FROST & SULLIVAN

BEST PRACTICES

AWARDS

FROST & SULLIVAN

2020 BEST PRACTICES AWARD

Teleperformance
each interaction matters

2020 NORTH AMERICAN
CONTACT CENTER OUTSOURCING COMPETITIVE
STRATEGY INNOVATION AND LEADERSHIP AWARD

Contents

Background and Company Performance
Industry Challenges

Covid – 19 Global Pandemic. In February, 2020, the World Health Organization (WHO) classified COVID-19 as a global pandemic based on the ease and rate of infection, elevated mortality rates, and the degree of global spread to regions and countries around the world. A general lack of preparedness in customer care has revealed each industry's weaknesses and vulnerabilities. Every vertical market has its own unique challenges, but the concerns that are universal for all of them include lack of bandwidth, secured networks, and reliability.

Client Concerns about the Work-at-Home Model. Beyond the Covid -1 9 pandemic, concerns about excessively high fuel prices, commute times, family/work balance, and the environment are driving up interest in home agent programs. Network security and ramping up of WAHA have been part of a well-thought-out business continuity planning process for years. While this continues to be a challenge, a new problem has emerged: this particular virus is attacking humans, not just networks or cybersecurity protocols.

Agent Fraud. Within captive or outsourced contact centers, agent fraud represents the most significant and pernicious security threat. One of the most common agent actions related to contact centers, occurs when employees conduct unauthorized access to private and confidential data without a business need to access that data.

General Data Privacy Regulation. With the recent implementation of the General Data Protection Regulation (GDPR) on May 2018, it's clear how consumer data and privacy have been rightfully prioritized and enforced. GDPR can apply to a remarkably wide range of organizations that control or process data about European (EU) residents. This includes many organizations without a physical presence in the EU. The European Union's GDPR has been slowly followed by other data protection or privacy regulations mandated in different areas of the world, primarily in Brazil (General Data Protection Law) and California, USA

(California Consumer Privacy Act). New privacy laws are being introduced and existing privacy laws are being enhanced around the world with stricter privacy requirements.

Security and Privacy Concerns. Today's BPO clients are extremely concerned about how companies use their data and track their activities online. While security has traditionally been viewed as the responsibility of the IT organization, progressive companies have built a separate Security Practice to stave off the onslaught of internal and external threats. Battling agent turnover and improving the overall customer experience, continue to be top priorities in contact centers across the globe. However, no one can deny the mission-critical nature of stringent *security and privacy policies*, as a key benchmark for Best-in-Class contact center performance.

Extraordinary Consumer Expectations to Continue Past 2020. Consumers are more empowered and knowledgeable than ever before, and expectations for excellent customer service, sales knowledge, and technical support have soared. More and more customers are insisting that businesses anticipate their every need.

Artificial intelligence and Artificial General Intelligence (AI/AGI). This set of technologies build on machine learning by enabling machines to exhibit intelligent human-like behavior. We are seeing the breakthrough of market-relevant applications in artificial narrow intelligence (ANI).

Emerging Channels and Channel Integration. Customer interactions now typically begin on the web, interactions that have expanded to include those initiated through mobile applications. Meanwhile, text-based communication has become very popular with consumers Both trends will accelerate with a younger generation that is more likely to "key-in" than talk. Moreover, all customers expect companies to respond to them on the channels of their choice, without repeating what was said or written via other channels.

2020 Recognition and Company Overview

Teleperformance Group (TP) is a provider of outsourced Omnichannel Customer Experience Management services. The Group delivers solutions to corporations and enterprises in customer care, technical support, debt collection, and business, information, and marketing.. For 2019 Teleperformance posted global revenues of €5,355 million. This is up +10.6% like-for-like*, up +20.6% as reported.

Particularly notable during this pandemic period, is TP's rapid deployment of an enhanced and expanded Work-at-Home Agent (WAHA) workforce- from 10,000 to over 160,000 employees in shorter than 4 months.

With more than 40 years of experience in the market, the Teleperformance Group has grown its operations to more than 330,000 employees in 80 countries - serving 170 markets. It manages client programs in more than 265 languages and dialects on behalf of major international companies. Teleperformance operates in the following 3 major geographic regions:

1. The English-speaking and Asia-Pacific region (EWAP), which includes: Great Britain, USA, Canada, China, Korea, Indonesia, the Philippines, Singapore, South Africa and Vietnam.

2. The Ibero-LATAM region, which includes Argentina, Brazil, Chile, Colombia, Costa Rica, El Salvador, Mexico, Spain and Portugal.

3. The Continental Europe & MEA, which includes all countries in the EMEA region (Europe, Middle East & Africa), except Great Britain, South Africa, Spain and Portugal.

Teleperformance offers clients a unique range of customer experience management solutions worldwide. The company supports a wide variety of industries including automotive and transportation, broadband and DSL, energy and utilities, financial services, government, healthcare, insurance, manufacturing, media, pharmaceuticals, retail, technology, telecommunications and travel and hospitality.

Strategy Innovation

Strategy Effectiveness

Enterprises large and small have begun to treat their call centers as the strategic corporate asset that they are—critical to corporate brand image, customer retention, and growth. Teleperformance has, for many years, deployed home-based agents all over the world.

Expanding the Global Work-at-Home (WAHA) Footprint

Rapid implementations of home-based agents began in service areas around the world, and momentum accelerated significantly throughout March and April of 2020. By early April, 50% of the global Teleperformance production workforce had been migrated to work-at-home and, by late April, 66% had been transitioned -- 160,000 employees.

Teleperformance's business strategy effectively balances short-term performance and critical client needs. along with long-term aspirations and vision for the company.

Strategy Execution

It quickly became apparent that COVID -19 represented a greater health threat than originally anticipated. Therefore, dramatic emphasis needed to be placed on BPOs moving expeditiously toward a WAHA model. Teleperformance has:

- Proven experience in implementing a work-at-home model and expanded at a rapid pace

- Successfully managed a team of thousands of remote interaction experts that connect and assist customers daily across all geographies

- Deployed best-in-class operational and security processes, ensuring consistent results from on-site and remote interaction experts

- Adapted training and coaching processes, specifically designed to engage a remote workforce

- Deployed several specific technical solutions that commits the same levels of control and security for remote and on-site interaction experts

Competitive Differentiation

In North America, Teleperformance competes against other Tier 1 giants in the industry including Alorica, Concentrix, Sitel Group, SYKES and TTEC.

The Unique Teleperformance Cloud Campus

Work-at-Home solutions are in high demand right now. Teleperformance Cloud Campus is a clear differentiator in the market. We believe that it may be the most efficient and effective model for hiring, training, and managing remote teams while ensuring exceptional, consistent customer experience.

How does it work? Home-based interaction experts can work from anywhere in the world while remaining connected virtually to their Teleperformance team through one of its Cloud

Campus Hubs. These centralized command centers keep remote agents connected and engaged while providing an opportunity for clients to interact with a dispersed workforce.

Operating capabilities include virtual talent acquisition, training, development, coaching, team building, learning, client interaction, quality control and data security management. This includes social well-being and rich social interaction for employees. Gamification is utilized for employee fun and education as part of the new Teleperformance 'campus life'. The first TP Cloud Campus was launched in December 2019 in Portugal. Frost & Sullivan believes that there is no other BPO provider that offers this service to its clients. This represents a revolutionary way of working in the 'new normal' that optimizes customer experience and remote employee engagement.

Data Security is the TOP Priority

As the leader in BPO security practices, Teleperformance has set forth aggressive global cybersecurity objectives:

• Prevent disruption in service delivery and revenue generation due to cyber threat activity

• Protect TP and client data/Intellectual property from hacking and breaches

• Ensure TP meets all Information Security and Privacy compliance requirements

• Establish a security culture to make TP employees its #1 security control

Executive Team Alignment

Teleperformance's mission statement is:

"At Teleperformance, we deliver an outstanding customer experience, at every single opportunity, as a result of our commitment, passion and dedication to excellence. In so doing, we create opportunities and value for employees, clients, customers, communities and shareholders."

Focus on the Future

As a testament to its mantra, Teleperformance believes that "every interaction matters".

Teleperformance Founder and Chief Executive Officer Daniel Julien, said: "To be clear, conventional facilities continue to play an important role in our operational delivery strategy. As the global industry leader and a top employer worldwide, we constantly re-envision alternative work and delivery models that can benefit our clients, their customers and, of course, our employees. We developed, tested, and began implementing the Teleperformance Cloud Campus with select clients last year. It is a fantastic model for both clients and for the emotional well-being and professional growth of our work-at-home staff. Since COVID-19 hit the world, we have rapidly transitioned 80% of our global workforce to a work-at-home model to align with the 'new normal'. Teleperformance Cloud Campus orchestrates the delivery of work-at-home in a precise and effective manner, to best serve our clients and best care for our more than 200,000 strong remote employees - both now and in the future."

Customer Service Experience

Teleperformance continues to be the worldwide leader in outsourced omnichannel customer experience management; serving companies around the world with customer care, technical support, customer acquisition and debt collection programs. Teleperformance has built partnerships with its large and diversified client base of blue chip companies around the world.

Digital Business Continuity for Clients

Teleperformance boasts a bevy of marquee clients that are the bedrock of a strong, long-standing and loyal client base. Teleperformance has a diverse base of more than 850 clients. Teleperformance represents a truly global Group in which innovation and technology play a central role in support of the human experience with:

Brand Equity

With revenue of €5,355 million, or US$6 billion, TP consolidated its global leadership in outsourced omnichannel customer experience management by integrating digital solutions.

With its strong financial position and results, TP is investing in support of clients, including cybersecurity and artificial intelligence, while also developing high-quality work environments, promoting employees and paying out a healthy dividend to shareholders.

Creating Deeper Value for Clients – Digital Integrated Business Services (D.I.B.S.)

Newly announced Teleperformance D.I.B.S., delivers seamless, digital, and automated interactions, including integrated front and back-office solutions, never forgetting that what matters is the customer's satisfaction and loyalty.

Conclusion

Teleperformance Group (TP) is being recognized specifically for its compelling WAHA strategy and lightning-fast deployment, financial performance, brand reputation and market leadership.TP set new records for growth, profitability and job creation world-wide in 2019. The company embraced digital transformation by combining 'high-touch and high-tech' strategies to deliver an enhanced, more personalized customer experience that is 'simpler, safer, and faster'

With its strong overall execution and competitive differentiation, especially during the Covid – 19 pandemic crisis, Teleperformance has earned the 2020 Frost & Sullivan Competitive Strategy Innovation and Leadership Award.

Significance of Competitive Strategy Innovation and Leadership

Any successful approach to achieving top-line growth must take into account what competitors are and are not doing; meet customer demand with a comprehensive, value-driven product or service portfolio; and establish a brand that resonates deeply with customers and stands apart from other providers. Companies must succeed in these 3 areas—brand, demand, and positioning—to achieve best-practice levels in competitive strategy.

Understanding Competitive Strategy Innovation and Leadership

Driving demand, brand strength, and competitive differentiation play critical roles in delivering unique value to customers. This three-fold focus, however, must ideally be complemented by an equally rigorous focus on Strategy Innovation and Customer Impact.

 "We Accelerate Growth"

Key Benchmarking Criteria

For the Competitive Strategy Innovation and Leadership Award, Frost & Sullivan analysts independently evaluated Strategy Innovation and Customer Impact according to the criteria identified below.

Strategy Innovation
      Criterion 1: Strategy Effectiveness
      Criterion 2: Strategy Execution
      Criterion 3: Competitive Differentiation
      Criterion 4: Executive Team Alignment
      Criterion 5: Stakeholder Integration

Customer Impact
      Criterion 1: Price/Performance Value
      Criterion 2: Customer Purchase Experience
      Criterion 3: Customer Ownership Experience
      Criterion 4: Customer Service Experience
      Criterion 5: Brand Equity

Strategy Innovation

Criterion 1: Strategy Effectiveness
Requirement: Strategy effectively balances short-term performance needs with long-term aspirations and vision for the company.

Criterion 2: Strategy Execution
Requirement: Adoption of best-in-class processes supports the efficient and consistent implementation of business strategy.

Criterion 3: Competitive Differentiation
Requirement: Unique competitive advantages with regard to solution or product are clearly articulated and well accepted in the industry.

Criterion 4: Executive Team Alignment
Requirement: The executive team is aligned with the organization's mission, vision, strategy, and execution.

Criterion 5: Stakeholder Integration
Requirement: Strategy reflects the needs or circumstances of all industry stakeholders, including competitors, customers, investors, and employees.

Customer Impact

Criterion 1: Price/Performance Value
Requirement: Products or services offer the best value for the price, compared to similar offerings in the market.

Criterion 2: Customer Purchase Experience
Requirement: Customers feel they are buying the optimal solution that addresses both their unique needs and their unique constraints.

Criterion 3: Customer Ownership Experience
Requirement: Customers are proud to own the company's product or service and have a positive experience throughout the life of the product or service.

Criterion 4: Customer Service Experience
Requirement: Customer service is accessible, fast, stress-free, and of high quality.

Criterion 5: Brand Equity
Requirement: Customers have a positive view of the brand and exhibit high brand loyalty.

Best Practices Recognition: 10 Steps to Researching, Identifying, and Recognizing Best Practices

Frost & Sullivan analysts follow a 10-step process to evaluate award candidates and assess their fit with select best practices criteria. The reputation and integrity of the awards are based on close adherence to this process.

STEP		OBJECTIVE	KEY ACTIVITIES	OUTPUT
1	**Monitor, target, and screen**	Identify Award recipient candidates from around the world	• Conduct in-depth industry research • Identify emerging industries • Scan multiple regions	Pipeline of candidates that potentially meet all best practices criteria
2	**Perform 360-degree research**	Perform comprehensive, 360-degree research on all candidates in the pipeline	• Interview thought leaders and industry practitioners • Assess candidates' fit with best practices criteria • Rank all candidates	Matrix positioning all candidates' performance relative to one another
3	**Invite thought leadership in best practices**	Perform in-depth examination of all candidates	• Confirm best practices criteria • Examine eligibility of all candidates • Identify any information gaps	Detailed profiles of all ranked candidates
4	**Initiate research director review**	Conduct an unbiased evaluation of all candidate profiles	• Brainstorm ranking options • Invite multiple perspectives on candidates' performance • Update candidate profiles	Final prioritization of all eligible candidates and companion best practices positioning paper
5	**Assemble panel of industry experts**	Present findings to an expert panel of industry thought leaders	• Share findings • Strengthen cases for candidate eligibility • Prioritize candidates	Refined list of prioritized award candidates
6	**Conduct global industry review**	Build consensus on award candidates' eligibility	• Hold global team meeting to review all candidates • Pressure-test fit with criteria • Confirm inclusion of all eligible candidates	Final list of eligible award candidates, representing success stories worldwide
7	**Perform quality check**	Develop official award consideration materials	• Perform final performance benchmarking activities • Write nominations • Perform quality review	High-quality, accurate, and creative presentation of nominees' successes
8	**Reconnect with panel of industry experts**	Finalize the selection of the best practices award recipient	• Review analysis with panel • Build consensus • Select recipient	Decision on which company performs best against all best practices criteria
9	**Communicate recognition**	Inform award recipient of recognition	• Present award to the CEO • Inspire the organization for continued success • Celebrate the recipient's performance	Announcement of award and plan for how recipient can use the award to enhance the brand
10	**Take strategic action**	Upon licensing, company may share award news with stakeholders and customers	• Coordinate media outreach • Design a marketing plan • Assess award's role in strategic planning	Widespread awareness of recipient's award status among investors, media personnel, and employees

The Intersection between 360-Degree Research and Best Practices Awards

Research Methodology

Frost & Sullivan's 360-degree research methodology represents the analytical rigor of the research process. It offers a 360-degree view of industry challenges, trends, and issues by integrating all 7 of Frost & Sullivan's research methodologies. Too often, companies make important growth decisions based on a narrow understanding of their environment, resulting in errors of both omission and commission. Successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. The integration of these research disciplines into the 360-degree research methodology provides an evaluation platform for benchmarking industry participants and for identifying those performing at best-in-class levels.

360-DEGREE RESEARCH: SEEING ORDER IN THE CHAOS

About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, helps clients accelerate growth and achieve best in class positions in growth, innovation and leadership. The company's Growth Partnership Service provides the CEO and the CEO's growth team with disciplined research and best practices models to drive the generation, evaluation and implementation of powerful growth strategies. Frost & Sullivan leverages nearly 60 years of experience in partnering with Global 1000 companies, emerging businesses and the investment community from 45 offices on 6 continents. To join Frost & Sullivan's Growth Partnership, visit http://www.frost.com.