



Contact Center Outsourcing Annual Report 2017

Disruption is Here: The End of Contact Centers as We Know Them

Contact Center Outsourcing (CCO)
Annual Report – August 2017: Preview Deck

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Custom research capabilities

- Benchmarking | Pricing, delivery model, skill portfolio
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- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment



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How to read this document

Information desired

Where/how to locate the information

Summary of key messages

- The section on key messages summarizes the CCO market insights
- The key messages are categorized along three dimensions:
 - Market size and buyer adoption
 - Redefining CCO as Customer Experience Services
 - Service provider landscape

Key facts or analyses related to a specific topic

- A section is devoted to each dimension of the summary of key messages (listed above)
- Each section contains detailed charts on relevant topics within each dimension
- Refer to the table of contents (pages 4 and 5) to identify relevant topics covered within each section
- Summary pages at the beginning of each section cover the key trends

Outlook for 2017-2018

- The section provides Everest Group's outlook on the CCO market for 2017-2018

Definitions of unfamiliar terms and related research

- Acronyms or technical outsourcing terms are defined in the glossary of terms (Appendix)
- Refer to the related Everest Group CCO research publications listed in references (Appendix)

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Overview and abbreviated summary of key messages

With increasing focus on technology adoption and uncertainty in the market due to geopolitical factors, CCO industry grew at a slow rate of ~3% in 2016 to reach US\$78-80 billion. The market is witnessing a shift in the role of service providers globally, from managing contact center operations, to becoming strategic partners helping buyers transform their customer experience. This shift has also necessitated a change in the engagement model from traditional, reactive partnerships to consultative approach where providers collaborate with buyers to tailor innovative solutions. Further, the requirement to manage customer experience services is leading to an evolution of traditional CCO solution characteristics – omnichannel engagement, platform-agnostic disruptive technologies, pricing model that focuses on tangible business outcomes. With buyers and providers becoming more mature and coming to terms with the disruptions, the market is expected to rebound and grow at 4% by 2020

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

Market size and buyer adoption

- The global contact center spend stands at US\$310-335, of which third party outsourcing accounts for ~25%
- Multi-region contract signings continue to increase as buyers look to consolidate their service provider portfolio across regions

Redefining CCO as Customer Experience Services

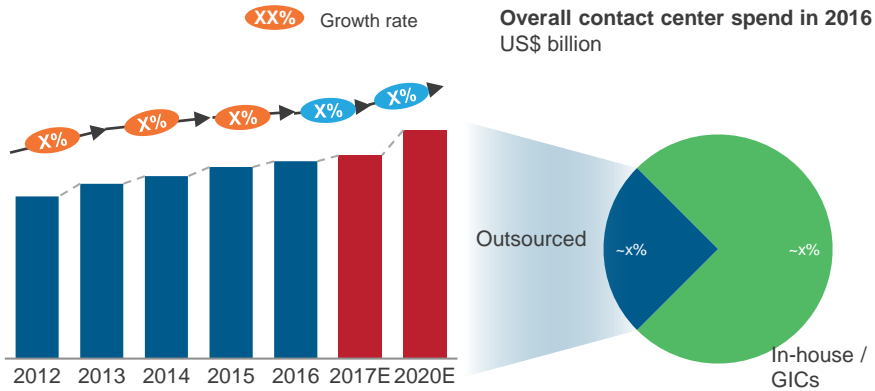
- The delivery model is leaning towards balanced shoring, as providers look to achieve optimum balance between onshore and offshore delivery
- Technology investments in predictive and prescriptive analytics have risen significantly in the last couple of years

Service provider landscape

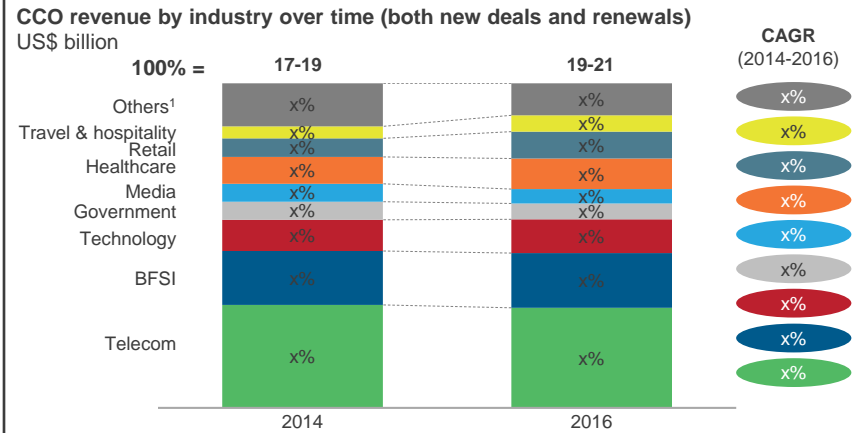
- CCO specialists have witnessed flat growth in 2016. IT + BPO players grew at the maximum rate due to their investments in analytics and automation
- Enabler technology formed the majority of CCO-related investments with close to half of total investments. Analytics, automation, and multi-channel tools formed the bulk of enabler technology investments

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

Market size for CCO over time

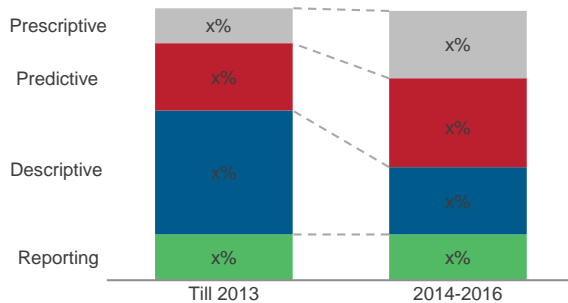


CCO adoption by buyer industry

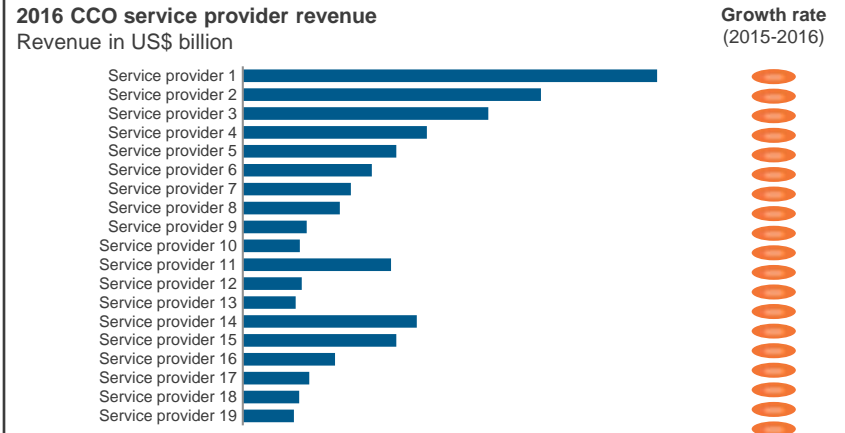


Technology – Analytics

CCO technology investments in analytics over time
Percentage of investments



Service provider landscape



Source: Everest Group (year)

Research calendar – CCO

Published
 Planned
 Current release

Flagship CCO reports

Release date

Contact Center Outsourcing (CCO) Market for the Healthcare Industry – SPL with PEAK Matrix™ Assessment 2017.....	January 2017
Contact Center Outsourcing (CCO) – Service Provider Landscape with PEAK Matrix™ Assessment 2017.....	June 2017
Contact Center Outsourcing (CCO) – Service Provider Profile Compendium 2017	July 2017
Contact Center Outsourcing (CCO) – Annual Report 2017	August 2017

Thematic CCO reports

Achieving Maximum BPO Value: How Smart Buyers Structure Contact Center Relationships	June 2016
Making the Work-At-Home-Agent (WAHA) Model Work: A Buyer’s Perspective.....	June 2016
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
UK CCO market & Impact of Brexit	July 2017
Chatbots and their Role in defining the Future of Customer Experience	Q3 2017
How good are service providers in delivering digital customer experience : Buyers perspective	Q4 2017
Automation in CCO: Assessing the Business Impact	Q4 2017

Note: For a list of all CCO reports published by us, please refer to our [website page](#)

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 omnichannel 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 the 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 the China CCO market
3. **Contact Center Outsourcing (CCO) – Service Provider Landscape with PEAK Matrix™ Assessment 2017 ([EGR-2017-1-R-2075](#)); 2017.** This report focuses on service provider positioning in the CCO market, changing market dynamics & emerging service provider trends, and assessment of service provider delivery capabilities

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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.

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