

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

BEST PRACTICES

AWARDS

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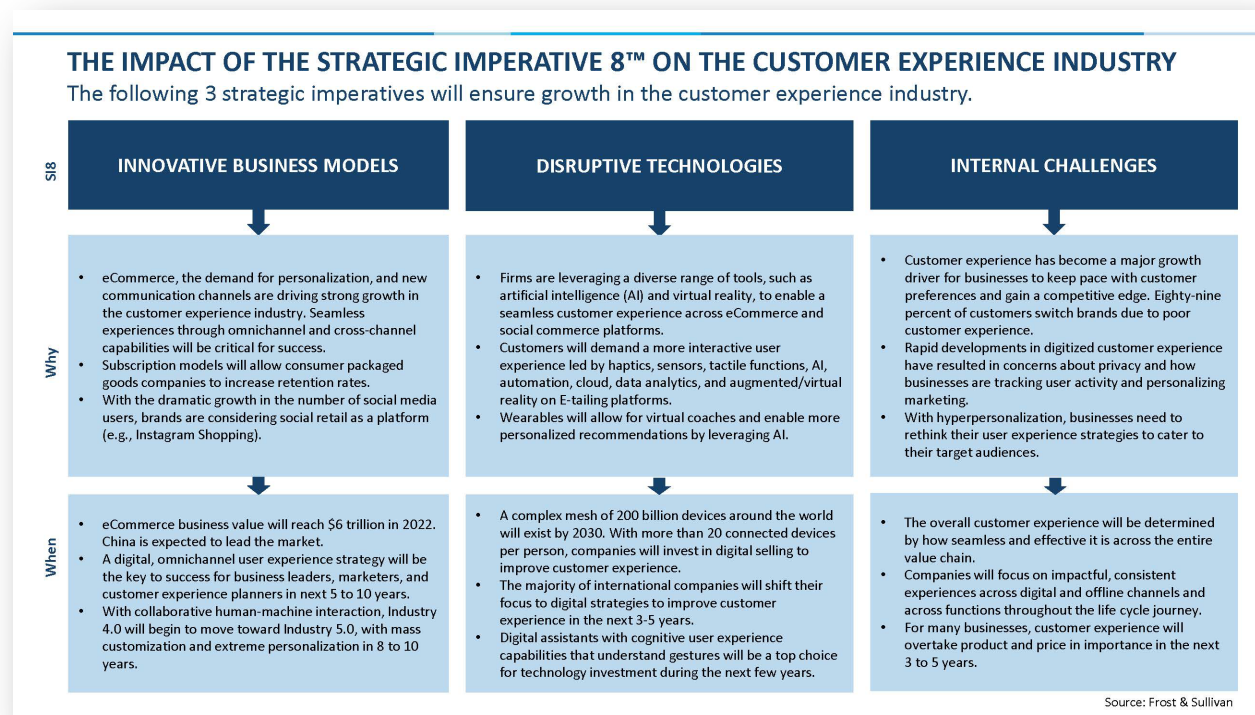
2020 BEST PRACTICES AWARD

ibex.

**2020 CENTRAL AMERICAN AND CARIBBEAN
CUSTOMER EXPERIENCE OUTSOURCING SERVICES
COMPANY OF THE YEAR AWARD**

Strategic Imperatives

Frost & Sullivan identifies three key strategic imperatives that impact the customer experience industry: innovative business models, disruptive technologies, and internal challenges. Every company that is competing in the customer experience space is obligated to address these imperatives proactively; failing to do so will almost certainly lead to stagnation or decline. Successful companies overcome the challenges posed by these imperatives and leverage them to drive innovation and growth. Frost & Sullivan's recognition of ibex (www.ibex.co) reflects how well the company is performing against the backdrop of these imperatives.



Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each of the nominated companies. Ibex excels in many of the criteria in the customer experience outsourcing services space.

AWARD CRITERIA

<i>Visionary Innovation & Performance</i>	<i>Customer Impact</i>
Addressing Unmet Needs	Price/Performance Value
Visionary Scenarios Through Mega Trends	Customer Purchase Experience
Implementation of Best Practices	Customer Ownership Experience
Leadership Focus	Customer Service Experience
Financial Performance	Brand Equity

In Transition to New Digital Economies, ibex Leads the Way

In the global context of digital transformation across all industries and sectors, the space including contact center and business process outsourcing (BPO) services is undergoing its own shift in business models and methods. Traditionally brands, retailers, and service providers that sought call center services perceived them as loss centers, intending to minimize costs above all else and to leverage economies of scale. Waves of outsourcing to offshore locations followed and resulted in massive voice-centric call centers. However, in recent years disruptive new digital businesses have reoriented priorities to a consumer-centric experience. This customer-experience-driven approach prioritizes end-consumer desires and behaviors, meeting them in a variety of channels beyond voice and valuing the longer-term lifetime value of the customer for the brand. Digitally native consumers expect a more personalized experience. Tailoring the experience requires more data and individual attention, possible for the more boutique services and service providers, but it does not align well with the larger operations that can supply massive seat numbers.

The Nearshore geographies of Central America and the Caribbean have struggled in recent years to compete against lower-cost global labor markets, but the COVID-19 pandemic and disruptions in 2020 have reset many market imperatives. United States (US)-based companies are diversifying their strategies and seeking to bring processes back closer to home, and the prospect of continuing remote work expands the labor pool even more dramatically. Competition for bilingual talent remains intense; additionally, unexpected and significant investments made to operate during the pandemic may have strained the cash flow for many operations. Indeed, the pandemic has intensified many previous trends and accelerated digital transformation efforts across the board. The customer experience (CX) outsourcers who achieve success will be those with the vision and ability to capitalize on rising omnichannel trends and deliver high quality and scalable service to growing digital economy brands.

ibex is leading the pack in efforts large and small to support clients in improving the customer experience and achieving significant success in the process. The US-headquartered CX outsourcer supports over 100 clients from 30 locations in seven countries around the globe. With five locations in Jamaica and two in Nicaragua, ibex can provide a robust nearshore vision to its clients that centers on partnership, execution, and customer experience. ibex is achieving notable success by combining a fully developed CX vision with a commitment to operational excellence, purpose-built contact center technology, end-to-end business intelligence, sophisticated training models, an engaged employee culture, and operational agility.

Building BPO 2.0

The company's focus on growing with new economy participants has achieved noteworthy accomplishments. ibex reports that company-wide, between 2015 and 2020, it experienced a 176% growth in these new economy clients, a 52% growth in non-voice support services, and more than 26% growth in workstations (with a nearshore breakdown accounting for higher than 50%).

Impressing Frost & Sullivan, ibex is achieving notable success and leading the way towards what it calls "BPO 2.0", implementing a fully realized vision for delivering service in the new economy. Whereas in what ibex considers "BPO 1.0", the industry trended towards high volume and pure labor arbitrage solutions, effectively a race to the bottom. In 2017, ibex won contracts with three notable digital disruptors in quick succession and began forming a vision for going all-in on a new strategy.

Born-digital, new economy companies prize integrated omnichannel engagement with a focus on building an end-consumer experience that yields lifetime value and positive brand affinity. To meet the demands of the market effectively, ibex developed its BPO 2.0 approach, investing in the technology and people that can most effectively drive digital transformation for its clients, and articulating a framework to serve born-digital companies with customer bases with digitally-native expectations. ibex builds its service around enhancing and protecting the client's brand through a superb customer experience. Rather than competing based on the number of seats and simple labor arbitrage, ibex has a unique combination of the operational ability and technology to serve high volume accounts applied in tandem with the BPO 2.0 approach.

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**- Nicholas J. Baugh, Best Practices
Research Analyst**

Across vertical segments (retail, eCommerce, logistics, digital media), with the companies with digital-first characteristics that fit with the BPO 2.0 vision, ibex is winning accounts and helping disruptors mature and become the major players. The company is also investing in its centers, for example opening a 500-seat state-of-the-art location in Managua with highly modern infrastructure and amenities. The October 2020 facility opening marks ibex's second in Nicaragua and continues growth as one of the largest BPOs in the country. Similarly, ibex is one of the top market participants in Jamaica and opened a fourth location in the country, the first in the Ocho Rios region with a custom-built site in September 2020. With designs for further

expansion in both countries as well as entry into Honduras, ibex's nearshore offerings fit ideally with the technology-centric, highly engaged, and brand-driven clients.

WAVE X Technology Platform Integrates and Facilitates

A critical enabling element of ibex's success is the purpose-built technology platform, [Wave X](#). Driving agent training and performance and linking functionalities with a variety of third-party software and applications, Wave X provides robust capabilities to furnish a superior end-customer experience. The Wave X system helps ibex drive results across end-to-end customer touchpoints and uncover insights that propel value across the lifecycle.

The Wave X platform and built-in automation allowed agents and managers to operate seamlessly from remote locations and continue training and mentoring activities. Indeed, ibex's global head of learning and development, who is based in Nicaragua, worked to build and implement virtual training programs with impressive speed. Now with approximately 50% of the employee base working remotely, the Wave X platform is running in a virtualized environment and allowing effortless transitions between at-home and in-center operations.

Ranging from artificial intelligence (AI), training simulators, contact center performance, Customer Experience Management (CEM), digital marketing, business intelligence, quality assurance, and cloud computing, the Wave X technology suite provides a complete CX toolset for contact center, client, and customer success. The Customer Interaction Management suite includes *CoPilot* (for agent training, coaching, and performance measurements), *Control Tower* (for scheduling, monitoring, and compliance assurance), and *Witness* (a data security and fraud prevention and recording software).

The Customer and Data Intelligence suite discovers interaction & program insights across the customer journey. The *RefleCX* survey platform includes tools for customer experience surveying, 5-star post-interaction surveys, feedback analytics, social media monitoring, and issue resolution, while the *DataBridge AI* technology uses AI to measure sentiment through speech-to-text analytics and real-time sentiment analysis. Finally, the *ThoughWave* system surfaces deeper insights through longer-term reporting and analytics to improve customer interactions and client outcomes.

Finally, the Wave X technology suite also includes a Digital Demand Generation platform with deep capabilities for digital marketing and customer acquisition, featuring *Adcast AI* to help clients build and optimize Google Ad campaigns, and the *BundleDealer* platform for client product bundling, comparison shopping, and lead generation across service providers.

Exemplary Performance and Adaptability During Crisis

ibex faced many of the same challenges and drastic disruptions as any business hit by the COVID-19 pandemic in 2020, yet the company demonstrated consummate professionalism and agility in the crisis. With a combination of agile technology, adept management, and clear priorities, the company ensured business continuity that set a high standard for resiliency in a crisis. Remarkably, ibex saw global profits grow and revenue jump by 10% in the fiscal year ending June 30, 2020. With early planning, ibex made decisions and implemented them quickly to strategically manage the year's unique obstacles with

confidence and leadership. Additionally, the ibex leadership team worked collaboratively with industry colleagues and local governments to navigate the pandemic's challenges.

At the start of the crisis, ibex made the health of employees the top priority. The company passed 100% of health audits carried out by local ministries, assessing safety measures and compliance in place. While some other large BPO providers shut down facilities and did not implement health and safety measures, ibex actually landed new deals and expansions in the Nicaragua and Jamaica operations and grew alongside new economy partners who saw their own traffic skyrocket.

Displaying outstanding adaptability, ibex kept 98% of employees operational throughout the transition to remote work and contingency plans. The company reports that it had its first work-from-home solutions implemented within 4 hours of the decision. Working with each client through the process, ibex deployed remote at scale nearly overnight and ensured continuity of operations. Transitioning many agents who worked on client areas without compliance hurdles (such as Health Insurance Portability and Accountability Act regulations) to remote work enabled ibex to maintain many highly sensitive functions in the properly distanced and sanitized facilities. The company also, virtually overnight, built software to securely take credit card information remotely, ensuring that remote agents can still perform the work while minimizing information visibility and fraud risk. Logistically, ibex marshaled the cloud-based capabilities to reimage machines quickly and distribute equipment to employees who then rejoined their usual functions.

Cultivating an Engaged Culture

ibex cultivates a company culture that combines respect with engagement and a dynamic operational process. Demonstrating the importance of employee health and wellbeing in the pandemic, ibex built upon the foundation of its welcoming company culture. Additionally, the company makes it a point to reward success and encourage engagement rarely seen in the industry, recently bringing the top 5% of agents to a five-star resort in Jamaica to celebrate their performance. ibex centers the agent as the key enabler of the company's overall success. Relatedly, ibex goes to great effort to infuse the client's brand into the work environment. In the physical facilities, client areas receive customization and build-outs to reflect the company's identity and style and assimilate aspects of the client's values and culture into the ibex atmosphere.

An additional element of the overall culture is what ibex calls "Wave Zero," a leadership acceleration process for onboarding and operational efficiency. The BPO process typically hits hurdles at the first benchmark dates (30 days, 60 days, and 90 days). ibex reoriented its approach for launching with new clients, over-investing on the front end. Leadership teams that will operate with the client spend significant time actually taking calls and working front-line positions as part of the training, gaining invaluable experience to understand the complete perspective and the pain points that agents and clients face. With that added perspective and experience, ibex reaches time to profitability faster than competitors. Moreover, the approach also allows ibex to dynamically flex to meet variable call volumes and other contingencies. With the Wave Zero strategy and operating model, management can take positions on the front line in a crisis and express the company's "all hands on deck" values.

Winning Client Trust and Growing Wallet Share

Not only has ibex nurtured and grown along with its major clients, but the continually growing wallet share serves as a particularly compelling demonstration of the trust and confidence of existing customers. ibex is one of the fastest organically growing service providers in the segment. In 2020, despite all the obstacles, ibex grew the wallet share with six of its largest existing clients and took volume away from competitors who could not supply the same level of resiliency. In addition to gaining seats and retaining each and every customer, ibex has proven its value in proofs of concept. For example, ibex pursued a proof-of-concept demonstration with a restaurant software company that operated a US-based captive center. In the first 90 days, out of the Nicaragua location, ibex demonstrated the ability to over perform the captive configuration and replace it entirely. Moreover, ibex measures its own customer lifecycle experience, dubbed CLX, as a metric tracking the number and type of services provided for clients. According to internal metrics over the last 18 months, the company has gained more than 40 new line of service cues and lost only two (and those two losses were due to clients shutting down one service and then reorganizing a specialty service). Unlike traditional service providers that expect frequent client churn, either because they are too small to scale or too large to devote proper attention, ibex differentiates itself by continuously improving performance and winning customers' trust.

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Conclusion

Embracing the changing imperatives of the market and digital transformation, ibex is taking the lead in a new evolution focused on the customer experience and novel digital-first models. In its fully articulated vision for “BPO 2.0,” ibex propels efficiency and lifetime value across the customer lifecycle and the company culture. ibex is growing alongside its client-partners in the new economy, leveraging agile technology platforms, and dynamic operational strategies to combine a large provider's scalability with the customer-centric approach and tailored experiences of a new economy brand. The company's management and success in the midst of the 2020 pandemic demonstrates the efficacy of its leadership and the agility of its teams. Fast-growing revenues and increasing wallet share from existing customers testify to the exceptional trust and confidence clients vest in ibex.

For its impressive success, resiliency, and comprehensive vision, ibex earns Frost & Sullivan's 2020 Central America and Caribbean Company of the Year Award in the customer experience outsourcing services market.

What You Need to Know about the Company of the Year Recognition

Frost & Sullivan's Company of the Year Award is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Award Analysis

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Visionary Innovation & Performance

Addressing Unmet Needs: Customers' unmet or under-served needs are unearthed and addressed by a robust solution development process

Visionary Scenarios Through Mega Trends: Long-range, macro-level scenarios are incorporated into the innovation strategy through the use of Mega Trends, thereby enabling first to market solutions and new growth opportunities

Leadership Focus: Company focuses on building a leadership position in core markets and on creating stiff barriers to entry for new competitors

Best Practices Implementation: Best-in-class implementation is characterized by processes, tools, or activities that generate a consistent and repeatable level of success

Financial Performance: Strong overall business performance is achieved in terms of revenue, revenue growth, operating margin, and other key financial metrics

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at <http://www.frost.com>.

The Growth Pipeline Engine™

Frost & Sullivan's proprietary model to systematically create on-going growth opportunities and strategies for our clients is fuelled by the Innovation Generator™. [Learn more.](#)

Key Impacts:

- **Growth Pipeline:** Continuous flow of Growth opportunities
- **Growth Strategies:** Proven Best Practices
- **Innovation Culture:** Optimized Customer Experience
- **ROI & Margin:** Implementation Excellence
- **Transformational Growth:** Industry Leadership



The Innovation Generator™

Our six analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- **Mega Trend (MT)**
- **Business Model (BM)**
- **Technology (TE)**
- **Industries (IN)**
- **Customer (CU)**
- **Geographies (GE)**

