

F R O S T & S U L L I V A N

# BEST PRACTICES AWARDS

F R O S T & S U L L I V A N

B E S T

2020  
P R A C T I C E S  
A W A R D

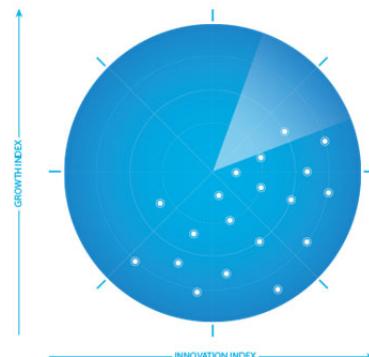


**BOSCH**

Invented for life

**2020 EUROPEAN  
CUSTOMER EXPERIENCE OUTSOURCING SERVICES  
INNOVATION EXCELLENCE FROST RADAR AWARD**

# FROST RADAR™



## CONGRATULATIONS!

Frost & Sullivan is proud to present **Bosch Service Solutions** with this year's Frost Radar™ Best Practices Award for Innovation Excellence in the **European Customer Experience Outsourcing Services Market**.

Frost & Sullivan's global team of analysts and consultants continuously research a wide range of markets across multiple industries and locations. As part of this ongoing research, we identify companies that consistently develop new growth strategies based on a visionary understanding of the future, and thus more effectively address new challenges and opportunities. This involves extensive primary and secondary research across the entire value chain of specific products and services. Against the backdrop of this research, Frost & Sullivan recognizes **Bosch Service Solutions** for these valuable achievements.

This recognition is strictly reserved for companies that are market leaders and are at the forefront of innovation. These companies consolidate or grow their leadership position by continuously innovating and creating new products and solutions that serve ever-evolving customer needs. These companies are also best positioned to expand the market by strategically broadening their product portfolio. Achieving Growth, Innovation & Leadership (GIL) is never an easy task, but it is one made even more difficult considering today's intensely competitive environment, customer volatility, economic uncertainty, and rapid technology evolution. In this context, receipt of this Award signifies an even greater accomplishment.

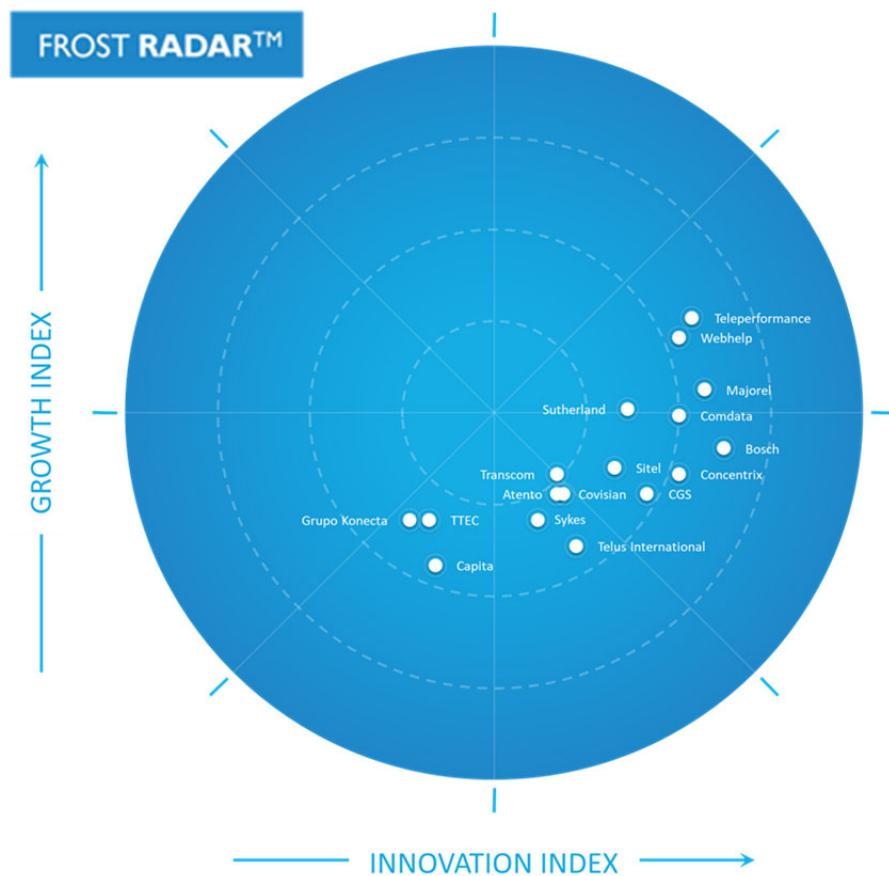
Moreover, this recognition is the result of many individuals (employees, customers, and investors) making daily choices to support the organization and meaningfully contribute to its future. Frost & Sullivan enthusiastically acknowledges and celebrates these achievements. Once again, congratulations on your accomplishments and we wish you great success in the future.

Sincerely yours,

**Darrell Huntsman**

*Chief Executive Officer*

[darrell@frost.com](mailto:darrell@frost.com)

**The Frost Radar™****The European Customer Experience Outsourcing Services Market, 2020**

Source: Frost & Sullivan

In a field of more than 300 global industry participants, Frost & Sullivan has independently ranked the top 17 companies in the above Frost Radar™ analysis.

The key parameters independently analyzed by Frost & Sullivan include:

- Innovation Scalability
- R&D
- Product Portfolio
- Mega Trends Leverage
- Customer Alignment
- Growth Pipeline
- Vision and Strategy
- Sales and Marketing
- Revenue Growth
- Market Share Growth

Frost & Sullivan studies related to this independent analysis:

- Europe Customer Experience Outsourcing Services Market, Forecast to 2024
- Digital Transformation of Customer Experience in the European BPO Industry, 2020

## The Growth Environment

In an industry constantly challenged by commoditization, outsourcers are deploying advanced technology-enabled solutions and working with partners across the ecosystem to differentiate. The focus is on moving beyond cost and labor arbitrage to customer experience (CX) enhancement. Clients and outsourcers are relying on technology to meet the evolution in customer demand. The change is primarily driven by the growing prevalence of digital-first customers.

Advanced technologies such as Big Data and analytics (BDA), Internet of Things (IoT), artificial intelligence (AI), and machine learning (ML) enable outcomes such as robotic process automation (RPA), behavioral and predictive analytics, and image and speech recognition. These create opportunities for agents to add value in every customer interaction.

Considering that the industry is in growth stage, it is an extremely competitive landscape. The European BPO market is highly fragmented due to the presence of a number of global and local outsourcers. Europe's unique requirements—driven by high demand for onshore/nearshore solutions and the need for support in multiple languages—create opportunities for smaller local market participants and the global leaders.

### Frost Radar™ Innovation Excellence Award

#### Bosch Service Solutions

Bosch Service Solutions specializes in service design, with a focus on CX, mobility/connected car, and IoT monitoring services. It has more than 270 clients in 25 locations in 15 countries, and 9,500+ agents. The Bosch 360° Service Design Approach combines CX (VoC, customer journey mapping, BPM) with process efficiency (automation, AI, self-service, and data analytics). This approach will shape future Bosch Service Solution offerings.

#### Growth

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- Bosch is gaining ground in target verticals such as building infrastructure, automotive, transportation, and manufacturing.
- Its focus on digital services growth is apparent in the acquisition of LAWA Solutions, a cloud-based software provider. The acquisition will help Bosch expand its networked products and services portfolio.
- Bosch has added new locations and expanded its headcount in existing locations. In recent years, Bosch has created on average almost 1,000 new jobs across its organization every year.

## Innovation

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- Bosch's Automation Center of Excellence reflects a significant effort to accelerate the rollout of automation solutions and democratize automation by upskilling agents to fully leverage the technology.
- The company has developed a global network of automation development centers to connect developers and clients, and optimize innovation.
- In 2020, Bosch plans to deploy cognitive assistance solutions that will directly assist the end-customer.
- Its recent partnership with Salesforce and technology acquisitions expand the company's range of cloud-based digitalization and IoT service offerings.

## Next Steps

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- Bosch should keep building on its distributed knowledge management strategy to align rapid innovation with client needs.
- Bosch can exploit its background in technology-enabled solutions, coupled with local expertise, to differentiate itself in Europe.
- Bosch is well-positioned to take advantage of increasing demand for automation and must harness its capabilities at scale.
- Bosch should pursue IoT-enabled CX offerings that play to its vertical strengths.

## What is the Frost Radar™?

### Companies to Action – Benchmarking Future Growth Potential

#### What is it?

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A robust analytical tool that benchmarks companies' innovation focus and growth performance in a given market.

#### How is it built?

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Through in-depth analysis built on Frost & Sullivan's 360-degree research methodology (primary and secondary research) and objective rating of companies in a given market.

#### Why do you need it?

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To understand how companies benchmark against each other in their ability to innovate and grow against a backdrop of industry transformation.

## What will it accomplish?

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Companies can gain an objective, independent perspective of their innovation and growth strategies, including their robustness, effectiveness, relative competitive strength, and implications for their long-term success.

## How to use it?

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The Frost Radar™ is a dynamic tracking tool that offers frequent rating and positioning of companies that are leading the industry in growth, innovation, or both. Because of changes in the operating environment and internal organizational changes, their positioning in the Frost Radar™ will change over time. It is important to leverage the Frost Radar™ to ensure that companies are aware of changes to their ecosystem and their relative positions to it.

## What does it mean to be on the Frost Radar™?

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Companies have been chosen to be in the Frost Radar™ because they have proven themselves to be worthy by demonstrating excellence in growth, innovation, or both, and are able to translate that into proven solutions that benefit their clients. At times, companies with high market share may not place on the Radar. Companies are chosen because they are already doing great things or are poised to do great things.

All companies on the Frost Radar™ could be Companies to Action. Best Practice recipients are the companies that Frost & Sullivan considers the **Companies to Act On Now**.

## Growth Excellence Award

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The Growth Excellence best practice award is bestowed upon companies that are achieving high growth in an intensely competitive industry. This includes emerging companies making great strides in market penetration and seasoned incumbents holding on to their perch at the pinnacle of the industry.

## Innovation Excellence Award

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The Innovation Excellence best practice award is bestowed upon companies that are industry leaders outperforming their competitors in this area, or new market entrants contending for leadership through heavy investment in R&D and innovation.

## Growth, Innovation & Leadership Award

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The Growth Innovation Leadership (GIL) best practice award is bestowed on companies that are market leaders at the forefront of innovation. These companies consolidate or grow their leadership position by continuously innovating and creating new products and solutions that serve the evolving needs of the customer base. These companies are also best positioned to expand the market by strategically broadening their product portfolio.

### Frost Radar™ – Benchmarking Future Growth Potential

#### 2 Major Indices, 10 Analytical Ingredients, 1 Platform

##### Vertical Axis – The Growth Index

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Growth index is a measure of a company's growth performance and track record, along with its ability to develop and execute a fully aligned growth strategy and vision; a robust growth pipeline system; and effective market, competitor, and end-user focused sales and marketing strategies. The elements of this index include:

- **GI1: Market Share (previous 3 years):** This is a comparison of a company's market share relative to its competitors in a given market space for the previous 3 years.
- **GI2: Revenue Growth (previous 3 years):** This is a look at a company's revenue growth rate for the previous 3 years in the market/ industry/category that forms the context for the given Frost Radar.
- **GI3: Growth Pipeline:** This is an evaluation of the strength and leverage of a company's growth pipeline system to continuously capture, analyze and prioritize its universe of growth opportunities.
- **GI4: Vision and Strategy:** This is an assessment of how well a company's growth strategy is aligned with its vision. Are the investments the company is making in new products and markets consistent with the stated vision?
- **GI5: Sales and Marketing:** This is a measure of the effectiveness of a company's sales and marketing efforts in helping it drive demand and achieve its growth objectives.

##### Horizontal Axis – The Innovation Index

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Innovation index is a measure of a company's ability to innovate products/services/solutions (with a clear understanding of disruptive Mega Trends) that are globally applicable, are able to evolve and expand to serve multiple markets, and are aligned to customers' changing needs. The elements of this index include:

- **II1: Innovation Scalability:** This determines whether an organization's innovations are globally scalable and applicable in both developing and mature markets, and also in adjacent and non-adjacent industry verticals.

- **II2: Research and Development:** This is a measure of the efficacy of a company's R&D strategy, as determined by the size of its R&D investment and how it feeds the innovation pipeline.
- **II3: Product Portfolio:** This is a measure of a company's product portfolio, focusing on the relative contribution of new products to its annual revenue.
- **II4: Mega Trends Leverage:** This is an assessment of a company's proactive leverage of evolving, long-term opportunities and new business models, as the foundation of its innovation pipeline.
- **II5: Customer Alignment:** This evaluates the applicability of a company's products/ services/ solutions to current and potential customers, as well as how its innovation strategy is influenced by evolving customer needs.