Regulation policy to protect clients' data through a reliable policy management and cybersecurity framework.

TP stands out in the German CX outsourcing services market for its solid near/offshore capabilities in multilingual management hubs in Croatia, Kosovo, North Macedonia, and Bosnia and Herzegovina. The company has established a global operation model, ensuring clients the scalability of their business and a standardized CX deployed by talented agents while reducing costs. To meet these standards, TP developed the Cloud Campus Solution with 250,000 remote employees to customize each client's virtual

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[3] Ibid.

recruiting journey automatizing the process to enhance operational efficiency. The company provides a centralized location through the Cloud Campus Hubs where clients engage with agents and can add languages and other sites to support specific end users. The benefits for the clients are clear. For example, one of the top e-commerce worldwide companies, applied this TP's solution and increased agent satisfaction by 1.2%, decreased absenteeism by 82%, and accelerated the hiring and staffing process by 63%.[4]

Roadmap to Success: Customer-centric, Continuous, Proactive

With its customer-centric corporate philosophy, TP operates on the central tenet that its success depends on customer satisfaction. This philosophy permeates the company's daily practices. TP meets with clients to assess their needs and develop unique solutions with roadmaps for seamless execution. Hence, the company has an entire team (project managers, implementation managers, and operational staff) dedicated to engaging with clients and setting expectations. This foundational approach establishes customers' ongoing trust for long-lasting relationships throughout the service lifecycle.

The company constantly reviews its performance with clients throughout the entire purchasing process. TP maintains a high level of satisfaction in German nearshoring operations, recording a Net Promoter Score of 78 points and a 9.2 out of 10 points in customer satisfaction.[5] Moreover, the company hosts a business review quarterly or monthly, depending on each client. TP incorporates client feedback into its product roadmap to maximize short-term growth opportunities while providing a path to future revenues.

Clients' testimonies prove the company's strategy:

"Our results were great. All of this was made possible by the fact we now had access to a geographically dispersed workforce that allowed us to hire the best talent possible."

- e-commerce company[6]

"Teleperformance has been an innovative company, not only in day-to-day flexibility but also in adapting to our demanding market."

- Spanish bank[7]

TP manages to outpace competitors in the customer care arena for its innovative and thoughtful products and for delivering a pleasant customer purchase experience. Additionally, the company provides clients with a constant flow of thought leadership resources, including blogs, whitepapers, and reports, as well as valuable product information, keeping clients up to date while advising them on how to leverage novel technologies and market trends for their transformational journeys.

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[4] https://www.teleperformance.com/en-us/insights-list/client-stories/wish-at-the-forefront-of-the-work-at-home-revolution/. Accessed November 2022.
[5] https://www.teleperformance.com/en-us/locations/germany-site/germany-nearshore/. Accessed November 2022.
[6] https://www.teleperformance.com/en-us/. Accessed November 2022.
[7] Ibid

Real-world Scenarios Driving Continual Technology Enhancements

Leveraging its philosophy of continuous improvement and its Six Sigma certifications, TP implements regular enhancements to its solutions to ensure optimal performance. The company offers subject matter expertise and launches new features and capabilities to enrich its product portfolio. One of TP's recent developments is the StoryfAI functionality, an AI-powered tool with automated translation and interpretation. This technology can detect more than 100 languages and translate real-time audio to transcript text with spelling, grammar, and profanity checks. With customized glossaries, agents improve their productivity and ensure precise responses in multiple languages. Frost & Sullivan points out that this technology holds great potential for German customers, as companies need to cut costs, but at the same time, it is challenging to find fluent German speakers near and offshore. TP´s real-time translation solution allows companies to leverage talent from any location, generating considerable cost savings.

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>
> *- Sebastian Menutti,*
> *Industry Principal*

By standardizing language levels, clients provide equity quality services in all locations. TP reported that StoryfAI reduced handle time by 30% with 98.6% accuracy across five languages. Also, this capability saves up to 70% in translation costs.[8] StoryfAI can connect with TP Writeless, a solution that suggests suitable text modules to support agents. In combination, these tools power the company's operational efficiency while aligning with the high-level trend of the market to innovate and adopt AI and machine learning technologies to crave a name in a competitive and dynamic marketplace like CX.

Teleperformance: On a Growth Trajectory

Since its inception, TP's sterling reputation and customer-centric framework have led to its coveted preferred partner status. Over the years, it added a range of new clients to its established base. Frost & Sullivan's independent research shows that Teleperformance holds the largest market share in Europe, with 13.9% of the revenues. In 2021, the company generated €7.1 billion in revenue on a global level, an 11.6% increase from 2020.[9] With 420,000 employees from 88 countries, TP has an international team recognized with Great Place to Work® certification in 60 countries.[10]The company has held high growth rates in the past and has a solid growth pipeline for the future. For instance, TP considerably grew in the German CX outsourcing market, positioning itself as a top competitor with 4.1% of the market share in 2021.[11] The company's impressive growth momentum and trajectory are a testament to its product leadership, earning its clients' trust and loyalty and enabling it to capture market share.

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[8] https://www.teleperformance.com/en-us/services/specialized-services/storyfai/. Accessed November 2022.
[9] https://www.teleperformance.com/media/gyqdku5r/tp_ri_2021_uk_mel-vdef.pdf. Accessed November 2022.
[10] Ibid.
[11] *Customer Experience Outsourcing Services Market in Europe, Forecast to 2028* (Frost & Sullivan, September 2022)

Conclusion

The customer experience (CX) landscape is rapidly growing as companies recognize it as a critical competitive differentiator. Service providers must be innovative to stay on top of clients' demands to improve CX while efficiently decreasing costs. Overall, Teleperformance (TP) addresses these unmet needs with a strong leadership focus that incorporates customer-centric strategies and exemplifies best practice implementation. Offering a bespoke journey and a comprehensive product portfolio, TP excel in the German CX outsourcing services market with innovative capabilities to improve agents' productivity.

Moreover, TP has shown a strong performance in near and offshore operations, with multilingual hubs ensuring clients' centralized procedures, increasing operational efficiency, and optimizing budgets. The company remains a trusted partner, earning a reputation for offering the best in the CX space.

With its strong overall performance, Teleperformance earns the 2023 Frost & Sullivan German Company of the Year Award in the customer experience outsourcing services industry.

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

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)**