NEAT EVALUATION FOR INTELENET GLOBAL SERVICES:

Multi-Channel CMS

Market Segments: CX Improvement Focus & Overall

Introduction

This is a custom report for Intelenet presenting the findings of the 2017 NelsonHall NEAT vendor evaluation for Multi-Channel Customer Management Services (CMS) for the *CX Improvement Focus* and *Overall* market segments. It contains the NEAT graphs of vendor performance, a summary vendor analysis of Intelenet in multi-channel CMS, and the latest market analysis summary for multi-channel CMS.

This NelsonHall Vendor Evaluation & Assessment Tool (NEAT) analyzes the performance of vendors offering multi-channel CMS. The NEAT tool allows strategic sourcing managers to assess the capability of vendors across a range of criteria and business situations and identify the best performing vendors overall, and with a specific focus on customer experience (CX) improvement, increased revenue, and self-service enablement.

Evaluating vendors on both their 'ability to deliver immediate benefit' and their 'ability to meet client future requirements', vendors are identified in one of four categories: Leaders, High Achievers, Innovators, and Major Players.

Vendors evaluated for this NEAT are Aegis, Capgemini, Concentrix, Conduent, CSS Corp, HGS, Infosys, Intelenet, iSON BPO, Sitel, Sutherland, Sykes, TaskUs, Teleperformance, TeleTech, Webhelp, and WNS.

Further explanation of the NEAT methodology is included at the end of the report.

# NEAT Evaluation: Multi-Channel CMS (CX Improvement Focus)
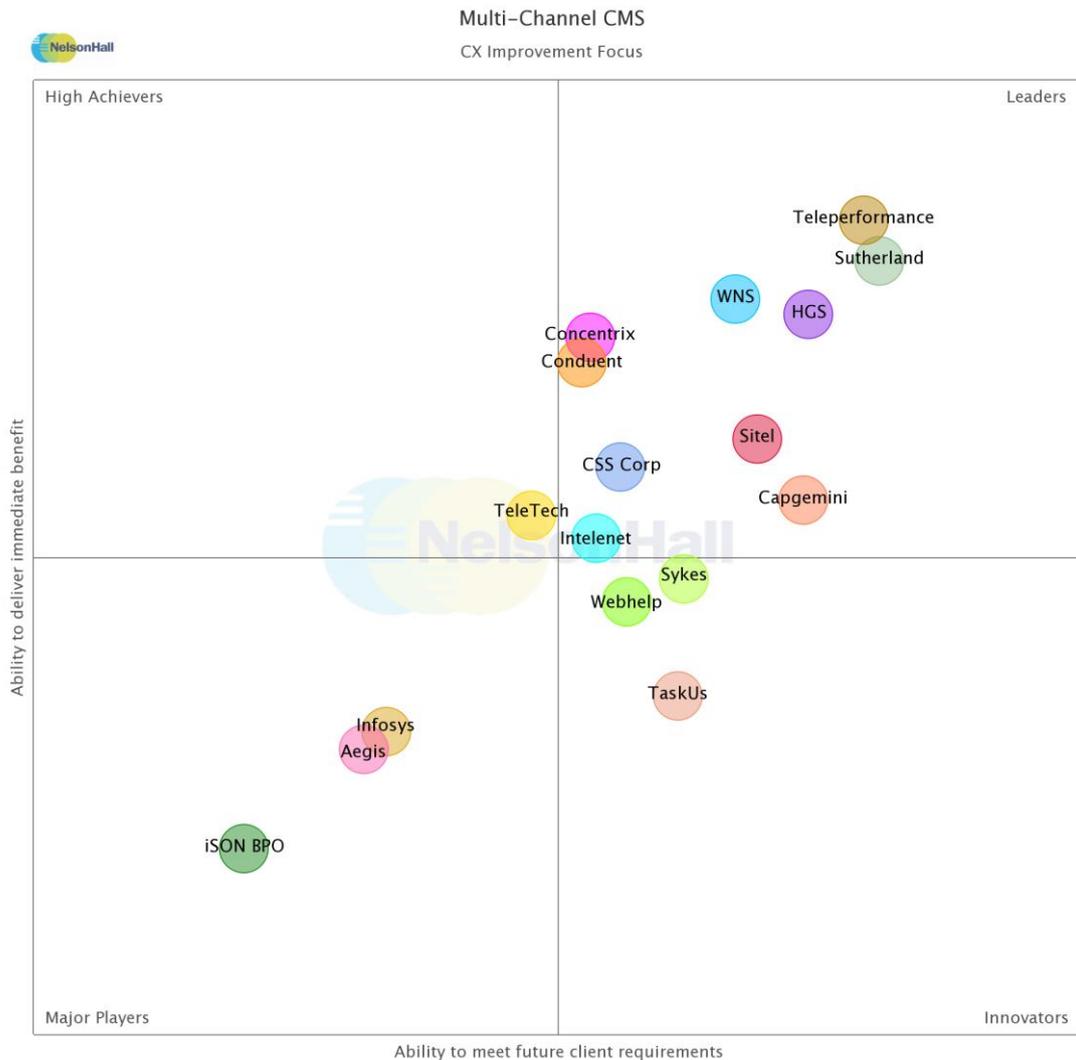
NelsonHall has identified Intelenet as a Leader in the CX Improvement Focus market segment, as shown in the NEAT graph. The CX Improvement Focus market segment reflects Intelenet's ability to meet future client requirements as well as delivering immediate benefits to multi-channel CMS clients with a specific focus on improving the customer experience.

Leaders are vendors that exhibit both a high ability relative to their peers to deliver immediate benefit and a high capability relative to their peers to meet client future requirements.

Buy-side organizations can access the Multi-Channel CMS NEAT tool (CX Improvement Focus) here.

NEAT Evaluation: Multi-Channel CMS (Overall)
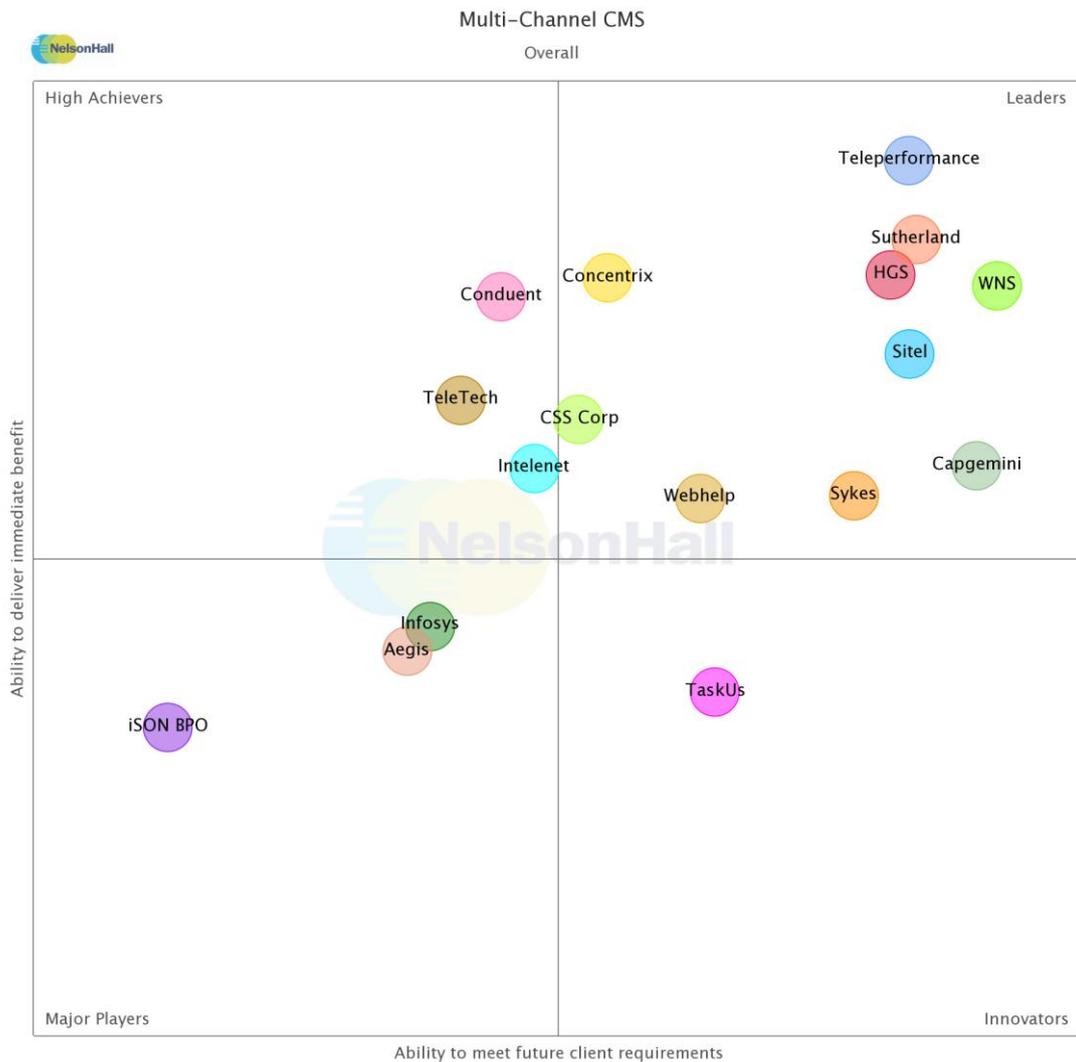
NelsonHall has identified Intelenet as a High Achiever in the Overall market segment, as shown in the NEAT graph. The Overall market segment reflects Intelenet's overall ability to meet future client requirements as well as delivering immediate benefits to multi-channel CMS clients.

High Achievers are vendors that exhibit a high ability relative to their peers to deliver immediate benefit but have scope to enhance their ability to meet client future requirements.

Buy-side organizations can access the Multi-Channel CMS NEAT tool (Overall) here*.*

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Vendor Analysis Summary for Intelenet

Overview

Intelenet Global Services (Intelenet) is a private company, founded in 2001 and headquartered in Mumbai.

Intelenet employs ~55k staff across 70 delivery centers in eight countries, supporting ~105 CMS clients in 50 languages. It provides CMS, F&A, knowledge services, and technology services such as infrastructure management.

Intelenet supports voice and digital channels with a focus on text based channels, and has developed a suite of proprietary tools for multi-channel delivery.

It offers customer care and sales and retention services over multi-channel in addition to analytics services, marketing support, and app development.

Intelenet is experiencing increasing client interest in in-app chat support, while concerns over data protection on social messengers limit the implementations over platforms such as WhatsApp and Facebook Messenger. It plans to actively promote its Intelenet Chat Experience platform to organizations in the BFSI, travel, and retail sectors.

Intelenet is looking to target the travel and telecom sectors on the back of its iResolve implementation in the banking sector, where it serves as a single agent desktop which has a telephone bar with customer information, authentication status, and IVR choice combined with the client banking applications.

Financials

NelsonHall estimates Intelenet's overall international BPS revenues at $435m for CY 2016; of these CMS accounts for ~60%, or $260m.

The voice channel, including IVR represents ~80% of the company's revenues.

Strengths

- A suite of proprietary multi-channel tools with a focus on text based interactions and unified agent desktop

- Strong experience in migrating voice to chat support across verticals and geographies

- Significant investments and experience in sentiment analysis to support multi-channel integration

- Strong experience in revenue generation processes over digital channels, including new acquisitions, up-sell, and cross-sell.

Challenges

- Lagging in the adoption of self-service delivery frameworks

- Limited experience in support of social messengers such as WhatsApp and Facebook Messenger

- Limited video support experience and capability.

Strategic Direction

Intelenet plans to use the channel insights from iPrompto to incentivize clients to move traffic to lower cost and higher satisfaction digital channels. It sees a need among its clients to proactively analyze unstructured data across channels. Using iPrompto, Intelenet's operations team will provide reports (e.g. historical sentiment charts by channel) to clients' customer service and marketing teams, aiming to align sales and support objectives.

Through machine learning, the company plans to gradually and incrementally improve accuracy on iPrompto and to create a real-time dashboard shared between the CMS provider and client.

For its multi-channel text management platform, Intelenet plans to add client-specific in-app chat; it is currently working with prospects from the banking and insurance sectors. The platform is ready to provide self-service chat options and Intelenet is looking to implement client integrations with CRM, billing, and shipping systems. In this scenario, the end user will access delivery status or balance information via a hashtag.

Since its launch over ten years ago with voice, iResolve has added email, webchat, and social media, and the company is now planning to integrate social messengers.

Outlook

Intelenet is looking into offering its multi-channel platforms as standalone products. It is developing a catalog of its proprietary tools as part of its sales process and is highlighting the efficiencies achieved in deflecting to digital channels.

Expect Intelenet to extend the reach of its iPrompto sentiment analytics tool and multi-channel management platform to a wider client base interested in increased adoption of text channels.

Multi-Channel CMS Market Summary

Buy-Side Dynamics

The key buy-side drivers for the adoption of CMS multi-channel include:

- Requirements for customer experience improvement including increase of NPS, CSAT, FCR, and decrease of customer effort

- Requirements for cost optimization including volume switch to lower cost channels, increased adoption of self-service, and operational improvements

- Requirements for revenue generation through increased new sales, up-sell and cross-sell, increased retention and collections

- Requirements for improved brand awareness and management of digital presence

- Requirements for acquiring customer and market insights.

Market Size & Growth

The global CMS market is dominated by a slowly declining voice channel 78% ($51.3bn), while revenues from digital channels are growing faster than the overall CMS outsourcing market, set to have CAAGR of ~21% through 2020. The fastest growing channels will be web and mobile self-service and video, together representing ~7% of the market (compared to ~1% in 2016). The global CMS market for non-voice digital services (including email) is expected to reach $28.4bn by 2020.

Success Factors & Challenges

Key success factors for organizations looking to outsource multi-channel customer management services are:

- Customer experience improvement delivered through digital channel adoption, driven by overall assessment of the customer journey through transformational customer experience projects. Vendors combine data within the front-office with other departments and the overall market to assess the relevance of individual channels, automation, proactive vs. reactive support, and self-service vs. assisted support

- Continuous channel integration provided by vendors with the channel knowledge and dedicated resources to successfully introduce a new digital channel, from customer and agent perspective. The vendor has the domain knowledge, technical and consulting expertise, and access to technology to deliver unified agent desktop and real-time integration of back-end systems with front-office self-service

- High level of automation offered by vendors with the technical and analytical experience to design and deliver automation of customer-facing processes and the agent-facing interface. These vendors utilize machine learning and AI to automate these processes (both voice and text) and deliver a real-time next-best-action agent guide

- Proactive support provided by vendors with the the consulting and technological experience to deliver support by specific domain (e.g. connected house, connected vehicles, and connected healthcare)

- Vendor has the advanced analytics tools to deliver service personalization, and a high level of security across channels, combining complex security and personalization services over the preferred customer channel using biometrics, machine learning, and rich media analytics

- Fluent migration between sales and support, where the vendors provide live support flow across online and offline channels, automated and assisted services, and across programs.

Key challenges for organizations looking to outsource multi-channel customer management services are:

- Lack of executive support or clear customer experience strategy which hinders multi-channel projects, forcing the addition of new channels in unlinked delivery

- Initial investments in the form of IT and infrastructure budgets remain a deterrent to the wider adoption of multi-channel, especially in cases where client legacy systems have poor data management

- Data access across channels creates security and compliance challenges in contact center operations, often blurring the line between customer benefits and privacy breach

- Low demand from the customer base, external limitations such internet coverage, or previous failed experience in new channel rollouts lower a client's willingness for innovation

- Incomplete client understanding of automation and self-service benefits.

Outlook

Over the next four years:

- Text based channels will become firmly established as the second most important channel, tripling in size. Chat, messengers, and social media will be used as integral, not complementary channels for all services

- Adoption of digital channels will continue to vary across verticals. But in travel, retail, telecom, and consumer electronics, digital channels will reach more than 40% of revenue by 2020

- Voice channel revenues will decline marginally, supported by increased complexity of interactions, greater focus on revenue generating activities leading to increased outbound calls, and customer experience investments by clients creating additional volumes

- Partial automation of text based communication over web, in-app, messenger chat, and SMS will be a standard. Full automation via machine learning supported virtual agents will be the prerogative of the largest CMS clients or digital start-ups due to the required significant investments

- Vendor capability to integrate client knowledge bases, customer-facing self-service, and agent desktops will be table stakes for outsourcing multi-channel delivery

- Next-best-action tools, automated social media support, and proactive technical support will be the next key investment area for CMS vendors, in addition to their current focus on machine learning and NLP

- Channel enablement will be delivered as part of wider transformational initiatives including customer journey mapping, integration of channel analytics, and customer experience optimization.

NEAT Methodology for Multi-Channel CMS

NelsonHall's (vendor) Evaluation & Assessment Tool (NEAT) is a method by which strategic sourcing managers can evaluate outsourcing vendors and is part of NelsonHall's *Speed-to-Source* initiative. The NEAT tool sits at the front-end of the vendor screening process and consists of a two-axis model: assessing vendors against their 'ability to deliver immediate benefit' to buy-side organizations and their 'ability to meet client future requirements'. The latter axis is a pragmatic assessment of the vendor's ability to take clients on an innovation journey over the lifetime of their next contract.

The 'ability to deliver immediate benefit' assessment is based on the criteria shown in Exhibit 1, typically reflecting the current maturity of the vendor's offerings, delivery capability, benefits achievement on behalf of clients, and customer presence.

The 'ability to meet client future requirements' assessment is based on the criteria shown in Exhibit 2, and provides a measure of the extent to which the supplier is well-positioned to support the customer journey over the life of a contract. This includes criteria such as the level of partnership established with clients, the mechanisms in place to drive innovation, the level of investment in the service, and the financial stability of the vendor.

The vendors covered in NelsonHall NEAT projects are typically the leaders in their fields. However, within this context, the categorization of vendors within NelsonHall NEAT projects is as follows:

- **Leaders**: vendors that exhibit both a high ability relative to their peers to deliver immediate benefit and a high capability relative to their peers to meet client future requirements

- **High Achievers**: vendors that exhibit a high ability relative to their peers to deliver immediate benefit but have scope to enhance their ability to meet client future requirements

- **Innovators**: vendors that exhibit a high capability relative to their peers to meet client future requirements but have scope to enhance their ability to deliver immediate benefit

- **Major Players**: other significant vendors for this service type.

The scoring of the vendors is based on a combination of analyst assessment, principally around measurements of the ability to deliver immediate benefit; and feedback from interviewing of vendor clients, principally in support of measurements of levels of partnership and ability to meet future client requirements.

Exhibit 1

'Ability to deliver immediate benefit': Assessment criteria

Assessment Category	Assessment Criteria
Offerings	Range of multi-channel customer management services
	Revenue generation multi-channel capability
	Customer care multi-channel capability
	Technical support multi-channel capability
	Digital channel transformation
Delivery	Scale of multi-channel delivery capability
	Application of assisted & automated phone
	Application of assisted & automated chat (inc. SMS)
	Application of assisted & automated messengers
	Application of self-service
	Application of social media
	Application of email
	Application of video chat
	Application of face-to-face channels
	Application of multi-lingual digital support
	Digital channel optimization & consulting capability
	Application of unified agent desktop (omni-channel)
	Application of analytics in multi-channel support
	Application of RPA & AI in multi-channel support
Benefits Achieved	Level of revenue generation achieved
	Level of customer experience improvement achieved
	Level of cost savings achieved
	Level of adoption of digital channels

Exhibit 2

'Ability to meet client future requirements': Assessment criteria

Assessment Category	Assessment Criteria
Multi-Channel CMS Investments	In development of voice capability
	In development of chat & messenger capability
	In development of self-service support capability
	In development of social media support capability
	In development of multi-channel analytics
	In development of automation of multi-channel
	In development of end-to-end digital transformation
Perceived Suitability by CMS Clients	Effectiveness in application of multi-channel customer care
	Effectiveness in application of multi-channel revenue
	Effectiveness in application of digital transformation in CMS
	Mechanisms in place to deliver client innovation in CMS through multi-channel
	Suitability of vendor to meet future CMS multi-channel needs
	Perceived vendor service culture
	Perceived value for money

For more information on other NelsonHall NEAT evaluations, please contact the NelsonHall relationship manager listed below.

research.nelson-hall.com

Sales Enquiries

NelsonHall will be pleased to discuss how we can bring benefit to your organization. You can contact us via the following relationship manager:

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