



Everest Group PEAK Matrix[®] for Customer Experience Management (CXM) Service Providers 2021

Focus on [24]7.ai
August 2021



Background and scope of the research

Background of the research

Over a year into the COVID-19 pandemic, there has been an increase in Customer Experience Management (CXM) outsourcing as enterprises looking to cut costs, balance risks, and maintain CX levels have turned to service providers to digitize their operations, shift to non-voice channels, and migrate to cloud services, all the while complying with regulatory and security norms and ensuring well-being while agents work from home. First-time outsourcers are foraying into the CXM market as customer expectations increase, behaviors evolve, and buyers lacking requisite experience and technological capabilities to manage post-COVID-19 CX demands look for more third-party outsourcing support. Service providers not only showed resiliency by setting up their own Work-At-Home-Agent (WAHA) models, designing hybrid offices and operating frameworks, and establishing instant scaling and flexing options, but also invested in digital offerings such as Intelligent Virtual Assistants (IVAs), intelligent automation, cloud-based contact centers, and omnichannel delivery to ensure business continuity for clients. They are also nurturing more strategic partnerships through consultative engagements, risk-sharing through outcome-based pricing models, and agent engagement through advanced learning and collaboration platforms. To effectively cater to these requirements, providers are developing capabilities through internal investments, their partnership ecosystem, and acquisitions.

In this research, we present detailed assessments of 39 Customer Experience Management (CXM) service providers featured on the CXM Services PEAK Matrix® Assessment 2021. Each assessment provides a comprehensive picture of the service provider's market success, vision and strategy, service focus and capabilities, digital and technological solutions, domain investments, and buyer feedback. The assessment is based on Everest Group's annual RFI process for the calendar year 2020, interactions with leading CXM service providers, client reference checks, and an ongoing analysis of the CXM market.

In this research, we analyze the global CXM service provider landscape and its impact on the CXM market. We focus on:

- CXM Services PEAK Matrix® 2021
- Key insights into PEAK Matrix® dimensions
- Observations and comments on individual service providers
- Sourcing considerations for enterprises

The scope and methodology of this report:

This research covers the following CXM service providers: [24]7.ai, Alorica, Atento, Bosch Service Solutions, Capita, Cognizant, Comdata Group, Concentrix, Conduent, Covisian, Datamatics, DXC Technology, EXL, Genpact, GlowTouch, HGS, Ibex, Infosys, Inktel, Majorel, NTT DATA, Probe Group, Qualfon, ResultsCX, Sitel Group, Startek, Sutherland, SYKES, TCS, Tech Mahindra, Teleperformance, TELUS International, Transcom, transcocosmos, TTEC, VXi, Webhelp, Wipro, and WNS

Scope of this report:



Geography
Global



Service providers
39



Services
CXM

CXM Services PEAK Matrix® characteristics

Leaders:

Concentrix, Sitel Group, Sutherland, SYKES, Teleperformance, TELUS International, TTEC, and Webhelp

- Leaders have been consistent in the delivery of CXM services and grew in 2020 through expansion by organic or inorganic means, entering or strengthening presence in new geographies, verticals, and serving smaller buyer sizes and start-ups through specific SMB offerings. They reported better client satisfaction scores due to greater domain expertise, access to a skilled talent pool, and better innovation and transition management in their engagements
- Leaders are also enhancing technological capabilities through proprietary solutions, partnerships, or acquisitions in the areas of AI, intelligent automation, omnichannel cloud contact centers, and remote working (both WAHA and GigCX models). Beyond technology, they are investing in innovation and design thinking labs to test and create new products, while also establishing well-being practices for agent engagement

Major Contenders:

[24]7.ai, Alorica, Atento, Bosch Service Solutions, Capita, Cognizant, Comdata Group, Conduent, Covisian, EXL, Genpact, HGS, Ibex, Infosys, Majorel, NTT DATA, Probe Group, Qualfon, ResultsCX, Startek, TCS, Tech Mahindra, Transcom, transcosmos, VXI, Wipro, and WNS

- Major Contenders are building capabilities in serving different geographies and industry segments, while specializing in a few regions or verticals
- They have also been able to develop sophisticated digital solutions, with some providers relying on third-party vendors to fill capability gaps. They are establishing experience centers and outcome-based commercial constructs for co-innovation and risk-sharing with clients, while also upskilling agents through partnerships or in-house learning platforms

Aspirants:

Datamatics, DXC Technology, GlowTouch, and Inktel

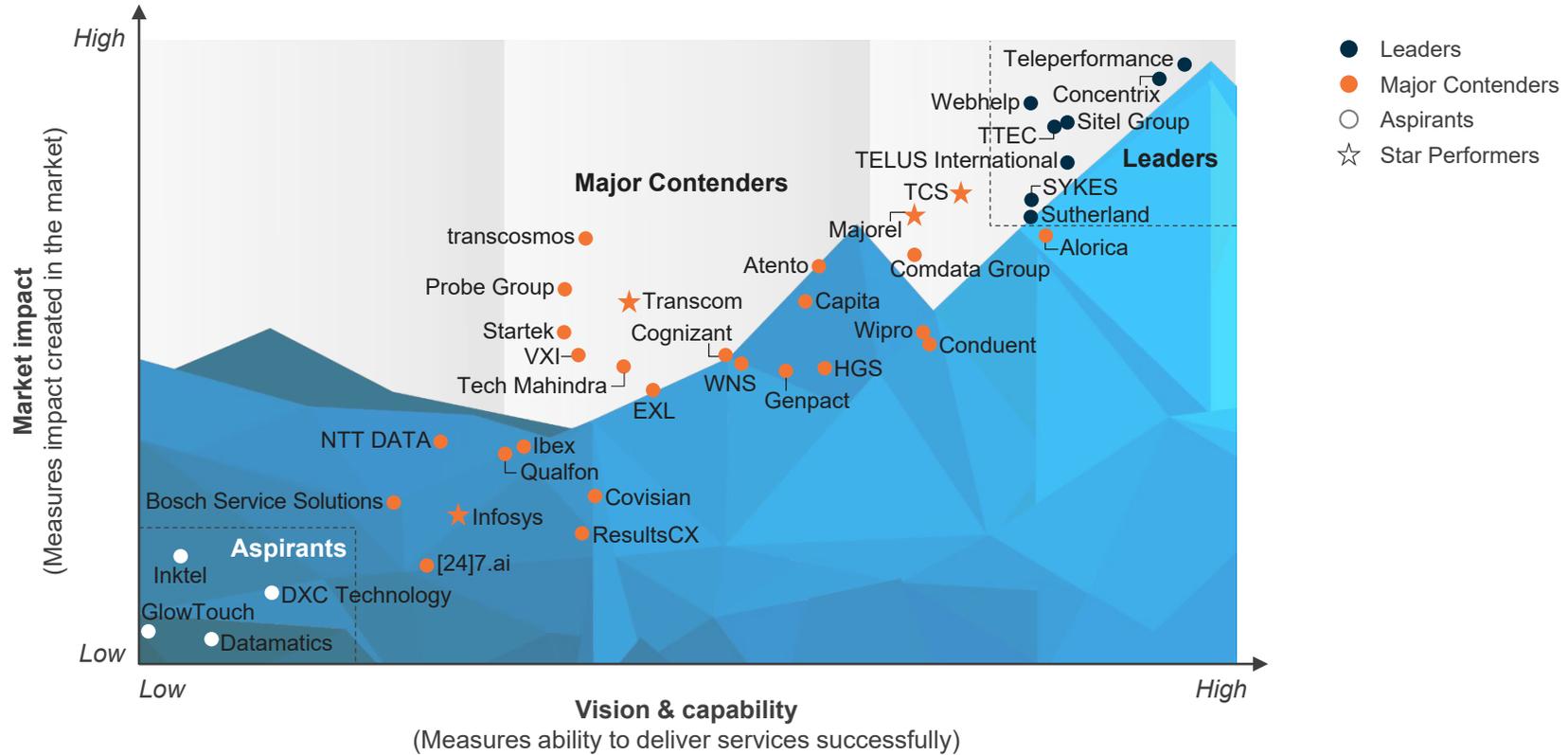
- Aspirants are focused on particular region(s), vertical(s), or buyers, and have relatively small-scale CXM operations, lower number of agents, and skewed shoring mix
- They also have digital capabilities and offer innovative models of delivery, but currently have limited digital and traditional capabilities to cater to requirements of large global buyers



Everest Group PEAK Matrix®

Customer Experience Management (CXM) Services PEAK Matrix® Assessment 2021 | [24]7.ai positioned as Major Contender

Everest Group Customer Experience Management (CXM) Services PEAK Matrix® Assessment 2021¹



¹ Assessment for DXC Technology and NTT DATA excludes service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with buyers
Source: Everest Group (2021)

Everest Group has identified a few service providers as unique in their CXM offerings

Highlighting providers that are doing something interesting and/or different, with specialized capabilities that cater to specific client demands

CXM services unique providers

[24]7.ai

Distinguishing features

[24]7.ai is a conversational AI innovator with over 118 patents in the US, offering 100% customer service support, predominantly in English, with chat being the primary mode of CXM delivery

CXM services unique providers

 Inktel

Distinguishing features

Inktel is a North America-based service provider focused on retail, offering inbound and outbound sales and customer support. It has six delivery centers across the US, and also has a digital marketing arm called Buena Vista

 **GLOW TOUCH**
PUTTING PEOPLE FIRST

GlowTouch is a Women's Business Enterprise National Council-certified BPO and technology outsourcing partner, working mostly in the mid-market segment with over 80% clients in the technology space, leveraging its channel portfolio with ~90% of volumes delivered through non-voice channels such as chat and email

 **HGS**
HINDUJA GLOBAL SOLUTIONS

HGS is a healthcare specialist with over 50% CXM portfolio in healthcare. It has also developed social media-specific platforms such as HGS EPIC™ Social Care, and mainly offers order fulfillment, customer service, and value-added services in English, across channels such as voice and email

[24]7.ai | CXM services profile (page 1 of 6)

Overview

Company mission/vision statement

[24]7.ai started out as a contact center and built over two decades into the CX-centric technology solutions. The company believes that insight makes a measurable difference to the performance and results for leading global brands. By blending AI and agents, the company delivers outcomes to the clients. The 'build once, deploy anywhere' model is designed to meet customers' expectations. The company believes in creating consistency across voice and digital touchpoints and multiple platforms along with using more than one mode in a single exchange.

Headquarters: San Jose, California, the United States

Website: www.247.ai

Key leaders

- **PV Kannan:** Co-founder and CEO
- **Monti Becker Kelly:** SVP, Customer Engagement and Strategic Accounts
- **Animesh Jain:** Chief Delivery Officer, India and Americas
- **Shanmugam Nagarajan:** Co-Founder and Chief People Officer
- **Nina Nair:** SVP & HRD Head, India and Americas
- **Rienzi Ramirez:** Country Manager
- **Rohan Ganeson:** Chief Operating Officer
- **John Wanamaker:** Chief Revenue Officer
- **Michelle Gregory:** SVP, Data Science

Recent developments

- **2021:** brought in omnichannel CX leadership and expanded AI and healthcare focus
- **2020:** released Engagement Cloud - an integrated suite of conversational AI applications such as informational and transactional bots, conversational IVR, and journey analytics - designed to power both voice and digital interactions
- **2020:** introduced voice AI, automated FAQ, and chat solutions to help businesses handle call volumes during times of crisis

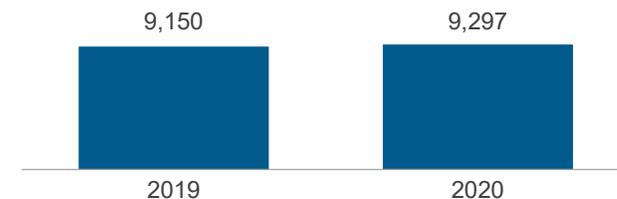
CXM revenue

In US\$ million



Scale of CXM

Number of FTEs



CXM client base

Number of clients



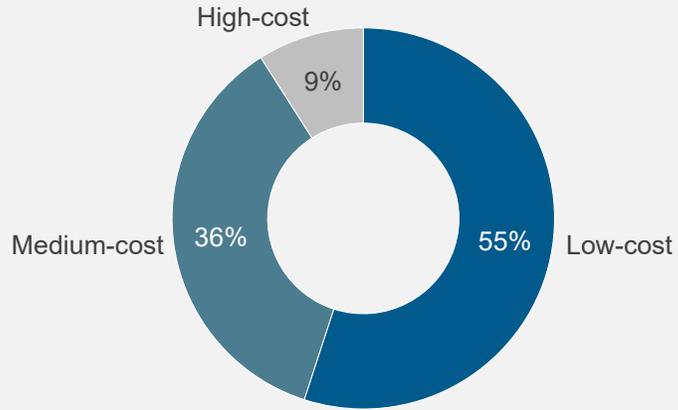
Note: This profile is based on 2020 data and the updated profile with 2021 numbers will be published in Q3 2021.

[24]7.ai | CXM services profile (page 2 of 6)

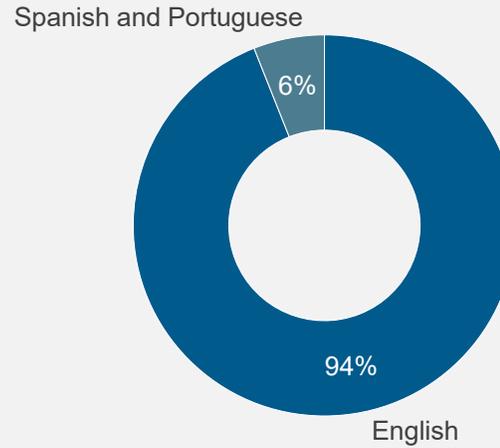
Capabilities

Split of CXM FTEs Number of FTEs

By location



By language



By process



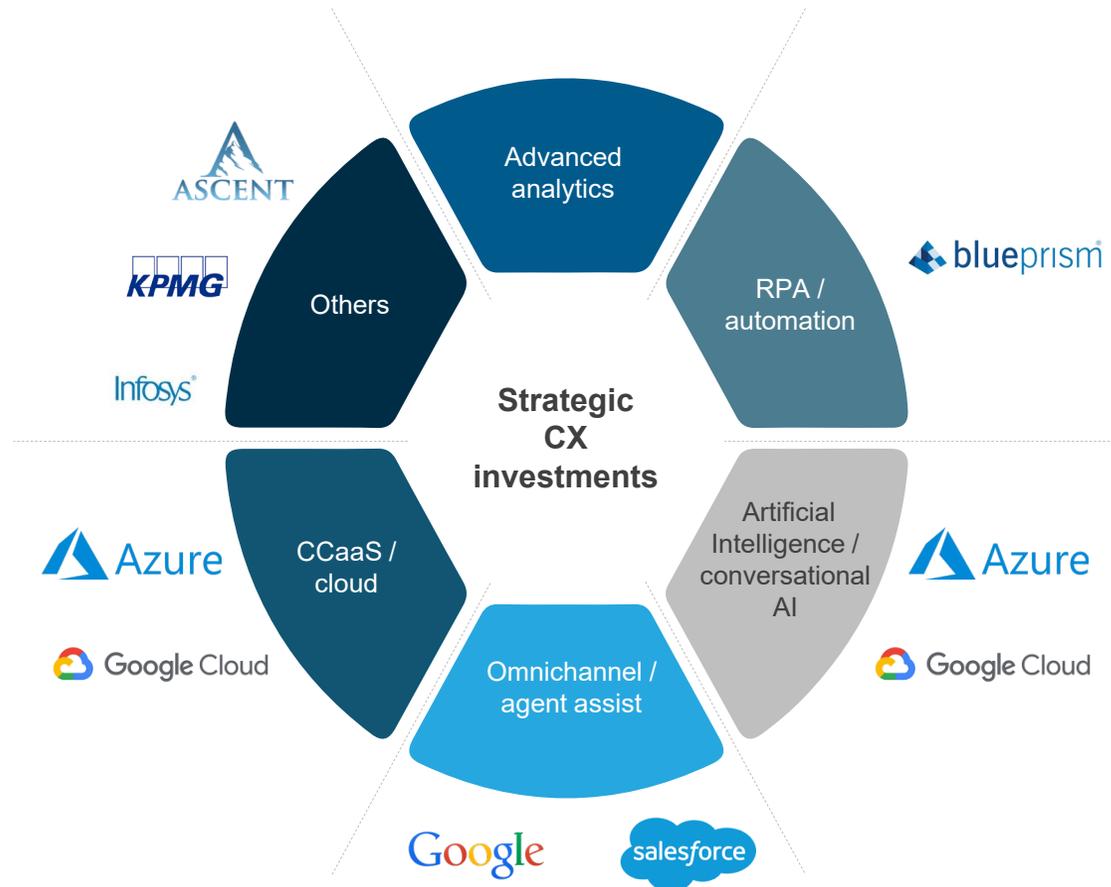
¹ Includes channel management, customer analytics, customer retention management, and performance management & reporting

Note: High-cost regions include North America, Western Europe, Japan, Singapore, and Australia & New Zealand; medium-cost regions are Latin America, Central and Eastern Europe, and Middle East & Africa, while low-cost regions are India, the Philippines, and Rest of Asia

[24]7.ai | CXM services profile (page 3 of 6)

Key CXM investments | proprietary solutions and partnerships

Key partnerships



Key proprietary solutions

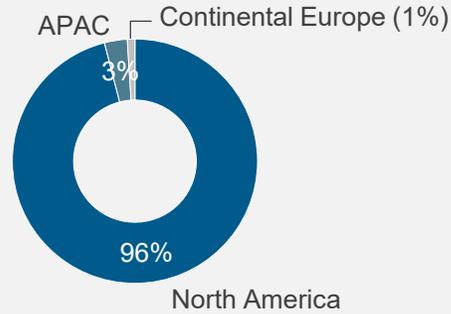
Customer Journey Analytics	It is an enterprise-wide analytics solution that helps to identify the root cause of customer drop-offs and take immediate action to correct problems
Chat and Conversation Analytics	It helps identify friction and pain points within the customer journey
Natural Language Processing, Intent Prediction, Agent Recommendations	It helps to drive better customer engagement on self-serve channels. It is an AI-powered, virtual agent that enables a “near-human” experience on voice and digital self-serve channels
Engagement Cloud	This suite of services leverages the power of conversational AI to help customers resolve issues with less effort
Digital (web, native mobile, SMS, messaging)	It leverages agent training to optimize cost per transaction. It is a fast deployment technology designed to accelerate resolution and simplify audit & compliance needs

[24]7.ai | CXM services profile (page 4 of 6)

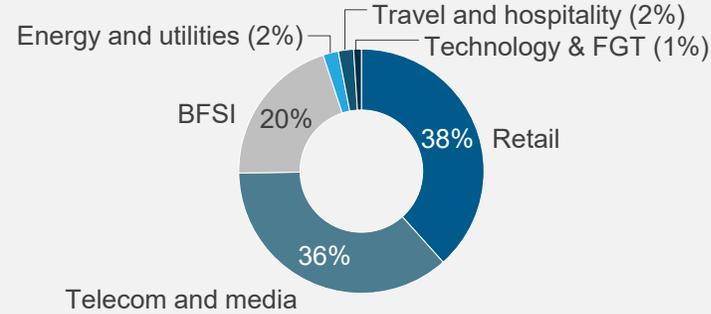
Client portfolio

CXM revenue mix
US\$ million

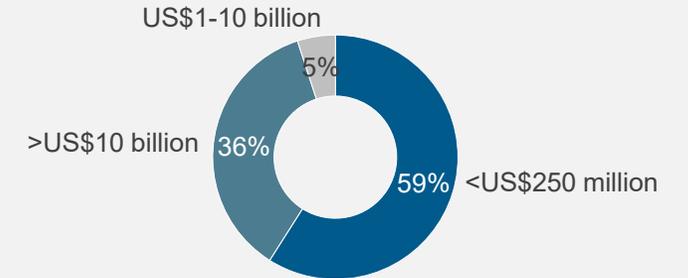
By geography



By industry



By buyer size



Key customer experience engagements

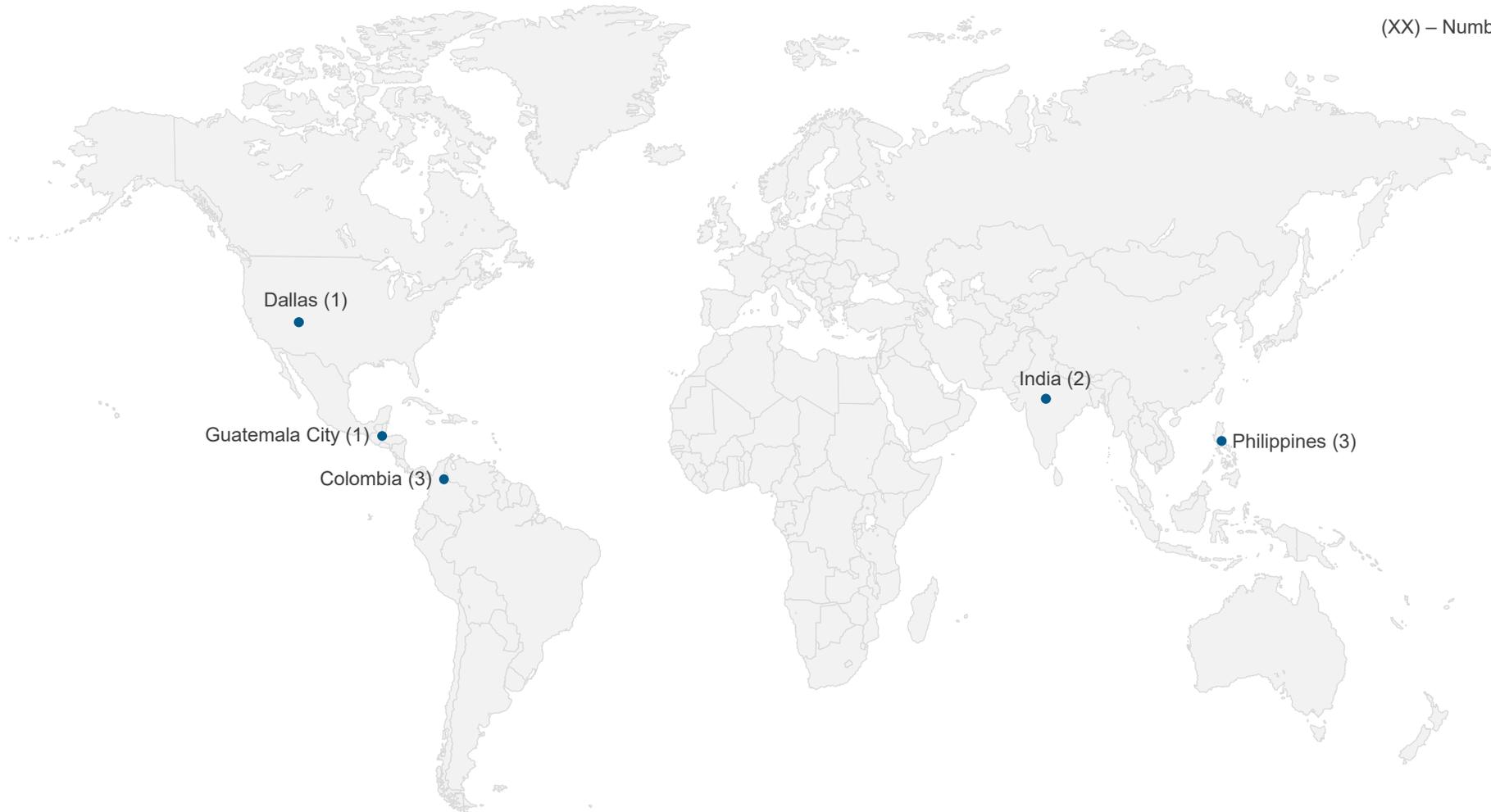
Client name	Region	Client since
Urban Outfitters	North America	2020
Hilton	North America	2014
Dish	North America	2013
ATT	North America	2013
Best Buy	North America	2013
Sears	North America	2009
CapitalOne	North America	2007
Optus	APAC	2007
Overstock	North America	2004

[24]7.ai | CXM services profile (page 5 of 6)

Location landscape

CXM delivery locations

(XX) – Number of centers in each location



[24]7.ai | CXM services profile (page 6 of 6)

Everest Group assessment – Major Contender

Measure of capability:  Low  High

Market impact				Vision & capability				
Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services	Innovation & investments	Delivery footprint	Overall
								

Strengths

- In 2020, [24]7.ai released the [24]7.ai Engagement Cloud, an integrated suite of conversational AI applications including informational and transactional bots, conversational IVR, and journey analytics, designed to power both voice and digital interactions. It is an easy-to-deploy platform that combines behavioral, transactional, and historical data to predict customers' requirements
- It develops all its technological tools in-house and has 150+ patents to its name. It has also invested in multiple centers of excellence such as digital CoE, voice CoE, and platform CoE and technology labs called iLabs to focus on product strategy, product development, product quality, and thought leadership
- A notable part of [24]7.ai's CX portfolio is supported through asynchronous channels. Its [24]7 AIVA solution is a conversational AI technology that works across all channels including web-based, mobile/smartphone, phone/IVR, chat, and messaging applications.
- It trains its agents on empathy, emotional intelligence, and smart conversations through gamified dashboards, coaching platforms, and mobile-based applications for continuous learning and targeting a superior employee experience. Its [24]7 Assist suite is designed to empower agents and drive more productive conversations, while its [24]7 Agent Services solution provides end-to-end contact center hiring, training, and technology
- Buyers perceive staffing agility, operational excellence, and remote working practices as its major assets

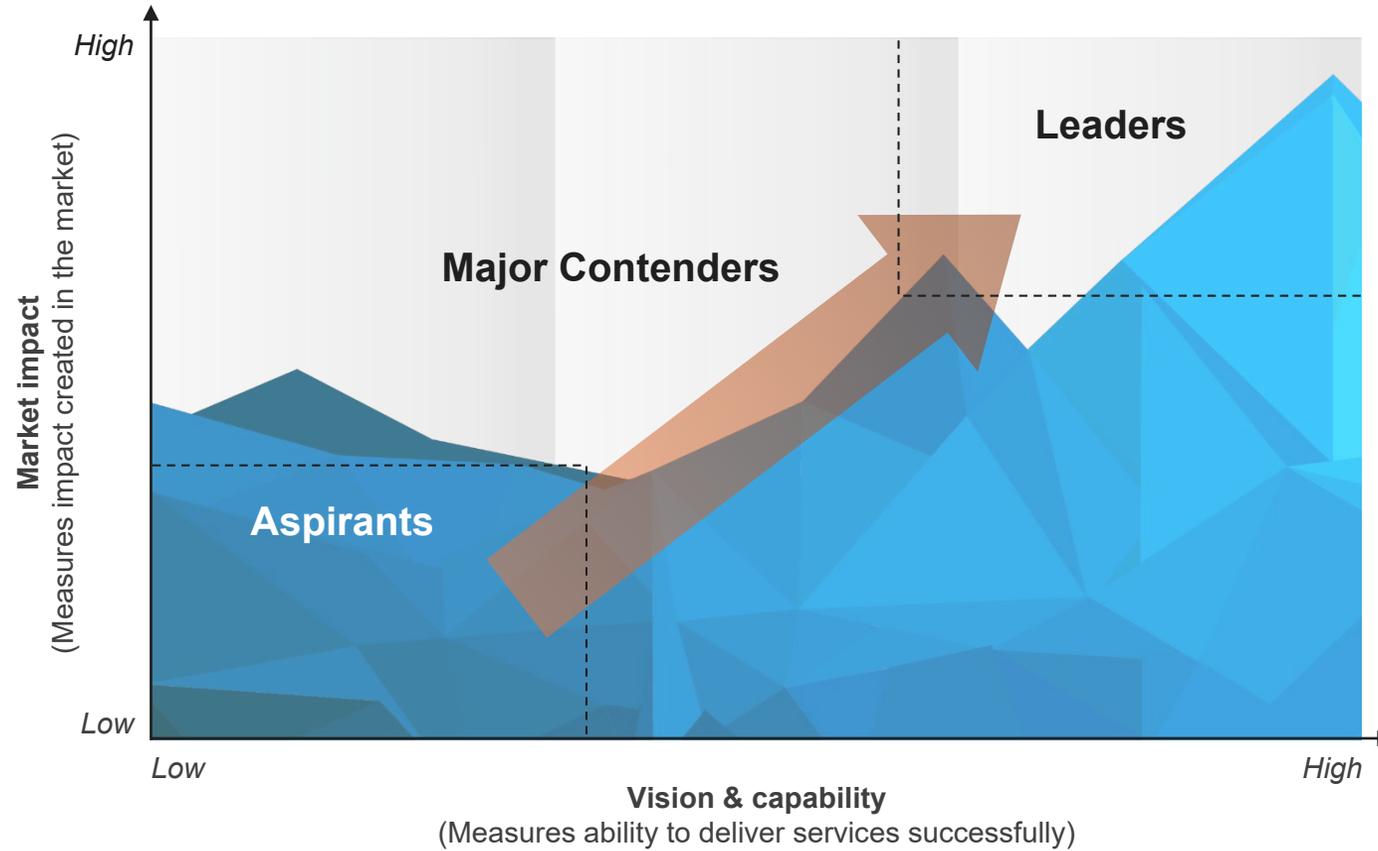
Limitations

- The majority of [24]7.ai's clientele is in North America and it does not have an established presence or language capabilities to cater to buyers in Latin American or European markets. The current delivery mix is nearshore- and offshore-heavy, which might be a deterrent for buyers looking for a more balanced delivery footprint
- It has limited experience of catering to buyers in healthcare and technology verticals
- While it has partnered with KPMG and IBM, its ability to offer CX consulting and design thinking-led CX strategy-building is somewhat limited
- The majority of its clients are companies with more than US\$10 billion or less than US\$250 million in revenue. Its experience in successfully catering to mid-sized companies appears untested
- Despite its digital capabilities, [24]7.ai has not significantly employed next-generation pricing models around outcomes and gainsharing
- Buyers would like [24]7.ai to improve communication across all levels and regions and recommend process improvements to better align with clients' long-term goals

Appendix

Everest Group PEAK Matrix® is a proprietary framework for assessment of market impact and vision & capability

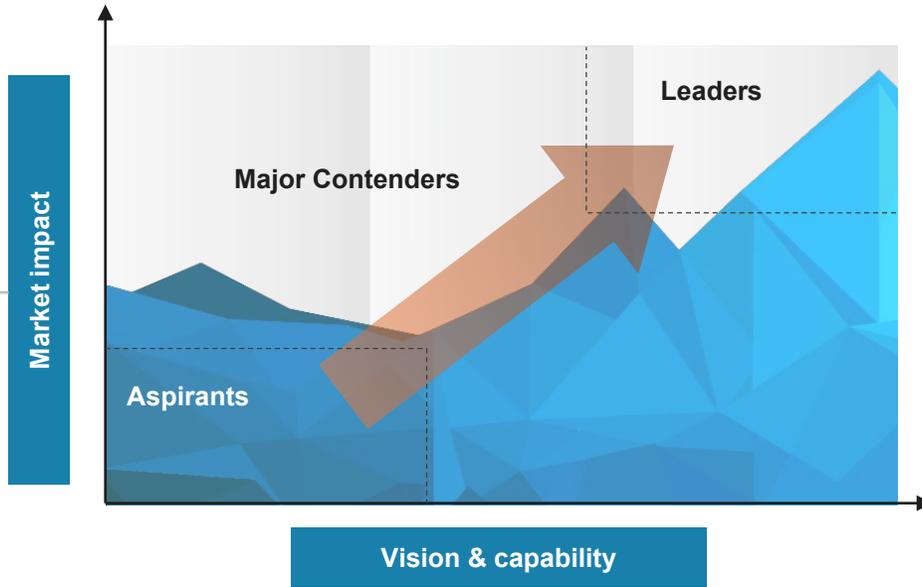
Everest Group PEAK Matrix



Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

- Market adoption**
Number of clients, revenue base, YOY growth, and deal value/volume
- Portfolio mix**
Diversity of client/revenue base across geographies and type of engagements
- Value delivered**
Value delivered to the client based on customer feedback and transformational impact



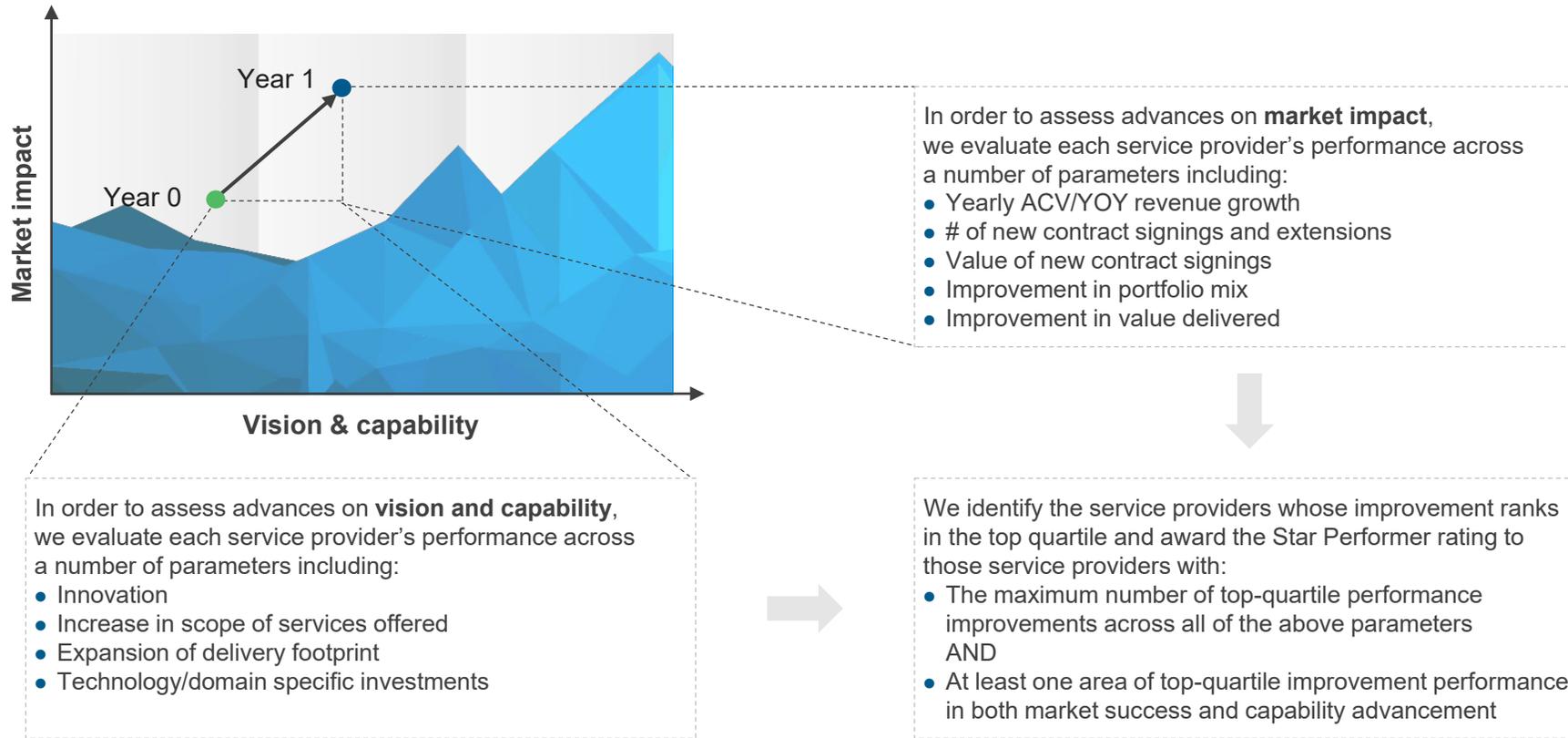
Measures ability to deliver services successfully. This is captured through four subdimensions

- Vision and strategy**
Vision for the client and itself; future roadmap and strategy
- Scope of services offered**
Depth and breadth of services portfolio across service subsegments/processes
- Innovation and investments**
Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, M&A, etc.
- Delivery footprint**
Delivery footprint and global sourcing mix

Everest Group confers the Star Performers title on providers that demonstrate the most improvement over time on the PEAK Matrix®

Methodology

Everest Group selects Star Performers based on the relative YOY improvement on the PEAK Matrix



The Star Performers title relates to YOY performance for a given vendor and does not reflect the overall market leadership position, which is identified as Leader, Major Contender, or Aspirant.

FAQs

Does the PEAK Matrix® assessment incorporate any subjective criteria?

Everest Group's PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging service provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information). In addition, these results are validated / fine-tuned based on our market experience, buyer interaction, and provider/vendor briefings

Is being a “Major Contender” or “Aspirant” on the PEAK Matrix, an unfavorable outcome?

No. The PEAK Matrix highlights and positions only the best-in-class service providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition

What other aspects of PEAK Matrix assessment are relevant to buyers and providers besides the “PEAK Matrix position”?

A PEAK Matrix position is only one aspect of Everest Group's overall assessment. In addition to assigning a “Leader”, “Major Contender,” or “Aspirant” title, Everest Group highlights the distinctive capabilities and unique attributes of all the PEAK Matrix providers assessed in its report. The detailed metric-level assessment and associated commentary is helpful for buyers in selecting particular providers/vendors for their specific requirements. It also helps providers/vendors showcase their strengths in specific areas

What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?

- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers/vendors include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own “profile” that is published by Everest Group as part of the “compendium of PEAK Matrix providers” profiles

What is the process for a service provider / technology vendor to leverage their PEAK Matrix positioning and/or “Star Performer” status ?

- Providers/vendors can use their PEAK Matrix positioning or “Star Performer” rating in multiple ways including:
 - Issue a press release declaring their positioning. See [citation policies](#)
 - Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
 - Quotes from Everest Group analysts could be disseminated to the media
 - Leverage PEAK Matrix branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with the designated POC at Everest Group.

Does the PEAK Matrix evaluation criteria change over a period of time?

PEAK Matrix assessments are designed to serve present and future needs of the enterprises. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality as well as serve the future expectations of enterprises



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