

2CX RECEIVES THE 2023 CUSTOMER VALUE LEADERSHIP AWARD

Identified as best in class in the Brazilian contact center as a service industry



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 nominated company. 2CX excels in many of the criteria in the contact center as a service space.

AWARD CRITERIA	
<i>Business Impact</i>	<i>Customer Impact</i>
Financial Performance	Price/Performance Value
Customer Acquisition	Customer Purchase Experience
Operational Efficiency	Customer Ownership Experience
Growth Potential	Customer Service Experience
Human Capital	Brand Equity

A High Growth Market Defined by Intense Competition

Organizations increasingly realize that providing a superior and differentiating customer experience is critical for any successful business. Therefore, many companies partner and invest in contact center solutions. Frost & Sullivan’s independent research shows that customer trust and loyalty are top of mind for organizations as digital interactions continue to gain traction. While automated customer engagement is imperative for survival (e.g., self-service interactions can cost up to 48 times less than a live interaction), providing superior customer engagement online and through live agents is challenging.¹ Hence, finding a perfect mix between automation and human touch is key to standing out in the contact center as a service (CCaaS) market.

CCaaS providers must deliver flexible and scalable solutions to accommodate shifting changes in the workforce, including working from home and hybrid spaces. The evolution of digitalized-CCaaS includes leveraging automation opportunities to simplify the agent desktop and reduce customer friction while integrating multiple platforms and vendors across an omnichannel experience. In this context, artificial intelligence (AI) capabilities are vital, allowing businesses to deliver speedy and personalized user experiences by supporting agents with quick and relevant data for engaging interaction. Furthermore, AI facilitates the transition to new contact center technologies, simplifying employee and provider adoption.

¹ Ibid.

“2CX’s leadership team has a long history of innovation. The company’s ability to identify and address customer pain points through groundbreaking innovation in the CCaaS market has helped it create unique competitive differentiators.”

- Sebastian Menutti
Industry Principal

The CCaaS market is growing by several factors, including the increasing demand for efficient and cost-effective customer service solutions, businesses’ need to deliver seamless, effortless, memorable customer journeys, and the migration of many premise-based customers to cloud environments. Frost & Sullivan estimates that the Brazilian cloud contact center market will reach \$108.9 million in 2023, with a compound annual growth rate of about 27.1% from 2022 to 2029.² Yet, competition is fierce in the space. Some providers that recent market

entrants cannot find a competitive edge and are struggling to survive. Only a few companies can provide a distinguishing customer value, leading to competitive differentiation.

Delivering a High Level of Services Combined with Product Quality

Founded in 2007 and headquartered in Sao Paulo, Brazil, Callflex is a contact center solutions software developer. The company merged with VoxAge in 2021, improving communication between enterprises and their customers. This consolidation expanded Callflex’s capabilities in the omnichannel inbound market with an increase in the portfolio with solutions containing unique features for large organizations and corporate customers, especially in the insurance, financial services, healthcare, and retail verticals. With a pioneering spirit, the company built a comprehensive product portfolio and was among the first to implement 100% digital and omnichannel operations in Brazil. In 2023, the Callflex and Voxage brands were consolidated into a new brand, 2CX.

2CX’s leadership team has a long history of innovation. The company’s ability to identify and address customer pain points through groundbreaking innovation in the CCaaS market has helped it create unique competitive differentiators. The success of its major products, such as Dialog (i.e., a telephone dialer and an automated interface with interactive voice response) and its digital agents, led 2CX to develop Omne, its state-of-the-art omnichannel solution. Clients can handle all communication channels (e.g., WhatsApp, email, short message service, Telegram) to expand service capacity reaching different customer profiles while reducing costs. Omne integrates all customer interactions and provides complete data control and best-in-class security. Additionally, clients can benefit from Omne’s flexibility, which allows them to customize and build on the platform. This capability is a significant advantage for large clients using on-premise or cloud solutions, as they can switch from the company’s products and pursue their own small-scale developments. Omne leverages cutting-edge technologies like AI and continuously enhances its capabilities. For instance, 2CX integrated the prominent chatbot ChatGPT into the solution.

2CX’s research and development team meets weekly to discuss upcoming innovations and market trends. The company hires highly skilled professionals with extensive CCaaS market knowledge, including solutions and demands. For instance, CallflexYOU Suite, its cloud-hosted software, is an integrated and modular solution where the client can customize and select features and capabilities (e.g., workforce optimization, contact interaction sheet, and inbound and outbound voice) that match their business in a

² *Cloud Contact Center Solutions Market in Latin America and the Caribbean, Forecast to 2029* (Frost & Sullivan, March 2023)

single user-friendly interface. Overall, 2CX offers an all-in-one solution, including on-cloud, on-premise, or hybrid installation flexibility, without the need to contract additional peripherals or devices.

Strategy Development to Operational Efficiency

2CX stands out in the Brazilian CCaaS market for its ability to meet local norms and regulations. The company's experience and market knowledge allow its clients to quickly adapt to the needs imposed by Brazilian legislation (e.g., *Não perturbe* [Do Not Disturb], General Personal Data Protection). 2CX telephony module integrates with the Brazilian telephony system, considering its specific signaling characteristics, resulting in more precise call management that fully complies with the standards regulated by Anatel, the Brazilian telecommunications regulatory agency. Some of its adaptations to Anatel's legislation include calling recognition devices visualization panels and their uses and utilizing statistics for dialing balance to keep short call indicators within the precautionary measure.

With over 120 clients, 2CX's flexibility ensures them an up-to-date offering. The company implements intelligent solutions for omnichannel, automated, and outbound activities to integrate the total contact number calculations and optimal routing. 2CX also provides services and solutions in countries outside Brazil (e.g., Mexico, Argentina, Colombia) to support existing customers with operations across Latin America. Moreover, the provider developed self-training modules for client support's most frequent product questions, generating substantial cost savings for their clients.

The company uses the public domain and proprietary software to achieve operational efficiency and lower developing costs. This approach is a crucial pillar of its product development and offer.

Building Trust through a Customer-centric Approach

As one of the top five market participants in the Brazilian cloud contact center market, 2CX serves clients across various industry verticals, including banking and finance, business process outsourcers, insurance, healthcare, telecommunications, and retail. The company provides exceptional 24/7 service through its dedicated team of experts advising and supporting customers to improve their operations. Before deployment, it conducts precise tests that simulate the customer's environment to identify potential areas for refinement and correction. 2CX continues the sale cycle after implementations, continuously upgrading its offerings with new versions and customer-specific features. With its customer-focused strategy, 2CX consistently brings to market best-in-class products. This process allowed the company to

acquire clients differentiating from competitive offerings in product quality, price/performance ratio, overall value proposition, and customer purchase experience.

Furthermore, the company offers clients essential resources, including blogs, whitepapers, and videos, enabling them to learn about CCaaS solutions and how to adopt novel technologies to enhance their operations. Likewise, Callflex developed YOUiversity, an online learning space to provide customers with the necessary skills and knowledge to stay competitive and productive. YOUiversity has a catalog with over 35 courses around

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- Valentina Barcia
Best Practices Research Analyst

proficiently using 2CX's solutions, compressing various industry topics such as business strategies and customer engagement.

2CX collects client feedback through centralized and automated electronic questionnaires and frequent client checkups with the relationship manager. The company incorporates clients' input into its strategic decisions and implementation plans to maximize short-term growth opportunities while providing a path to future developments. For example, it developed preventive adjustments given client demand cycles such as Black Friday and Cyber Monday. Frost & Sullivan recognizes that 2CX's framework builds suitable offerings for particular industry verticals, minimizing customer turnover caused by discrepancies between proposals and needs.

Positioned for Growth

Since its inception, 2CX's sterling reputation and customer-centric framework led to its coveted preferred partner status. Over the years, it added a range of new clients to its established base. In 2022, the company streamlined and consolidated its operations while increasing revenues from cross-sell initiatives in its current client base.

2CX is at the forefront of a fiercely competitive market. With a deep-rooted history of purpose-fit innovation, the company reaches lower costs than most international providers. In 2022, despite restrictive regulations from Anatel, which negatively impacted the outbound/dialing segment, 2CX recorded double-digit revenue growth compared to 2021.³ Frost & Sullivan believes the company is well-positioned to drive the CCaaS space into its next growth phase, capturing market share and sustaining its leadership in the coming years.

Conclusion

Customer-centric strategies help organizations safeguard leading positions in markets, but only if the approach is authentic and the implementation is seamless. 2CX incorporates customer-focused strategies and exemplifies best practice implementation. The company's complete product portfolio powered by innovative technologies sets it apart from competitive offerings. By constantly upgrading its value proposition, 2CX builds a strategy around developing customized and high-level services with 100% availability, gaining a competitive advantage, improving customer loyalty and retention, and driving sustainable growth. This overall customer-first approach offers immense value to existing and new customers and solidifies 2CX's reputation in the market.

With its strong overall performance, 2CX earns Frost & Sullivan's 2023 Brazil Customer Value Leadership Award in the contact center as a service industry.

³ Frost & Sullivan interview with 2CX, March 2023.

What You Need to Know about the Customer Value Leadership Recognition

Frost & Sullivan's Customer Value Leadership Award recognizes the company that offers products or services customers find superior for the overall price, performance, and quality.

Best Practices Award Analysis

For the Customer Value Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Business Impact

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

Customer Acquisition: Customer-facing processes support efficient and consistent new customer acquisition while enhancing customer retention

Operational Efficiency: Company staff performs assigned tasks productively, quickly, and to a high-quality standard

Growth Potential: Growth is fostered by a strong customer focus that strengthens the brand and reinforces customer loyalty

Human Capital: Commitment to quality and to customers characterize the company culture, which in turn enhances employee morale and retention

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

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The Innovation Generator™

Our 6 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)**

