

NEWS RELEASE

FOR IMMEDIATE RELEASE:

Offshore Contact Center Market Experiencing Rapid Growth

Key Delivery Centers in India, Philippines, Central and Eastern Europe

DALLAS, February 19, 2008 — Outsourcing call center work to offshore destinations is in a rapid growth phase with key delivery centers such as India, Philippines and central and Eastern Europe experiencing annual growth rates in excess of 30 percent, according to a new [Everest Research Institute](#) study. Consolidation of processes within the customer management function and across buyers' business units has become the primary focus of Contact Center Outsourcing (CCO) solutions with investment in technology solutions and global delivery mechanisms serving as catalysts, according to the study.

The Institute's study, [Trends in Offshore Contact Center Services Market](#), reports that, while the global CCO market has grown to a US\$55 billion opportunity today, traditional CCO has reached a mature phase and is showing signs of an impending growth plateau on the heels of 10-12 percent growth over the past three years.

"The value proposition for buyers of contact center outsourcing services is demonstrating early indications of shifting from a cost savings-focused approach to an integrated approach across cost, quality and efficiency," said Amiya Kagalwala, Senior Consultant, [Everest Group](#) Europe. "Companies have faced challenges related to performance metrics, cultural compatibility and customer satisfaction levels for call center work, but they've successfully addressed these through resolution mechanisms such as measuring the overall customer experience in addition to process and cost efficiency measures. In addition, offshoring continues to grow aggressively in key geographic locations (India, Philippines, central and eastern Europe) while areas in Central and South America and the Caribbean are emerging as smaller-scale hubs."

The Institute also attributes the CCO market's growth to each location's differing leverage points among cost, operating risks, maturity of the supply landscape and extent of fit with specific customer geographies. For example, Eastern Europe has risen to be a low-cost alternative for European buyers given language skills and proximity, while Philippines has become a key destination for English voice-based work for the United States.

Consolidation of customer management processes and across buyers' business units is giving rise to higher value segments that offer more holistic, end-to-end outsourcing solutions.

"As buyers' operating models evolve and quality and customer retention become a larger focus, buyers will need to focus on integrated customer management delivery solutions that provide a unified view to the end-customer across the entire value chain," said [Anand Ramesh](#), Everest Research Institute Research Director and co-author of the report. "At the same time, suppliers need to develop and expand capabilities across a variety of locations to maximize quality and lower costs."

Other study findings include:

- In the last year, significant mergers and acquisitions have suppliers looking to inorganically build capabilities and create differentiation in the marketplace. The supplier landscape is highly fragmented with the top 20 suppliers accounting for about 30 percent market share.
- Caribbean Islands, Costa Rica and Panama are potential options for hosting small-scale English language centers due to their availability of English skills and proximity to the US.
- Canada hosts the largest number of contact center agents whereas India and the Philippines are offshoring leaders.
- Leading suppliers including [Teleperformance](#), [Convergys](#), [SITEL + ClientLogic](#), [Teletech](#) and [NCO Customer Management](#) are aggressively expanding their global footprint.

To read an extract of [Trends in Offshore Contact Center Services Market](#), visit www.everestresearchinstitute.com. To purchase the report or request more information about other research services, please email info@everestresearchinstitute.com or call +1-214-451-3110 to schedule a personal briefing appointment.

About Everest Research Institute

[Everest Research Institute](#) (www.everestresearchinstitute.com) serves as a central source of independent and objective strategic intelligence, analysis, and actionable insight for leading corporations, service providers, and investors in the global outsourcing and offshoring marketplace. The Institute addresses both business process and information technology sourcing topics, providing the global outsourcing and offshoring community with information that empowers highly productive, sustainable sourcing strategies and relationships. The Institute's distinguished [Board of Advisors](#), [senior executives](#) and thought leaders oversee the Institute's research agenda to ensure that it fully supports the business needs of corporations, service providers and investors.

Everest Research Institute members receive access to unparalleled analytical and advisory services, including access to [Everest analysts](#), in-depth [reports](#) on major outsourcing and offshoring topics, [white papers](#) on market-shaping events, and [Webinars](#) designed to provide insight and information about important market trends. The Institute's wealth of knowledge and experience provides members with unique perspectives into today's marketplace and the competitive edge required to take advantage of emerging opportunities.

[Everest Group](#) is a global operational strategy consulting firm with offices in such leading business centers as Dallas; Gurgaon, India; London; Amsterdam; New York; Toronto and Melbourne. An industry leader since 1991 when we created the sourcing consulting category, Everest Group has earned a worldwide reputation for ongoing innovation as we help clients achieve maximum value from their operations, which includes sourcing strategy and implementation. Everest created the [Everest Research](#)

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