

FROST & SULLIVAN
BEST PRACTICES



2026
TAIWANESE
AI-POWERED
CUSTOMER SERVICES

CUSTOMER VALUE
LEADERSHIP



中華電信
Chunghwa Telecom

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Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each recognition category before determining the final recognition recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Chunghwa Telecom excels in many of the criteria in the AI-powered customer services space.

RECOGNITION 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

The Transformation of the AI-Powered Customer Services Industry

The contact center industry is entering a decisively new phase of transformation. For years, organizations have focused on modernizing contact centers to enhance channel coverage, shorten wait times, and boost agent productivity. AI is now elevating these goals beyond merely automating routine interactions. Leading organizations are redesigning customer service to be an intelligent, always-on, insight-driven function that responds faster, learns continuously, and improves decision-making.

This shift is particularly relevant in Taiwan, where government agencies and large enterprises across sectors serve diverse customer groups with high expectations for accuracy, availability, and trust. Service environments are becoming more complex, characterized by rising interaction volumes and unpredictable demand. As product portfolios expand, customers expect consistent support across multiple languages, channels, and time periods. However, organizations continue to grapple with constraints around agent capacity, training, knowledge management, and quality monitoring.

AI-powered customer services address these pressures by transforming the way contact centers operate. Speech recognition, text-to-speech, retrieval-augmented generation, agent-assist tools, automated knowledge management, and voice analytics improve the speed, scale, and overall service intelligence. By leveraging these capabilities, contact centers can analyze more interactions, accurately identify customer intent and sentiment, update knowledge faster, and support agents during live service moments.

As the contact center industry moves beyond generic AI adoption, buyers increasingly demand solutions that are localized, secure, integrated, and measurable. Language performance, in particular, is central to service quality excellence, especially in multilingual, dialect-rich service environments.

Against this backdrop, Chunghwa Telecom's Intelligent Customer Service Solution demonstrates how localized AI, operating experience, and system integration depth can turn AI-powered customer services from experimentation into measurable customer value.

Elevating Agents, Operations, and Customer Outcomes

The most efficient AI customer service solutions enhance an organization's operating model and the customer-facing experience. Chunghwa Telecom excels in this space, as its solution addresses three major

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– Krishna Baidya
Sr. Director, ICT Practice

friction points in service operations: slow response times, manual knowledge management, and limited visibility into customer interactions.

As Taiwan's largest telecommunications provider, Chunghwa Telecom stands out as the most battle-tested AI customer service practitioner. The company runs what it sells: a platform processing 23 million calls a year, originally built for its own 4,000 to 5,000 agents before attracting its first external client.

The platform features three integrated components that deliver impressive results. The AI Agent Assistant cuts

agent response time by 30% by surfacing relevant information during live customer interactions. The AI Knowledge Copilot uses generative AI and prompt engineering to automate knowledge base updates, reducing configuration time by 70% and achieving accuracy above 90%. DeepVoice expands call analysis coverage from below 1% to 100%, delivering intent and emotion analysis within 3 minutes of call completion. All three components run on a self-developed stack that includes speech-to-text and text-to-speech engines, a small language model with retrieval-augmented generation, and a deep learning engine for natural language analysis.

These capabilities drive operational efficiency and strengthen human capital—a compelling value proposition for customers operating in complex service environments, such as Panasonic, where agents support hundreds of home appliance product types. Agents gain faster access to relevant knowledge, reduce time spent searching for information, and receive better support during live interactions. Chunghwa Telecom's tools reduce cognitive load and allow service teams to focus on higher-value customer needs.

The customer-facing impact is equally important. Faster response times, 24-hour availability, and broader interaction analysis help organizations improve access, consistency, and service quality. In the public sector, AI-supported services enhance decision-making by consolidating citizen needs and identifying recurring issues. Chunghwa Telecom highlights its public information delivery during the COVID-19 pandemic to illustrate how service intelligence empowers agencies to respond more precisely to citizen needs.

The company's localized language expertise contributes further to its service experience excellence. Chunghwa Telecom's proprietary speech-to-text and text-to-speech engines support Mandarin, English, and Taiwanese code switching, with reported speech-to-text accuracy of 90% to 95%. In Taiwan, where customer conversations frequently shift across various languages and dialects, this capability is central to its service quality.

The company's dual deployment model—on-premises for government clients and cloud for enterprises—also reflects implementation efficiency. A unified solution architecture that handles both regulatory environments removes the overhead of maintaining separate product tracks and provides clients with a single-vendor relationship regardless of deployment mode.

Winning Trust in High-Stakes Service Environments

Trust, integration risk, and deployment complexity significantly shape AI-powered customer service buying decisions. Customers are not simply purchasing an AI model or chatbot; they are modernizing

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critical service infrastructure that must seamlessly connect with telephony systems, knowledge bases, IVR flows, customer records, and analytics and reporting processes. In this competitive environment, Chunghwa Telecom's position as a well-established telecommunications provider and system integration partner gives it a distinct advantage.

The company caters to government, financial services, and enterprise customers in Taiwan. This breadth matters because each buyer group has varied adoption requirements. Government customers often prioritize control, continuity, and governance, while enterprises typically focus on scalability, productivity, cost savings, and

customer satisfaction. Chunghwa Telecom supports both segments through an end-to-end delivery model and flexible deployment options.

The company provides both on-premises and cloud deployments. Government customers typically prefer on-premises deployments, whereas enterprise customers tend to opt for cloud deployments to align with their operating models and governance requirements. This flexibility lowers buying friction because customers can adopt AI-powered customer service without compromising data control, deployment architecture, or operational requirements.

Chunghwa Telecom's strength in customer acquisitions underscores its extensive operating experience. For example, the company initially developed the AI solution specifically for its internal customer service needs before making it available to external customers. Similarly, its vast experience in managing large-scale contact center environments and expertise in AI technology assure customers that the company understands the complexities of frontline service. This credibility enables Chunghwa Telecom to position itself as a strong transformation partner rather than merely a point solutions vendor.

Built to Scale with Customer Needs

The value of an AI customer service solution is truly evident post-deployment, as customer needs, volumes, and service models evolve. Chunghwa Telecom's solution is designed to support customers beyond initial implementation by enabling knowledge updates, interaction analytics, demand management, and expansion into additional service environments.

Panasonic's ownership journey illustrates this adaptability. The company initially used Chunghwa Telecom's solution for home user services, including troubleshooting, maintenance, repair, and customer satisfaction surveys. After implementation, Panasonic announced plans to extend the solution from B2C services into enterprise customer deployments. This progression demonstrates the platform's scalability in aligning with the customer's operating model, rather than remaining limited to a single use case.

The solution also helps customers manage variable demand, such as Panasonic's seasonal spikes in air conditioner demand. Chunghwa Telecom's AI-powered service capabilities enable the customer to respond to demand surges without relying solely on fixed agent capacity, creating a more resilient service model.

Chunghwa Telecom anchors its growth potential in this same adaptability. The company plans to deepen its ecosystem partnerships, broaden its presence into vertical markets, develop training materials for customer service agents, and use customer voice analysis to generate business insights. The launch of CHT InventAI in 2025 accelerates this growth path by commercializing specialized AI technologies, such as emotion and intent detection, and working alongside the Enterprise Business Group to deliver integrated customer service solutions.

Chunghwa Telecom is actively testing voice detection and synthesis technologies in additional languages, including Japanese and Vietnamese, paving the way for robust international expansion. Frost & Sullivan finds that its impressive performance record and cloud delivery capabilities provide a solid foundation for capturing future growth.

Turning AI into Measurable Business Value

AI-powered customer service is moving from pilot programs to a focus on commercial accountability. Buyers increasingly demand tangible proof of AI's ability to boost service economics, rather than just demonstrations of its automation potential. Chunghwa Telecom's Intelligent Customer Service Solution meets these needs by showcasing healthy market traction and measurable customer savings, establishing a financially viable, commercially relevant AI customer service business in Taiwan, supported by real customer adoption, rather than speculative interest.

The customer value case is equally compelling. In 2025, Chunghwa Telecom reported \$11.5 million in customer operating cost savings through AI automation. Panasonic, a notable client, shared favorable outcomes: after implementing the solution for its home user customer service, it reduced its agent count from about 30 to between 12 and 14 while supporting troubleshooting, repair, and maintenance inquiries, customer satisfaction surveys, and 24-hour services. Chunghwa Telecom's deployments at government agencies, namely the Ministry of Labor, further reinforce the value proposition. In this instance, it increased the agency's service volume by 2.53 times while enabling round-the-clock services.

Chunghwa Telecom's architecture drives long-term total cost of ownership advantages. Its unique small language model, integrated with a retrieval-augmented generation design, delivers lower inference cost per query than a general-purpose large language model while performing customer service tasks just as accurately. When clients update products or policies, the AI Knowledge Copilot reflects the changes with 70% less configuration effort and 90%+ accuracy, ensuring that maintenance costs do not scale with portfolio size.

This combination of revenue growth, operating cost reductions, and expanded service capacity provides Chunghwa Telecom with a strong price-performance position. The company's solution helps customers reduce service delivery costs, improve availability, and manage higher interaction volumes without relying solely on additional headcount. For buyers under pressure to justify AI investments, Chunghwa Telecom offers a practical, measurable business case.

A Trusted Local Leader with AI Depth

In AI-powered customer services, brand equity is built on trust, execution, and proven operating relevance. Chunghwa Telecom benefits from its lineage as an established telecommunications provider in Taiwan and its vast experience operating large-scale customer service environments. This gives the company credibility with customers that need AI innovation without compromising reliability, service continuity, or integration quality.

Chunghwa Telecom developed its first AI customer service capabilities based on its own service requirements before making them commercially available. This differentiates the company from competitors that approach the market primarily from a software or model development perspective. The brand's capacity to deliver solutions at the scale the customer requires is validated by its CHT portfolio, which has successfully delivered solutions for numerous public sector operations nationwide.

Accolades earned throughout 2025 reflect CHT's position across six independent evaluation frameworks. The internationally recognized World Communications Award for AI Innovation ranked CHT among the top global vendors for AI innovation. It also earned the CSEA Excellence in Customer Service Grand Prize for its product quality. Additionally, it won Taiwan's highest brand honor, the National Brand Yushan Award, along with the FCA Innovation Awards, Digital Transformation Dingge Award, and Smart City Innovation Award, spanning technology quality, commercial innovation, and urban services integration. Earning six major recognitions within a single year highlights Chunghwa Telecom's excellence in AI innovation, customer service quality, digital transformation, and brand leadership across various sectors.

Establishing its InventAI subsidiary as a separate commercialization vehicle in 2025 has reinforced institutional confidence in the brand's architecture. Spinning off the emotion and intent detection technology is a deliberate strategy that makes a bold brand statement and prevents brand dilution: Chunghwa Telecom's Enterprise Business Group covers end-to-end customer service operations, while InventAI extends a specific analytical capability into adjacent verticals. Chunghwa Telecom's ability to combine localized AI, deep system integration, flexible deployment, large-scale operational expertise, and high customer value is difficult to replicate. This positions the company as a trusted partner for organizations seeking a practical, trusted, and measurable AI-powered customer service transformation.

Conclusion

Chunghwa Telecom stands out in Taiwan's AI-powered customer services industry for converting localized AI innovation into measurable customer value. Its Intelligent Customer Service Solutions address prevalent contact center challenges, including slow response times, knowledge base maintenance, limited call analysis, labor constraints, multilingual interaction complexity, and a lack of customer insights. Chunghwa Telecom's operational expertise and positive customer impact are evident across its enterprise and public sector deployments, highlighting its ability to enhance service economics and access.

With its extensive market presence, proprietary AI technology, robust system integration, and superior price-performance value, Chunghwa Telecom earns Frost & Sullivan's 2026 Taiwan Customer Value Leadership Recognition in the AI-powered customer services industry.

What You Need to Know about the Customer Value Leadership Recognition

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

Best Practices Recognition Analysis

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

Business Impact

Financial Performance: Strong overall business performance is achieved in terms of revenue, 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: Leveraging innovative technology characterizes the company culture, which enhances employee morale and retention

Customer Impact

Price/Performance Value: Products or services offer the best ROI and superior value compared to similar market offerings

Customer Purchase Experience: Purchase experience with minimal friction and high transparency assures customers that they are buying the optimal solution to address both their needs and constraints

Customer Ownership Excellence: Products and solutions evolve continuously in sync with the customers' own growth journeys, engendering pride of ownership and enhanced customer experience

Customer Service Experience: Customer service is readily accessible and stress-free, and delivered with high quality, high availability, and fast response time

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty, which is regularly measured and confirmed through a high Net Promoter Score®

Best Practices Recognition Analytics Methodology

Inspire the World to Support True Leaders

This long-term process spans 12 months, beginning with the prioritization of the sector. It involves a rigorous approach that includes comprehensive scanning and analytics to identify key best practice trends. A dedicated team of analysts, advisors, coaches, and experts collaborates closely, ensuring thorough review and input. The goal is to maximize the company's long-term value by leveraging unique perspectives to support each Best Practice Recognition and identify meaningful transformation and impact.

VALUE IMPACT			
STEP		WHAT	WHY
1	Opportunity Universe	Identify Sectors with the Greatest Impact on the Global Economy	Value to Economic Development
2	Transformational Model	Analyze Strategic Imperatives That Drive Transformation	Understand and Create a Winning Strategy
3	Ecosystem	Map Critical Value Chains	Comprehensive Community that Shapes the Sector
4	Growth Generator	Data Foundation That Provides Decision Support System	Spark Opportunities and Accelerate Decision-making
5	Growth Opportunities	Identify Opportunities Generated by Companies	Drive the Transformation of the Industry
6	Frost Radar	Benchmark Companies on Future Growth Potential	Identify Most Powerful Companies to Action
7	Best Practices	Identify Companies Achieving Best Practices in All Critical Perspectives	Inspire the World
8	Companies to Action	Tell Your Story to the World (BICEP*)	Ecosystem Community Supporting Future Success

*Board of Directors, Investors, Customers, Employees, Partners

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 Generator™

Frost & Sullivan's proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fueled 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 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:

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

