Everest Group PEAK Matrix® for Customer Experience Management (CXM) Providers in the Americas 2022

Focus on TELUS International
August 2022

Background and scope of the research

The Customer Experience Management (CXM) market in the Americas region has shown significant resilience throughout the post-pandemic phase in 2021, as enterprises across the board continued their investments in this space to retain existing customers and attract new ones. These investments were primarily driven by digital CX implementations in areas such as automation, analytics, conversational AI/chatbots, agent-assist solutions, omnichannel delivery, and cloud-based contact center platforms to modernize their contact centers and provide the frictionless experience that modern-age customers expect from brands. There has been an increased demand for the Work at Home Agent (WAHA) service delivery model from enterprises that are especially looking for onshore support for their end customers. Also noticeable was a strong demand for transformation consulting services such as customer journey mapping and design thinking by enterprises to accelerate their digital transformation initiatives and achieve business continuity leading to a scope expansion within existing CXM contracts. The LATAM market grew slightly faster than the North American market, albeit on a smaller base.

In this research, we present detailed assessments of 37 CXM service providers in the Americas featured on the Customer Experience Management (CXM) in the Americas – Service Provider Landscape with PEAK Matrix® Assessment 2022. Each assessment provides a comprehensive picture of the service provider's market success, vision and strategy, service focus and capabilities, digital and technological solutions, domain investments, and buyer feedback. The assessment is based on Everest Group's annual RFI process for the calendar year 2022, interactions with leading CXM service providers, client reference checks, and an ongoing analysis of the CXM services market.

In this study, we analyze the CXM service provider landscape across various dimensions:

- Everest Group's PEAK Matrix evaluation, a comparative assessment of 37 leading CXM service providers
- Competitive landscape in the CXM service provider market
- Remarks on key strengths and limitations for each CXM service provider

Scope of this report

Geography
Americas

Providers
37

Services
Customer Experience
Management (CXM)

CXM services PEAK Matrix® characteristics

Leaders:

Alorica, Concentrix, Sitel Group®, Teleperformance, TELUS International, and TTEC

- Leaders have been consistent in the delivery of CXM services and grew their client portfolio further in 2021 through expansion by organic or inorganic means, entering or strengthening presence in new geographies, languages, and verticals, and serving smaller buyer sizes and start-ups through specific SMB offerings. They reported high client satisfaction scores due to greater domain expertise, access to a skilled talent pool, and better innovation and transition management in their engagements

- They are also enhancing their technological capabilities through proprietary solutions, partnerships, or acquisitions in the areas of AI, intelligent automation, omnichannel, cloud contact centers, and remote working (both WAHA and GigCX models). Beyond technology, they are investing in innovation and design thinking labs to test and create new offerings such as CX in the metaverse, while also contributing significantly to society through their ESG initiatives

Major Contenders:

[24]7.ai, Arise, Atento, Cognizant, Comdata Group, Conduent, EXL, Genpact, HGS, IBM, Infosys, Majorel, Qualfon, ResultsCX, Startek®, Sutherland, TaskUs, TCS, Tech Mahindra, Transcom, VXI, Webhelp, and Working Solutions

- Major Contenders are building capabilities in serving different industry segments and process types through both traditional and digital channels. They have been able to expand their delivery centers across the region to offer onshore as well as nearshore support for enterprises in this region

- They have been able to develop sophisticated digital solutions and have been successful in their implementation across their client base in the Americas, with some providers relying on third-party vendors to fill capability gaps. They are establishing experience centers, research labs, and outcome-based commercial constructs for co-innovation and risk-sharing with clients, while also investing significantly in agent training and engagement through partnerships or in-house AI-based learning platforms

Aspirants:

CCI, Datamark, Datamatics, DXC Technology, GlowTouch, IGT Solutions, itel, and Liveops

- Aspirants are focused on particular region(s), vertical(s), or buyers, and have relatively smaller scale CXM operations, lower number of agents, and a skewed shoring mix

- They also have digital capabilities and offer innovative models of delivery; however, they currently have limited digital and traditional capabilities to cater to large buyers in this region with more complex requirements

Everest Group PEAK Matrix®

Customer Experience Management (CXM) in the Americas – Service Provider Landscape with PEAK Matrix® Assessment 2022 | Telus International positioned as Leader

Everest Group Customer Experience Management (CXM) in the Americas – Service Provider Landscape with PEAK Matrix® Assessment 2022[1]
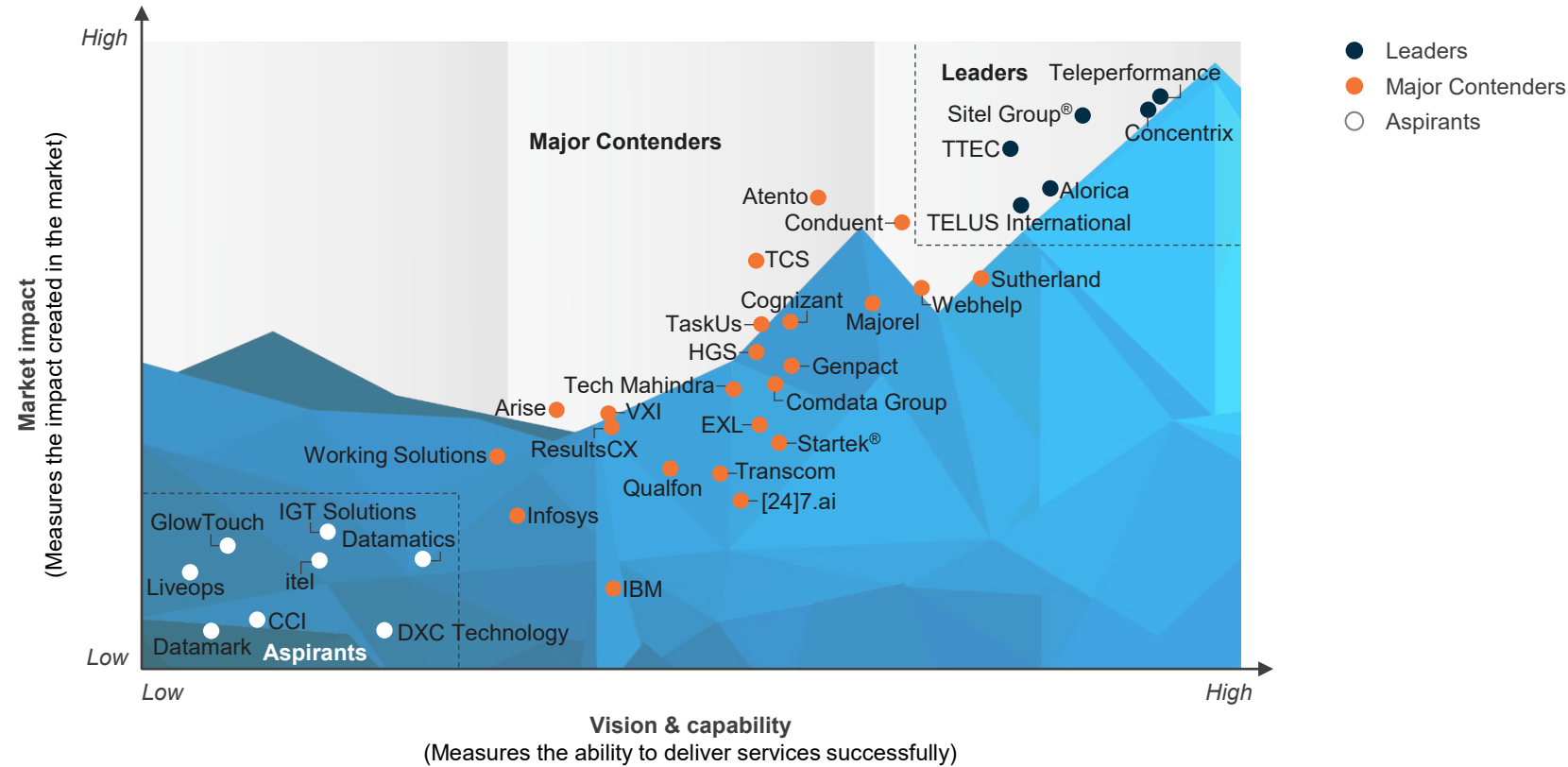
TELUS International | Americas CXM profile (page 1 of 6)
Overview

Company mission/vision statement

TELUS International's vision is to design, build, and deliver next-generation digital solutions to enhance the customer experience for clients. The company's integrated solutions span digital strategy, innovation, consulting and design, and IT lifecycle including managed solutions, intelligent automation, and end-to-end AI data solutions including computer vision capabilities, as well as omnichannel CX and trust and safety solutions including content moderation. The company partners with brands across high-growth industry verticals, including tech and games, communications and media, eCommerce and FinTech, banking, financial services and insurance, healthcare, and travel and hospitality.

Headquarters: Vancouver, Canada   **Website:** www.telusinternational.com

Key leaders

- **Jeffrey Puritt:** President and CEO
- **Marilyn Tyfting:** Chief Corporate Officer
- **Vanessa Kanu:** Chief Financial Officer
- **Michael Ringman:** Chief Information Officer
- **Jim Radzicki:** Chief Technology Officer
- **Michel Belec:** Chief Legal Officer
- **Maria Pardee:** Chief Commercial Officer

Recent developments

- **2022:** launched sixth center in Guatemala City and inaugurated a TELUS Digitization Campus in Guatemala
- **2021:** launched eighth site in the Philippines in Iloilo, and third digital CX center in the US in North Charleston, second site in Bosnia & Herzegovina
- **2021:** acquired Playment, a leader in data annotation and computer vision tools and services specialized in 2D and 3D image, video, and LiDAR
- **2021:** launched AI Data Solutions Division with and AI Community of more than one million data annotators and linguists located around the world, providing services in over 500 languages and dialects

ESG Initiatives

- **2022:** enhanced global digital recruitment capabilities, launching the pilot program of a new metaverse experience with virtual job fairs, information kiosks, gamified skills assessments, and a virtual space for employee referrals
- **2021:** invested in new environmental tracking software to better identify and monitor greenhouse gas (GHG) emissions, as well as total energy and water consumption. 27,000 sq. m. of carbon neutral flooring purchased
- 70,000+ volunteer hours contributed by team members since 2007, impacting more than 1 million lives

Americas CXM revenue
In US$ million

974 — 2020
1,113 — 2021

Scale of Americas CXM
Number of agents

37,258 — 2020
39,939 — 2021

Americas CXM client base
Number of clients

504 — 2020
480 — 2021

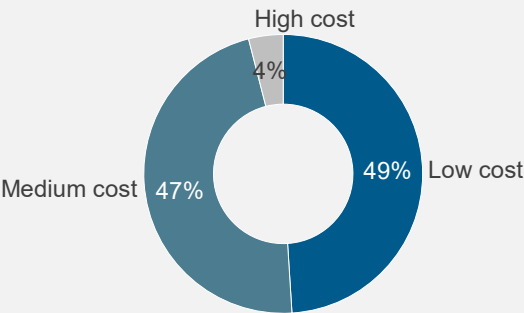# TELUS International | Americas CXM profile (page 2 of 6)
Capabilities

Split of Americas CXM FTEs
Number of FTEs

By location

- High cost — 4%
- Low cost — 49%
- Medium cost — 47%

Split of Americas CXM FTEs
Number of FTEs

By language

Not disclosed

Americas CXM revenue mix
Revenue in US$ million

By process

- Outbound sales services (4%)
- Others (4%)
- Payment collection (4%)
- Order fulfillment — 5%
- Inbound sales services — 8%
- Technical support — 10%
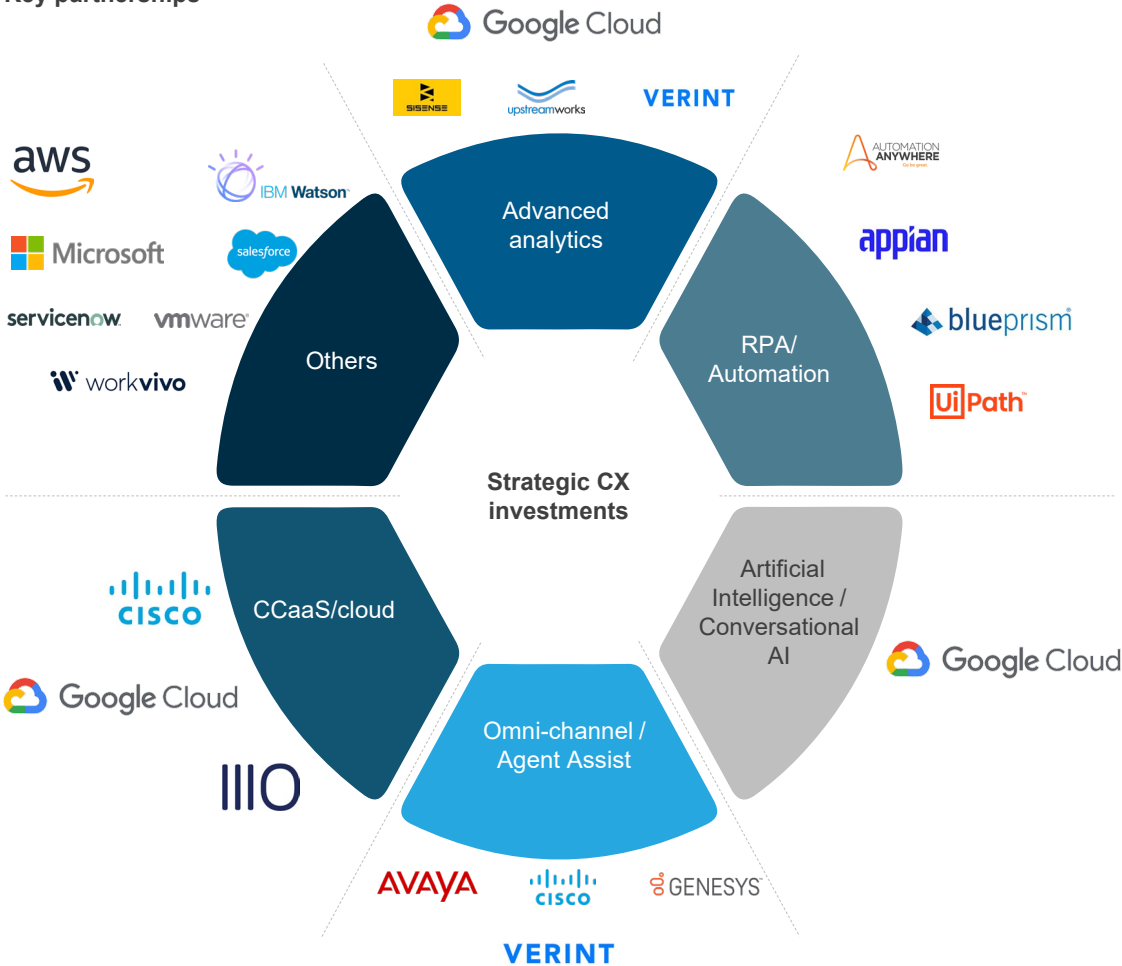- Customer service — 51%
- VAS[1] — 14%
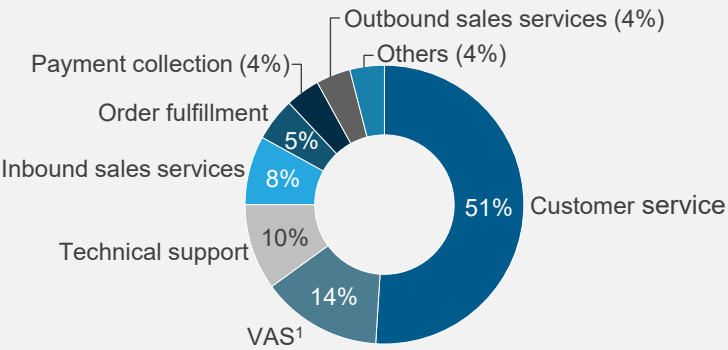
1   Includes channel management, customer analytics, customer retention management, and performance management & reporting
Note: High cost regions include the US and Canada; medium cost regions are Latin America, Eastern Europe, and Middle East and Africa, and low cost regions include India, the Philippines, and Rest of Asia

TELUS International | Americas CXM profile (page 3 of 6)
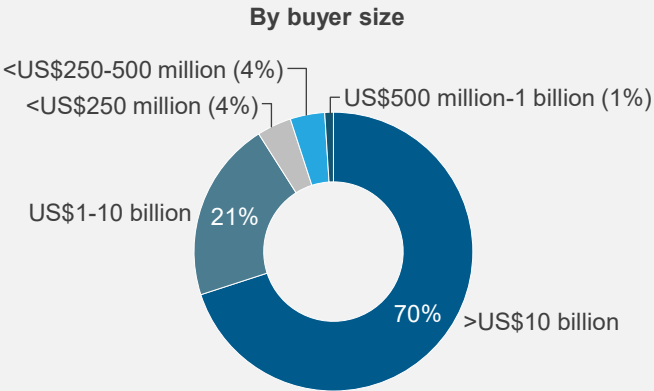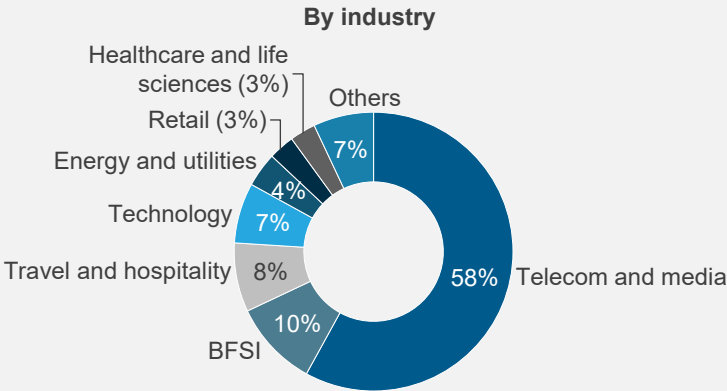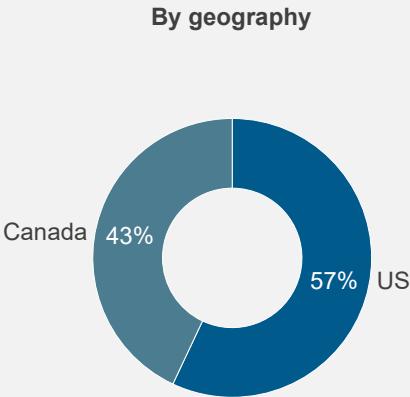## Key CXM investments | proprietary solutions and partnerships

Key partnerships

Google Cloud

SISENSE   upstreamworks   VERINT

aws   IBM Watson   AUTOMATION ANYWHERE

Microsoft   salesforce   appian

servicenow   vmware   blueprism

workvivo   UiPath

Strategic CX investments

Advanced analytics

RPA/ Automation

Others

CCaaS/cloud

Artificial Intelligence / Conversational AI

Omni-channel / Agent Assist

CISCO

Google Cloud

IIIO

AVAYA   CISCO   GENESYS

VERINT

Google Cloud

Key proprietary solutions

Solution	Description
Intelligent Insights	A vendor-agnostic RPA digital workforce management platform that measures and tracks bot performance, calculates ROI, enables actionable insights, and supports career progression
Data Ingestion Platform (DIP)	A real-time data ingestion platform to stream data into Big Data systems
iTIA	A conversational AI platform that delivers personalized and engaging experiences to customers across all platforms and channels handling simple to complex interactions
Work Anywhere	A flexible and secure solution for WFH workforce, leveraging omnichannel CCaaS platform, remote recruitment, onboarding, and workforce management
RPA Accelerators	An integration with CoTS RPA solutions, like AI Offroad, image processing, and ML models
Agent Assist & KB Platform	An agent-facing bot that integrates with a knowledge base to recommend the next best action based on the customer / agent interaction in real time
SAFE: Secure Authentication Face & Environment	A proprietary solution and flexible WFH service add-on, that helps identify if remote workspaces are in line with client protocols. The system uses algorithms to draw mathematical representations (templates) using facial characteristics like distance between eyes or shape of chin, etc.
Internal Process Bots	Internal bots that enable self-service for TI employees who are seeking information on HR programs and policies or recruitment information
GT Studios	A proprietary AI training platform that helps build high-quality AI training datasets; handles all data types across 500+ languages and dialects
Digital Recruitment	Differentiated onboarding experience for diverse talent across geographies through a gamified virtual environment

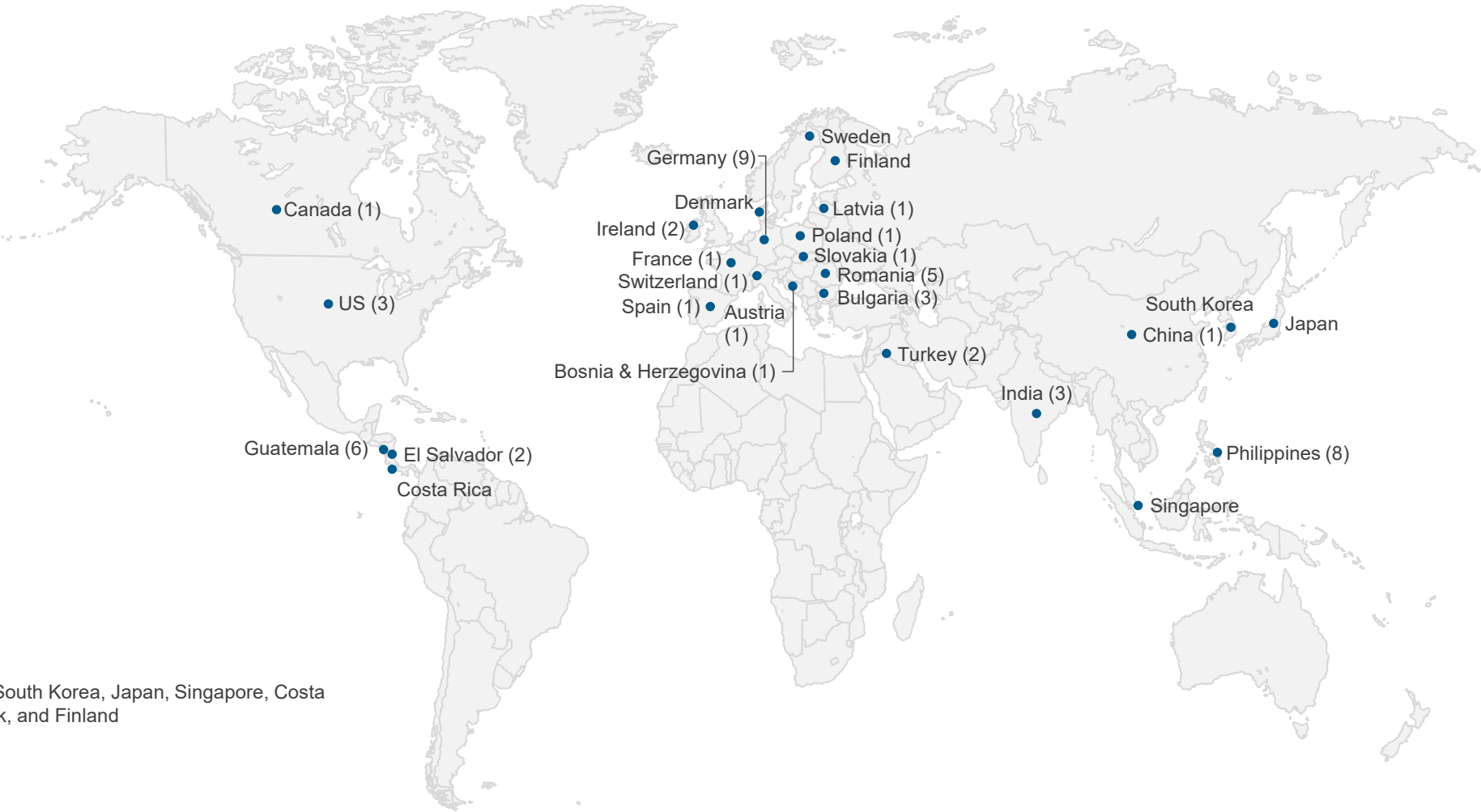# TELUS International | Americas CXM profile (page 4 of 6)
Client portfolio

Americas CXM revenue mix
US$ million

By geography

Canada 43%
US 57%

By industry

Healthcare and life sciences (3%)
Retail (3%)
Energy and utilities
Technology
Travel and hospitality
Others 7%
4%
7%
8%
BFSI 10%
Telecom and media 58%

By buyer size

<US$250-500 million (4%)
<US$250 million (4%)
US$500 million-1 billion (1%)
US$1-10 billion 21%
>US$10 billion 70%

Key customer experience engagements		
Client name	**Region**	**Client since**
A leading diversified Canadian telecom	Canada	2005
A leading NA-based game developer	Multiple regions	2018
A leading logistics provider	Multiple regions	2018
A leading social media giant	Multiple regions	2018
A leading global ride sharing company	Multiple regions	2014

TELUS International | Americas CXM profile (page 5 of 6)
Location landscape

Canada (1)

US (3)

Guatemala (6)
El Salvador (2)
Costa Rica

Sweden
Germany (9)
Finland
Denmark
Latvia (1)
Ireland (2)
Poland (1)
France (1)
Slovakia (1)
Switzerland (1)
Romania (5)
Spain (1)
Bulgaria (3)
Austria (1)
Bosnia & Herzegovina (1)
Turkey (2)

India (3)

South Korea
China (1)
Japan

Philippines (8)

Singapore

TI AI locations include South Korea, Japan, Singapore, Costa Rica, Sweden, Denmark, and Finland

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TELUS International | Americas CXM profile (page 6 of 6)
Everest Group assessment – Leader

Measure of capability: ◔ Low ● High

Market impact				Vision & capability				
Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services offered	Technology and innovation	Delivery footprint	Overall
◕	◔	◕	◕	●	◕	◕	◕	◕

Strengths

- TELUS International, a digital-first BPO service provider, with a network of nearly 40,000 agents serving the Americas, provides end-to-end CXM services with a strong suite of next-generation digital solutions that include intelligent automation, Intelligent Virtual Assistants (IVAs), workforce transformation & management, 360º customer analytics, facial recognition, and managed contact center services. It expanded in the Philippines (new site) and the US (new digital CX center) in 2021 and in Guatemala with a new center as well as TELUS Digitalization Campus in 2022

- In 2021, it strengthened its expertise in data annotation and accelerated its computer vision capabilities with the acquisition of Playment. It has also developed digital and industry-specific CoEs for driving innovation and enhancing its technology-led expertise. It also launched its AI Data Solutions Division and AI Community of data annotators and linguists

- TELUS International implemented its Digital Seeds Program, an AI-powered hyper-automation offering, with its integrated suite of proprietary solutions such as intelligent TELUS International Assistant (iTIA), intelligent insights, and Visual IVR to deliver convenient, personalized, and engaging AI-driven experiences to customers, in order to increase the adoption of automation. It also leverages a strong partner ecosystem of technology vendors such as Genesys, Google Cloud, VERINT, UiPath, Automation Anywhere, and Appian to further reinforce its CCaaS, advanced analytics, automation, and process mining capabilities

- Non-voice, asynchronous channels of communication including email, chat, and self-service support nearly half of its CX portfolio, delivering omnichannel experience to its clients. The integration of real-time neural language translators to address diverse language demands helps in achieving this. It serves a range of hyper-growth clients across various industries such as telecom & media, technology, BFSI, retail, life sciences, and travel & hospitality

- TELUS International has a strong advisory capability that includes customer journey mapping, process design, design thinking, digital business strategy, and technology consulting to provide seamless digital CX transformation. It offers a full suite of CXM services including customer service, sales service, technical support, customer retention management, order fulfillment, and transaction processing

- Its Work Anywhere platform aims to deliver a flexible and secure model for an engaged WFH workforce with the ability to support remote recruiting, training, and coaching initiatives. It also provides features such as facial recognition and environment detection to ensure governance, mitigate risk, and regulate compliance for its clients

- Buyers cited achievement of KPIs, focus on employee welfare and strong culture resulting in agent retention, client-centric talent pool, business acumen and domain expertise, openness to feedback and flexibility, and ease of doing business as areas of excellence

Limitations

- Clients may find TELUS International's lack of experience in the Latin America region and the Caribbean as a deterrent for those looking for a strategic vendor with the capability to serve in those regions

- TELUS international's client mix is skewed toward buyers generating more than US$1 billion. Its ability to support small and midsize buyers with their key strategic objectives remains untested

- Its current delivery mix is nearshore and offshore heavy, which might deter buyers looking for significant onshore delivery capability

- Buyers mentioned English proficiency, issue de-escalation, and proactiveness as key improvement areas

Appendix

Everest Group PEAK Matrix® is a proprietary framework for assessment of market impact and vision & capability

Everest Group PEAK Matrix
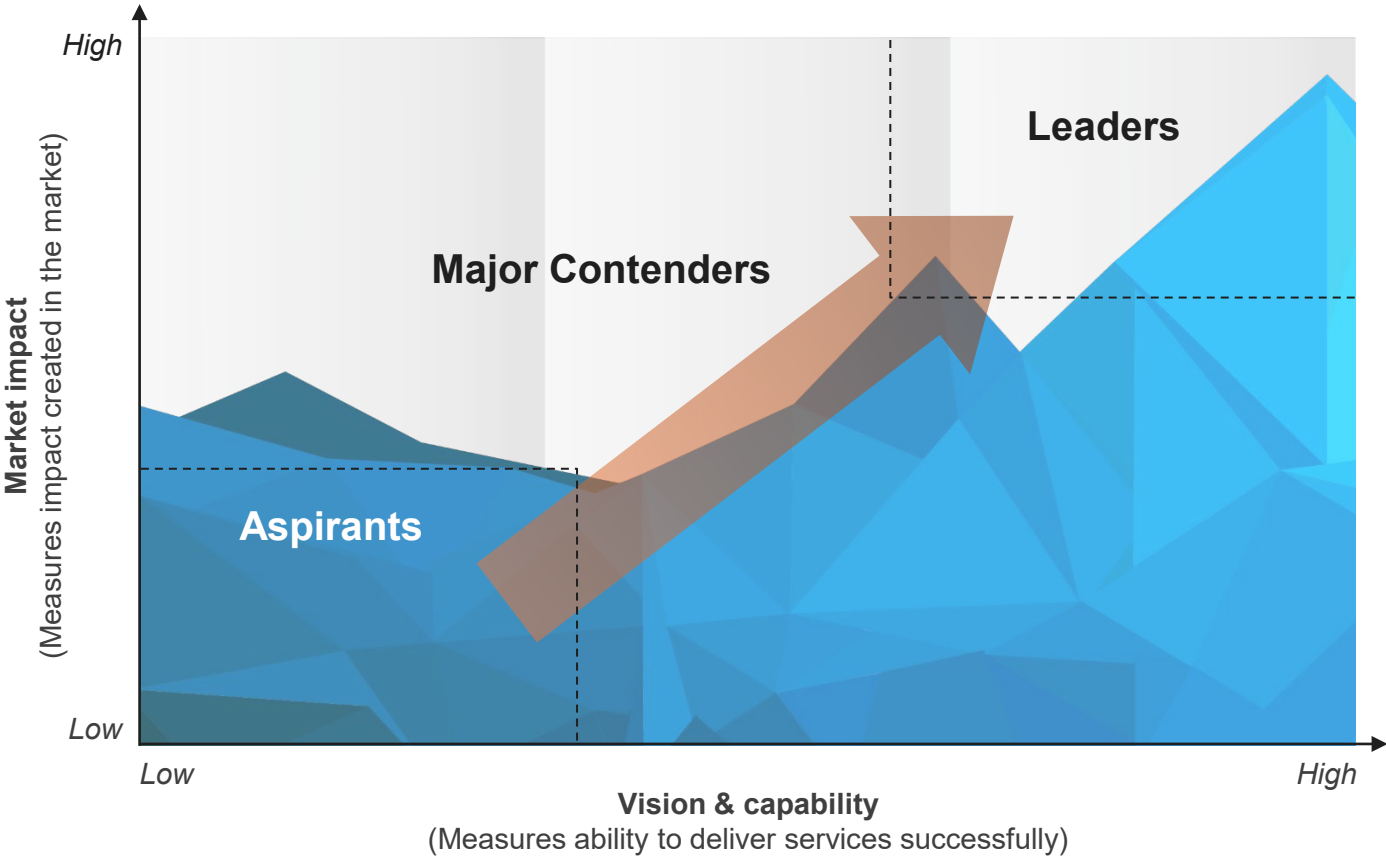
Services PEAK Matrix® evaluation dimensions

Measures the impact created in the market – captured through three subdimensions
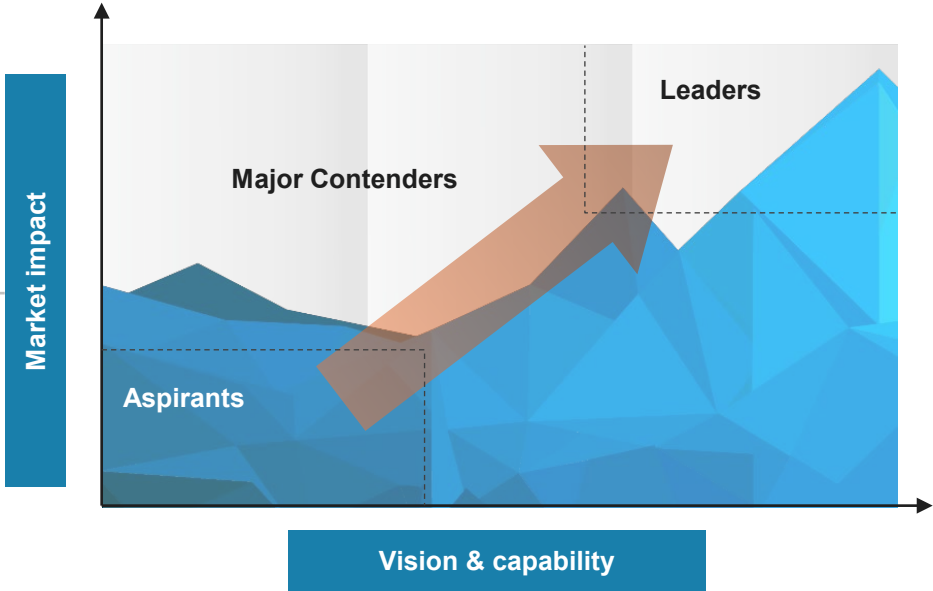
Market adoption

Number of clients, revenue base, YoY growth, and deal value/volume

Portfolio mix

Diversity of client/revenue base across geographies and type of engagements

Value delivered

Value delivered to the client based on customer feedback and transformational impact

Market impact

Leaders

Major Contenders

Aspirants

Vision & capability

Measures ability to deliver services successfully. This is captured through four subdimensions

Vision and strategy

Vision for the client and itself; future roadmap and strategy

Scope of services offered

Depth and breadth of services portfolio across service subsegments/processes

Technology and innovation

Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, and M&A

Delivery footprint

Delivery footprint and global sourcing mix

Everest Group®

With you on the journey

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