



## **Contact Center Outsourcing (CCO) – Service Provider Landscape with PEAK Matrix™ Assessment 2017**

Contact Center Outsourcing (CCO)  
Market Report – June 2017 – Preview Deck

# Our research offerings for global services

## ▶ Market Vista™

Global services tracking across functions, sourcing models, locations, and service providers – industry tracking reports also available

## ▶ Application Services

## ▶ BPS | Banking Financial Services

## ▶ BPS | Healthcare & Life Sciences

## ▶ BPS | Insurance

## ▶ Catalyst™

## ▶ Cloud & Infrastructure

## ▶ Contact Center

## ▶ Digital Services

## ▶ Engineering Services

## ▶ Finance & Accounting

## ▶ Human Resources

## ▶ ITS | BFSI\*

## ▶ ITS | Healthcare & Life Sciences

## ▶ IT Services Forecaster™

## ▶ Locations Insider™

## ▶ PricePoint™

## ▶ Procurement

## ▶ Recruitment & Talent Acquisition

## ▶ Service Optimization Technologies

## ▶ Transaction Intelligence

## Subscription information

- This report is included in the following subscription(s)
  - **Contact Center Outsourcing (CCO)**
- In addition to published research, a subscription may include analyst inquiry, data cuts, and other services
- **If you want to learn whether your organization has a subscription agreement or request information on pricing and subscription options, please contact us**

\* Banking, financial services, and insurance

## Custom research capabilities

- Benchmarking | Pricing, delivery model, skill portfolio
- Peer analysis | Scope, sourcing models, locations
- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment



### Corporate Headquarters

Office: +1-214-451-3000

[info@everestgrp.com](mailto:info@everestgrp.com)



### European Headquarters

Office: +44-207-129-1318

[unitedkingdom@everestgrp.com](mailto:unitedkingdom@everestgrp.com)



### Delhi Office

Office: +91-124-284-1000

[india@everestgrp.com](mailto:india@everestgrp.com)

# Background and scope of the research

---

## Background of the research

The global CCO market grew at ~3% to reach US\$78-80 billion in 2016. The year 2016 continued to witness the move toward digitalization, which has had a profound impact on the buyer requirements. The last 12-18 months have witnessed numerous instances of mergers and acquisitions across the CCO landscape, with service providers focusing on strengthening delivery capabilities beyond just scale enhancement, and concentrating on driving differentiated offerings in the market. This has led to changes in the solution characteristics that we witness in the market – shift towards balanced shoring, increased adoption of multi-channel solutions, increased emphasis on value-added services, and increased investments in analytics, automation, and next-generation solutions such as Robotic Process Automation (RPA) and cognitive solutions

## In this research, we analyse the CCO market across various dimensions:

- CCO PEAK Matrix 2017
- Key insights on PEAK Matrix dimensions
- Observations and comments on individual service providers

## The scope of analyses includes:

- More than 2,500 active CCO deals (as of December 2016) tracked annually by Everest Group
- Global coverage across all major languages, geographies, channels, and industries
- Coverage across 35+ CCO service providers including, Aegis, Alorica, Atento, Arvato, Capita, CGI, Concentrix, Conduent, Conduit Global, Contax, Convergys, DXC Technology, EXL, Firstsource, Genpact, HCL, Hexaware, HGS, Infosys, Intelenet, Knoah Solutions, NTT DATA, Sitel, SPi CRM, STARTEK, Sutherland Global Services, Sykes, TCS, Tech Mahindra, Teleperformance, TeleTech, Transcom, VXI, Webhelp, Wipro, and WNS

Note: Some assessments may exclude service provider inputs, and are therefore based on Everest Group estimates, which leverages our proprietary Transaction Intelligence (TI) database, service providers' ongoing coverage, public disclosures, and interaction with buyers

# Table of contents (page 1 of 2)

---

Topic	Page no.
<b>Background and methodology</b>	<b>5</b>
<b>Executive summary</b>	<b>12</b>
• CCO service provider landscape overview and CCO PEAK Matrix 2017	13
• Key insights on PEAK Matrix dimensions	14
<b>Section I: CCO service provider landscape overview and CCO PEAK Matrix 2017</b>	<b>15</b>
• Summary	16
• Service provider landscape	17
• PEAK Matrix for CCO	21
• Service provider assessment	23
– Leaders	23
– Major Contenders	24
– Aspirants	27
– Star Performers	32
<b>Section II: Key insights on PEAK Matrix dimensions</b>	<b>30</b>
• Summary	31
• Market success	32
• Delivery capability	33
– Scope	33
– Delivery footprint	36
– Buyer satisfaction	37
– Technology and innovation	38

# Table of contents (page 2 of 2)

---

Topic	Page no.
<b>Section II: Everest Group’s remarks on service providers</b> .....	<b>40</b>
<b>Appendix</b> .....	<b>77</b>
• Glossary of terms .....	78
• CCO research calendar .....	80
• References .....	81

# Everest Group's CCO research is based on multiple sources of proprietary information (page 1 of 2)

1

Proprietary database of **2,500+ CCO contracts** (updated annually)

- The database tracks the following elements of each CCO contract:
  - Buyer details including industry, size, and signing region
  - Contract details including Total Contract Value (TCV), Annualized Contract Value (ACV), term, start date, service provider FTEs, and pricing structure
  - Scope including buyer geography and functional activities
  - Technology including Customer Relationship Management (CRM) technology, communication technology, and enabler technology ownership & maintenance
  - Global sourcing including delivery locations and level of offshoring

2

Proprietary database of **operational capability of 35+ CCO service providers** (updated annually)

- The database tracks the following capability elements for each service provider
  - Key leaders
  - Major CCO clients and recent wins
  - Overall revenue, total FTEs, and contact center employees
  - Recent contact center-related developments
  - CCO revenue split by geography, industry, and client size
  - CCO delivery locations
  - CCO service suite
  - Contact center-related technology capabilities

Illustrative list of service providers covered in CCO research



Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any contract-specific information we collect, will only be presented back to the industry in an aggregated fashion

# Everest Group's CCO research is based on multiple sources of proprietary information (page 2 of 2)

3

## Annual buyer surveys and interactions

Global surveys and one-on-one executive-level interviews are undertaken annually with roughly **80-100 organizations** to understand how buyers perceive the performance of their CCO providers. The surveys/interviews focus on different aspects of an outsourcing relationship including:

- Key drivers for outsourcing CCO
- Contract details (including process scope, year of signing, and duration)
- Overall performance of the service provider including key strengths and improvement areas
- Detailed assessment of service provider performance across different elements such as:
  - Key CCO metrics
  - Various contact center processes
  - Implementation and transition phases
  - Governance and relationship management

## Illustrative list of buyers' feedback included in our research



# Everest Group's definition of the CCO market is centered on the delivery aspects of customer interaction

Contact center pyramid



- Everest Group defines the CCO market to include engagements that primarily support all forms of direct and indirect (or in support of direct) interactions with customers, external and internal to the buyer organization, involving a structured multi-channel and remote communication environment
- CCO does not include contact center services embedded within the scope of outsourcing engagements targeting processes other than customer care, such as IT Outsourcing (ITO) or Human Resources Outsourcing (HRO)

Source: Everest Group (2017)

# The service provider landscape for CCO includes CCO specialists, integrated IT+BPO players, and BPO pure-plays

NOT EXHAUSTIVE

## CCO specialists



- Predominantly focused on contact center outsourcing
- Do not have a significant play in other BPO/ITO segments

## IT+BPO players



- Integrated players that provide services across ITO and BPO
- Have a significant ITO portfolio beyond BPO

## BPO pure-plays



- Have significant presence across BPO segments (e.g., FAO, PO, and HRO) beyond CCO
- Do not have a significant ITO play

# Overview and abbreviated summary of key messages

The global CCO market is witnessing service provider consolidation as well as a changing landscape of buyer requirements. This is driving CCO providers to change strategies to cater to increasing demands of clients for customer experience that differentiates them in the market. This report uses Everest Group's proprietary PEAK Matrix to assess and rate service providers on various dimensions of their capabilities. It also includes analysis of key PEAK matrix dimensions and Everest Group's remarks on service providers' key strengths and development areas.

Some of the findings in this report, among others, are:

## CCO service provider landscape and CCO PEAK Matrix 2017

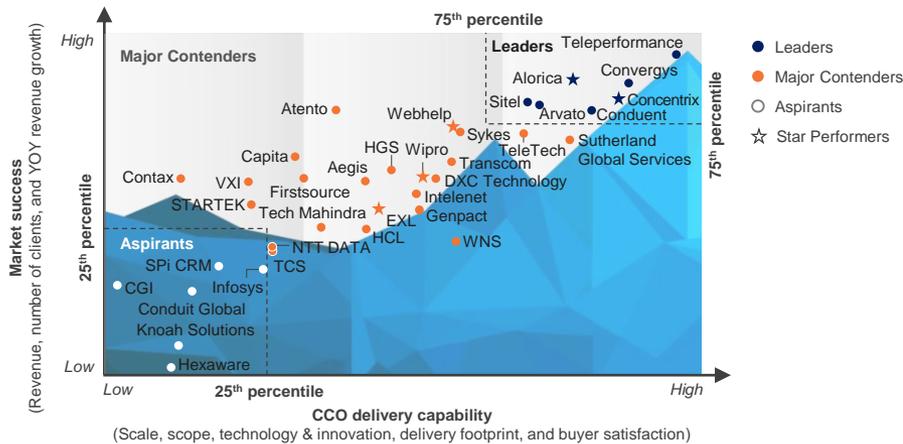
- Everest Group classifies 36 CCO service providers on Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix into the three categories of Leaders, Major Contenders, and Aspirants
- Alorica, Arvato, Concentrix, Convergys, Conduent, Sitel, and Teleperformance emerged as Leaders
- Aegis, Atento, Capita, Contax, DXC Technology, EXL, Firstsource, Genpact, HCL, HGS, Intelenet, NTT DATA, STARTEK, Sutherland Global Services, Sykes, TCS, Tech Mahindra, TeleTech, Transcom, VXI, Webhelp, Wipro, and WNS emerged as Major Contenders
- CGI, Conduit Global, Hexaware, Infosys, Knoah Solutions, and SPi CRM are Aspirants on the PEAK Matrix for CCO
- Alorica, Concentrix, EXL, Webhelp, and Wipro have been identified as “Star Performers” on the CCO PEAK Matrix, based on their strong performance during the last 12-18 months ended December 2016

## Key insights on PEAK Matrix dimensions

- CCO market is currently dominated by a significantly higher number of players with a billion dollar revenue as compared to previous years. Driving organic growth in a hyper competitive CCO market is becoming challenging for service providers
- Service providers are increasing vertical-oriented investments to deepen their domain capabilities and establish clear differentiation in the market
- Technology and innovation is playing a key role in enhancing the service capabilities of service providers. Service providers are increasingly investing in analytics, automation, and next-generation technology solutions such as Robotic Process Automation, cognitive, and Internet of Things (IoT) to stay ahead in the market

# This study offers three distinct chapters providing a deep dive into key aspects of the CCO service provider landscape; below are four charts to illustrate the depth of the report

## Everest Group PEAK Matrix™ for CCO



## Capability assessment

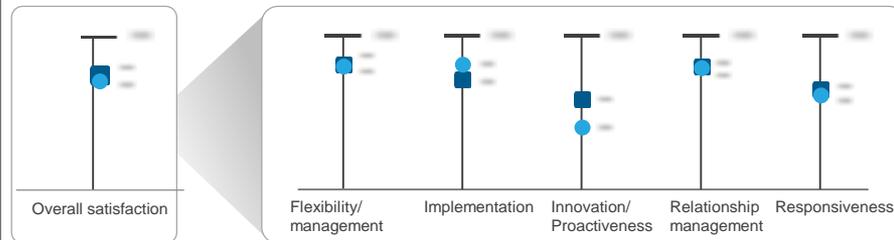
Measure of capability: ● Best-in-class ● Very high ● High ● Medium high ● Medium ● Medium low ● Low ● Not mature

Service provider	Delivery capability						Market success
	Scale	Scope	Technology solutions & innovation	Delivery footprint	Buyer satisfaction	Overall	
Service provider 1	●	●	●	●	●	●	●
Service provider 2	●	●	●	●	●	●	●
Service provider 3	●	●	●	●	●	●	●
Service provider 4	●	●	●	●	●	●	●
Service provider 5	●	●	●	●	●	●	●
Service provider 6	●	●	●	●	●	●	●
Service provider 7	●	●	●	●	●	●	●
Service provider 8	●	●	●	●	●	●	●

## Delivery capability

### Buyer satisfaction levels

Scale of X-Y, Y being the highest



## Everest Group's remarks on service providers

Measure of capability: ● Best-in-class ● Very high ● High ● Medium high ● Medium ● Medium low ● Low ● Not mature

Service provider	Delivery capability						Market success
	Scale	Scope	Technology solutions & innovation	Delivery footprint	Buyer satisfaction	Overall	
Service provider 1	●	●	●	●	●	●	●

### Strengths

- XYZ is an Aspirant on the CCO PEAK Matrix, a smaller-scale player with growing operations
- As a long-standing specialist in chat services, XYZ derives a significant portion of its revenue from the channel
- It has a major portion of its workforce based in India, allowing it to pass on the cost benefits to its clients
- XYZ also offers targeted consulting services around quality assurance and agent training
- Buyers cite flexibility and quality of agents as its key strengths

### Areas of improvement

- Applying additional analytics capabilities to its chat services would enable XYZ to create significant value and further target its existing specialization
- In addition, its strong focus on non-voice services can position it to bundle value-added services that drive incremental client engagement
- XYZ can further benefit from leveraging third-party technologies that enhance its existing technology portfolio especially in the case of enabler technologies

Source: Everest Group (2017)

# CCO research calendar

■ Published ■ Current

Topic	Release date
Automation: The Next Big Disruptor in Contact Center Outsourcing (CCO)	November 2016
Contact Center Outsourcing (CCO) Market for the Healthcare Industry – SPL with PEAK Matrix™ Assessment 2017	January 2017
Dynamics of Contact Center Outsourcing (CCO) in Asia Pacific (APAC): Special Focus on China	March 2017
Are There Productivity Differences Across Locations?	May 2017
From Multi-channel to Omnichannel Customer Experience	May 2017
Analytics BPS – Service Provider Landscape with PEAK Matrix™ Assessment 2017	May 2017
Contact Center Outsourcing (CCO) – Service Provider Landscape with PEAK Matrix™ Assessment 2017	June 2017
SDA in Business Process Services (BPS) – Service Provider Landscape	Q2 2017
UK CCO market & Impact of Brexit	Q3 2017
Analytics BPS – Annual Report 2017	Q3 2017
SDA in BPS - Service Provider Profile Compendium 2017	Q3 2017
Contact Center Outsourcing (CCO) – Annual Report 2017	Q3 2017
Contact Center Outsourcing (CCO) – Service Provider Profile Compendium 2017	Q3 2017
Technology in BPS – Annual report 2017	Q3 2017
Technology in BPS – Service Provider Compendium 2017	Q3 2017
Analytics BPS – Service Provider Profile Compendium 2017	Q3 2017
Automation in CCO: Assessing the Business Impact	Q4 2017

# Additional CCO research references

The following documents are recommended for additional insight into the topic covered in this report. These documents either provide additional details or complementary content that may be of interest

1. **From Multi-Channel to Omnichannel Customer Experience** ([EGR-2017-1-V-2161](#)); 2017. This viewpoint is the first of a two-part study on omnichannel contact centers, and answers some basic questions related to omnichannel adoption. It provides insights on how omnichannel is different from multi-channel contact centers, value-proposition of pursuing an omnichannel strategy, key technology and human capital considerations to be kept in mind, and a checklist for organizations looking to pursue an omni-channel strategy to help them assess organizational readiness
2. **Dynamics of Contact Center Outsourcing (CCO) in Asia Pacific (APAC): Special Focus on China** ([EGR-2017-1-R-2119](#)); 2017. This report will assist key stakeholders (buyers, service providers, and technology providers) understand the changing dynamics of the CCO market in APAC with a detailed assessment of attractiveness of China for CCO market. It provides insights on the APAC CCO market including an in-depth analysis of the market size & growth, buyer adoption trends, CCO value proposition & solution characteristics, and detailed assessment of China CCO market
3. **Contact Center Outsourcing (CCO) Market for the Healthcare Industry – Service Provider Landscape with PEAK Matrix™ Assessment 2017** ([EGR-2017-1-R-2075](#)); 2017. This report provides an overview of the CCO market for the healthcare industry. It provides insights into market size & growth, buyer adoption & scope trends, service provider landscape, service provider positioning on the Everest Group PEAK Matrix, and an assessment of the service provider delivery capabilities

For more information on this and other research published by Everest Group, please contact us:

**Katrina Menzigian**, Vice President:

[katrina.menzigian@everestgrp.com](mailto:katrina.menzigian@everestgrp.com)

**Skand Bhargava**, Practice Director:

[skand.bhargava@everestgrp.com](mailto:skand.bhargava@everestgrp.com)

**Vani Oswal**, Senior Analyst:

[vani.oswal@everestgrp.com](mailto:vani.oswal@everestgrp.com)

**Sharang Sharma**, Senior Analyst:

[sharang.sharma@everestgrp.com](mailto:sharang.sharma@everestgrp.com)

**CCO Team:**

[CCOresearch@everestgrp.com](mailto:CCOresearch@everestgrp.com)

Website: [www.everestgrp.com](http://www.everestgrp.com) | Phone: +1-214-451-3000 | Email: [info@everestgrp.com](mailto:info@everestgrp.com)



## About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empower clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at [www.everestgrp.com](http://www.everestgrp.com).

### Dallas (Headquarters)

info@everestgrp.com  
+1-214-451-3000

### Bangalore

india@everestgrp.com  
+91-804-276-4533

### Delhi

india@everestgrp.com  
+91-124-496-1000

### London

unitedkingdom@everestgrp.com  
+44-207-129-1318

### New York

info@everestgrp.com  
+1-646-805-4000

### Toronto

canada@everestgrp.com  
+1-647-557-3475

## Stay connected

### Website



[www.everestgrp.com](http://www.everestgrp.com)

### Social Media



@EverestGroup



@Everest Group

### Blog

[Sherpas In Blue Shirts](http://www.sherpasinblueshirts.com)

[www.sherpasinblueshirts.com](http://www.sherpasinblueshirts.com)