

F R O S T & S U L L I V A N

BEST PRACTICES

AWARDS

F R O S T & S U L L I V A N

BEST
2020 PRACTICES
AWARD

probe
NEXT GENERATION DRIVEN

AUSTRALIA CUSTOMER EXPERIENCE OUTSOURCING
SERVICES PROVIDER OF THE YEAR

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Background and Company Performance

Industry Challenges

In today's highly competitive environment, creating an exceptional customer experience, encompassing on-demand, engaging, personalized, and proactive services, is fundamental to organizations' sustained growth. This is drawing attention to contact centers that are fast becoming hubs for delivering differentiated customer experiences.

The emergence of the COVID-19 pandemic has put organizations under enormous pressure to deliver on basic customer services. Organizations have had to move at unprecedented speeds and agility to remain operational and serve customers while ensuring the safety of their employees. Overnight, organizations had to test their business continuity plans as well as to reevaluate how contact center employees can continue to deliver seamless customer services, operate remotely, and leverage the right digital technologies to support the increase in call volumes.

More importantly, the pandemic has highlighted several critical challenges, such as the lack of business continuity and contingency plans among a majority of companies in taking the right steps to mitigate business disruptions due to the government-enforced lockdown measures. Organizations have had to explore hybrid delivery models, including exploring Work-at-Home Agents (WAHA), rightshoring, digital, and cloud options.

Many organizations in Australia have typically outsourced back-office and contact center operations to offshore locations in the Philippines and India. However, recent movement restrictions globally have heavily impacted offshore operations as well, forcing organizations to rethink their strategies and repatriate some of these services home. Organizations have had to modify business continuity plans to include remote working or WAHA, a trend likely to sustain. However, businesses have struggled to ramp up remote working capabilities while taking into consideration the speed of execution, security and compliance measures, infrastructure stability, and maintaining productivity and upskilling employees.

As a result, an increasing number of organizations are exploring digital solutions to tackle the increase in call volumes and augment contact center agents. This includes the deployment of digital solutions, including Cloud Contact Centers (CCaaS), omnichannel, chatbots, enhanced self-service, intelligent analytics, conversational Artificial Intelligence (AI), and Robotic Process Automation (RPA).

Given the complexity of the situation, Australian organizations are increasingly looking at outsourcing their customer experience and contact center services to providers with the right combination of onshore and offshore capabilities and technology expertise.

Visionary Innovation and Performance/Customer Impact

Visionary Scenarios through Mega Trends

Australia-based Probe Group, established in 1979, is a Business Process Outsourcing (BPO) service provider that offers a full range of in-house outsourcing services, including back-office processes, customer care, technical support, credit management, collections, sales, litigation, finance and accounting, human resource, graphic design, and digital transformation and consulting solutions.

The company, through its value proposition and innovative solutions, is vying to become a leading customer experience partner to its clients. Probe approaches each client requirement uniquely to provide customized solutions and does not apply a “one size fits all” approach. Through its intelligent, customized design and solutions, the company offers end-to-end digitally-enabled business process and customer engagement and management services. Probe engages with its clients as a customer experience optimization partner to deliver best-in-class solutions by leveraging in-house consulting and business improvement resources.

Probe is focused on developing differentiated solutions, products, and capabilities that target various industries and countries. The company provides industry-specific solutions to government, retail, transportation and logistics, telecom, education, construction, financial services, and small and medium enterprises; with a focus on clients in the United States, Canada, United Kingdom, Australia, and New Zealand. Its robust solutions portfolios cover a broad range of services, including customer experience, credit and collections, shared, back-office, and knowledge services as well as consulting and managed solutions.

The company places a genuine emphasis on its people and in creating a high-performance workplace by investing in digital enablement, intelligent AI and virtual agents, Machine Learning (ML), and intelligent process automation to develop real-time insights and actionable outcomes. Probe also applies advanced quality management tools, including Six Sigma process simplification and process transformation methodologies, to ensure delivery of consistent and quality services to clients.

Frost & Sullivan believes that Probe is well-positioned for robust growth in Australia with close to 40 years’ experience in delivering comprehensive business process and customer experience outsourcing services.

Addressing Unmet Needs

Digital solutions are disrupting the customer experience market and assisting organizations to better interpret customer data and derive actionable insights. As part of this market trend, Probe developed its proprietary automation solutions using advanced technologies such as natural language speech recognition, biometric verification, self-service, and conversational AI through its wholly-owned subsidiary, Convai. The Oration solution helps contact centers to effectively manage customer conversations by utilizing

intelligent AI to automate conversations and improve customer experience while increasing contact center efficiency. The company has also developed solutions leveraging automation, AI, and virtual assistant technologies in partnership with third-party technology players, such as UiPath, Creative Virtual, Salesforce, and Genesys.

It has strengthened its portfolio through strategic acquisitions and integration of companies Salmat Contact, MicroSourcing, and Beepo. These acquisitions have added to Probe's capabilities in the shared services, customer management, and knowledge management space, including adding to its operations and headcount in Australia and the Philippines. MicroSourcing and Beepo, have especially enabled the company to expand its value propositions across multiple geographies, business sizes, and verticals.

In keeping pace with the market trends for expertise in digitally-enabled contact centers and rightshoring capabilities, Probe has made significant investments in developing solutions to drive digital enablement for its clients. As the Philippines and India could not quickly adopt the WAHA model during the pandemic, Australian businesses have started to reconsider the onshore alternative in delivering consistent customer experiences. Probe provides its clients with rightshoring capabilities by balancing service delivery models between onshore and offshore and providing a mix of full-time and part-time employees. Probe delivers a full range of outsourcing services, including onshore services from Australia, nearshore from New Zealand, and offshore from the Philippines. The company has been able to tap into its mature work-from-home operations that can be deployed as a standalone or embedded component of any solution to mitigate the business impacts of the health crisis.

Probe works closely with clients to accelerate the adoption of digital channels such as messaging, webchat, and other contact center automation solutions to optimize workforce performance in managing the surge in call volumes. Through its partnership with instant messaging providers, including LivePerson and Genesys, Probe is actively broadening the choice of digital channel options for its clients. Frost & Sullivan lauds Probe for demonstrating true digital convergence through its innovative service delivery capabilities, creating more value for organizations, employees, and customers.

Implementation of Best Practices

Probe offers clients continuous improvement methodologies as well as best practice operational governance services. It has successfully replicated learnings and best practices from its digital transformation engagements and deployments, especially from large enterprises, making the outcomes available to small enterprises as well.

The company has established an InnoCouncil that drives best practices and agreed-upon business transformation agenda with a selection of clients. The InnoCouncil has built industry-specific case studies that highlight innovation and digital solutions utilized in client engagements. The case studies are prescriptive and include detailed information on client challenges, trail methodologies, solutions applied, success criteria, and achievement of tangible outcomes. The InnoCouncil is chaired by an Executive General Manager and

includes specialist resources from Probe's Business Process Reengineering (BPRE) team (data science and workforce optimization specialists), Convai business (Natural Language Speech Recognition, Biometrics and Speech Bots experts, channel partner Perpetuuti (AI solutions including RPA, chatbot, and knowledge management), and clients' key resources. The team has also developed industry-specific case studies highlighting the innovation injected into client relationships as a result of the InnoCouncil initiative.

Financial Performance

In the past 5 years, Probe has recorded remarkable growth with an increase of 53.0% for the year ended June 30, 2019, and 9.8% for the year ended June 30, 2020. The company has secured significant new wins in both the private and public sectors.

Demand for the company's customer experience consulting services has increased among Australian organizations, especially in financial services, education, public sector, construction, retail, and logistics and transportation verticals. As a result of its consulting engagements focused on building digital transformation roadmaps for clients, Probe has been able to upsell additional digital initiatives including RPA, virtual agents, Oration solutions, process transformation, knowledge management, investment recovery through gain share and channel migration commitments. Probe's subsidiary, Convai, has also scored new engagements with increased uptake of its Oration solution deployed in large contact centers for two major retailers. Frost & Sullivan believes that Probe's robust growth trajectory in the Australian market enhances its potential to diversify into other high-growth markets.

Customer Purchase Experience

Probe is focused on building long-term strategic relationships with its clients and managing their transformation journey to achieve business objectives. The company invests significant time and resources into understanding the client's strategic objectives and forming relationships based on trust. By truly partnering and understanding the clients' requirements, Probe is able to co-innovate with them to achieve their business objectives. Throughout the ongoing pandemic, Probe has received anecdotal feedback from clients and potential prospects that the company is one of the most ready and mobilized outsourcing service providers in Australia through its prompt response in ensuring work-from-home service delivery and providing continuous services to its clients' customers without service disruptions. The company's one-on-one engagement and consultative approach with clients is paying off as multiple clients have expanded their scope of work for current engagements.

Frost & Sullivan attributes the customer retention success of Probe to its deep understanding of clients' business priorities and goals and offering a personalized approach in enabling clients to optimize the customer journey through digital transformation.

Brand Equity

With over 40 years' experience in the outsourcing services market, Probe has successfully pivoted toward providing end-to-end digital transformation services. Through strategic acquisitions and technology innovations, the company now offers a complete range of business process and customer experience services. Probe has successfully embarked on a transformation journey to create next-generation outsourcing services for Australian businesses designed to satisfy ever-changing client demands.

The service provider delivers agile, scalable, flexible, and customized solutions that deliver exceptional customer experiences. Probe's robust growth in the past few years is indicative of its ability to expand services across the customer experience value chain through strategic acquisitions and partnerships in building its digital transformation capabilities and strengthening brand equity among clients in Australia.

Conclusion

Probe has emerged as a leading customer experience outsourcing service provider in Australia through its commitment and strategic focus on catering to the digital transformation needs of its clients. The company is benefiting from its client value proposition, which is built on the foundation of intelligent design and customized customer experience solutions. Probe has successfully integrated strategic acquisitions and partnerships, enabling the company to expand its solutions portfolio, improve service delivery, and boost its growth momentum. These initiatives have reinforced Probe's customer experience leadership in the Australian market with significant potential to diversify into other high-growth markets.

With its strong overall performance, Probe Group has earned Frost & Sullivan's 2020 Company of the Year Award.

Significance of Company of the Year

To receive the Company of the Year Award (i.e., to be recognized as a leader not only in your industry, but among non-industry peers) requires a company to demonstrate excellence in growth, innovation, and leadership. This excellence typically translates into superior performance in three key areas, demand generation, brand development, and competitive positioning, that serve as the foundation of a company's future success and prepare it to deliver on the 2 factors that define the Company of the Year Award: Visionary Innovation and Performance, and Customer Impact).



Understanding Company of the Year

Driving demand, brand strength, and competitive differentiation all play critical roles in delivering unique value to customers. This three-fold focus, however, must ideally be complemented by an equally rigorous focus on Visionary Innovation and Performance to enhance Customer Impact.

Key Benchmarking Criteria

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated each factor according to the criteria identified below.

Visionary Innovation and Performance

- Criterion 1: Addressing Unmet Needs
- Criterion 2: Visionary Scenarios through Mega Trends
- Criterion 3: Implementation of Best Practices
- Criterion 4: Blue Ocean Strategy
- Criterion 5: Financial Performance

Customer Impact

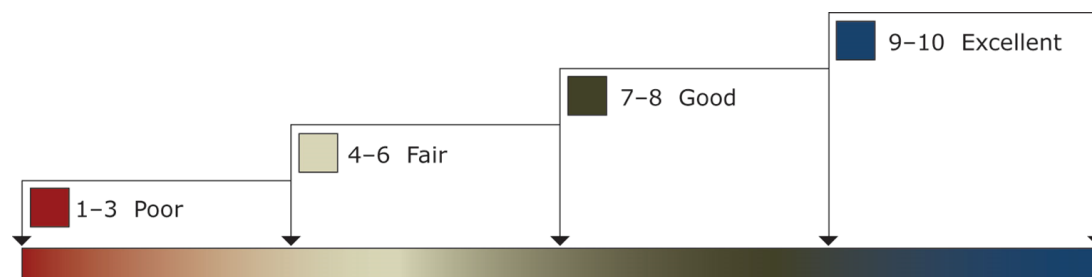
- Criterion 1: Price/Performance Value
- Criterion 2: Customer Purchase Experience
- Criterion 3: Customer Ownership Experience
- Criterion 4: Customer Service Experience
- Criterion 5: Brand Equity

Best Practices Award Analysis for Probe Group

Decision Support Scorecard

To support its evaluation of best practices across multiple business performance categories, Frost & Sullivan employs a customized Decision Support Scorecard. This tool allows research and consulting teams to objectively analyze performance according to the key benchmarking criteria listed in the previous section, and to assign ratings on that basis. The tool follows a 10-point scale that allows for nuances in performance evaluation. Ratings guidelines are illustrated below.

RATINGS GUIDELINES



The Decision Support Scorecard considers Visionary Innovation and Performance and Customer Impact (i.e., the overarching categories for all 10 benchmarking criteria; the definitions for each criterion are provided beneath the scorecard). The research team confirms the veracity of this weighted scorecard through sensitivity analysis, which confirms that small changes to the ratings for a specific criterion do not lead to a significant change in the overall relative rankings of the companies.

The results of this analysis are shown below. To remain unbiased and to protect the interests of all organizations reviewed, Frost & Sullivan has chosen to refer to the other key participants as Competitor 1 and Competitor 2.

<i>Measurement of 1–10 (1 = poor; 10 = excellent)</i>			
Company of the Year	Visionary Innovation & Performance	Customer Impact	Average Rating
Probe Group	9.4	9.6	9.5
Competitor 1	9.2	9.3	9.3
Competitor 2	9.0	9.1	9.1

Visionary Innovation & Performance

Criterion 1: Addressing Unmet Needs

Requirement: Implementing a robust process to continuously unearth customers' unmet or underserved needs, and creating the products or solutions to address them effectively.

Criterion 2: Visionary Scenarios through Mega Trends

Requirement: Incorporating long-range, macro-level scenarios into the innovation strategy, thereby enabling first-to-market growth opportunity solutions.

Criterion 3: Implementation of Best Practices

Requirement: Best-in-class strategy implementation characterized by processes, tools, or activities that generate a consistent and repeatable level of success.

Criterion 4: Blue Ocean Strategy

Requirement: Strategic focus on creating a leadership position in a potentially uncontested market space, manifested by stiff barriers to entry for competitors.

Criterion 5: Financial Performance

Requirement: Strong overall business performance in terms of revenue, revenue growth, operating margin, and other key financial metrics.

Customer Impact

Criterion 1: Price/Performance Value

Requirement: Products or services offer the best value for the price compared to similar offerings in the market.

Criterion 2: Customer Purchase Experience

Requirement: Customers feel they are buying the optimal solution that addresses both their unique needs and their unique constraints.

Criterion 3: Customer Ownership Experience

Requirement: Customers are proud to own the company's product or service and have a positive experience throughout the life of the product or service.

Criterion 4: Customer Service Experience

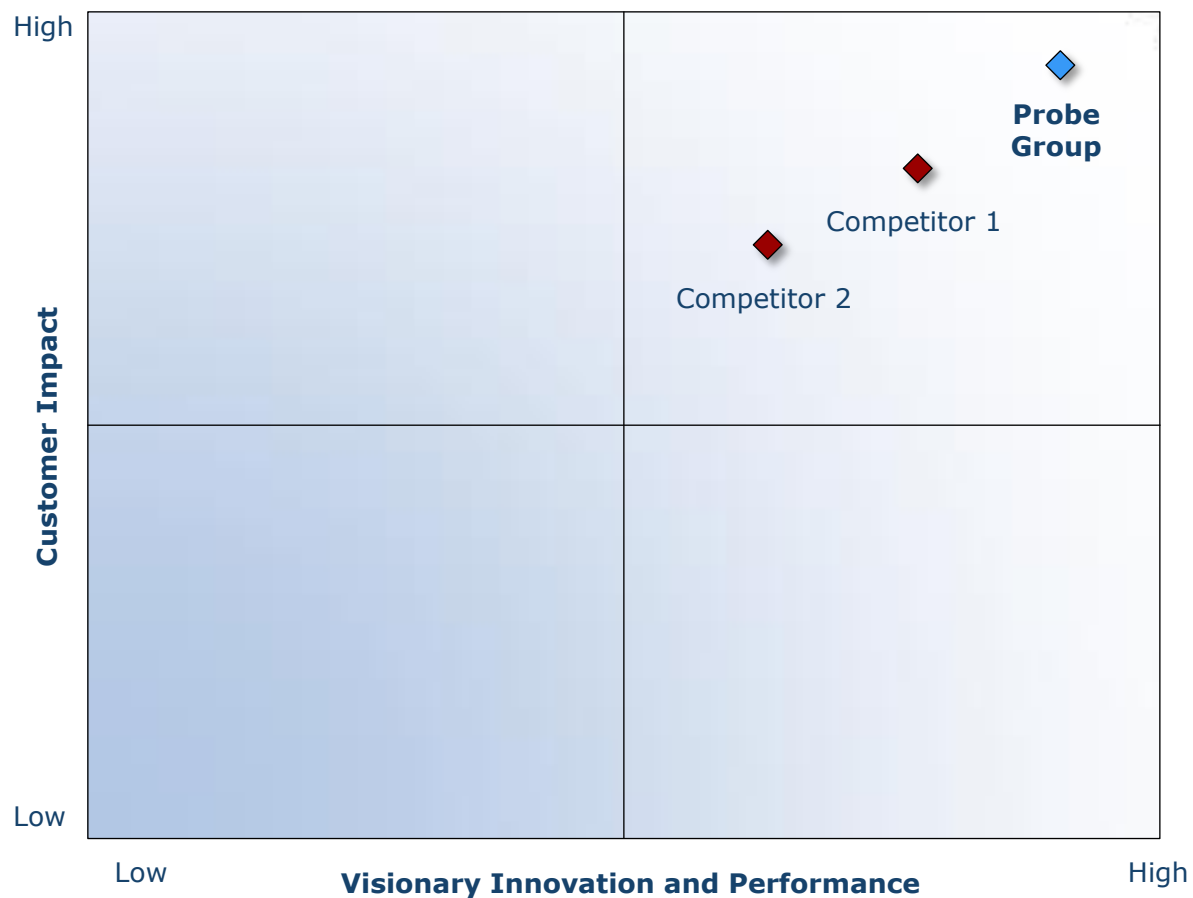
Requirement: Customer service is accessible, fast, stress-free, and of high quality.

Criterion 5: Brand Equity

Requirement: Customers have a positive view of the brand and exhibit high brand loyalty.

Decision Support Matrix

Once all companies have been evaluated according to the Decision Support Scorecard, analysts then position the candidates on the matrix shown below, enabling them to visualize which companies are truly breakthrough and which ones are not yet operating at best-in-class levels.



Best Practices Recognition: 10 Steps to Researching, Identifying, and Recognizing Best Practices

Frost & Sullivan analysts follow a 10-step process to evaluate award candidates and assess their fit with select best practice criteria. The reputation and integrity of the awards are based on close adherence to this process.

STEP	OBJECTIVE	KEY ACTIVITIES	OUTPUT
1 Monitor, target, and screen	Identify award recipient candidates from around the world	<ul style="list-style-type: none"> Conduct in-depth industry research Identify emerging industries Scan multiple regions 	Pipeline of candidates that potentially meet all best practices criteria
2 Perform 360-degree research	Perform comprehensive, 360-degree research on all candidates in the pipeline	<ul style="list-style-type: none"> Interview thought leaders and industry practitioners Assess candidates' fit with best practices criteria Rank all candidates 	Matrix positioning of all candidates' performance relative to one another
3 Invite thought leadership in best practices	Perform in-depth examination of all candidates	<ul style="list-style-type: none"> Confirm best practices criteria Examine eligibility of all candidates Identify any information gaps 	Detailed profiles of all ranked candidates
4 Initiate research director review	Conduct an unbiased evaluation of all candidate profiles	<ul style="list-style-type: none"> Brainstorm ranking options Invite multiple perspectives on candidates' performance Update candidate profiles 	Final prioritization of all eligible candidates and companion best practices positioning paper
5 Assemble panel of industry experts	Present findings to an expert panel of industry thought leaders	<ul style="list-style-type: none"> Share findings Strengthen cases for candidate eligibility Prioritize candidates 	Refined list of prioritized award candidates
6 Conduct global industry review	Build consensus on Award candidates' eligibility	<ul style="list-style-type: none"> Hold global team meeting to review all candidates Pressure-test fit with criteria Confirm inclusion of all eligible candidates 	Final list of eligible award candidates, representing success stories worldwide
7 Perform quality check	Develop official award consideration materials	<ul style="list-style-type: none"> Perform final performance benchmarking activities Write nominations Perform quality review 	High-quality, accurate, and creative presentation of nominees' successes
8 Reconnect with panel of industry experts	Finalize the selection of the best practices award recipient	<ul style="list-style-type: none"> Review analysis with panel Build consensus Select winner 	Decision on which company performs best against all best practices criteria
9 Communicate recognition	Inform award recipient of recognition	<ul style="list-style-type: none"> Announce award to the CEO Inspire the organization for continued success Celebrate the recipient's performance 	Announcement of award and plan for how recipient can use the award to enhance the brand
10 Take strategic action	Upon licensing, company able to share award news with stakeholders and customers	<ul style="list-style-type: none"> Coordinate media outreach Design a marketing plan Assess award's role in strategic planning 	Widespread awareness of recipient's award status among investors, media personnel, and employees

The Intersection between 360-Degree Research and Best Practices Awards

Research Methodology

Frost & Sullivan's 360-degree research methodology represents the analytical rigor of the research process. It offers a 360-degree view of industry challenges, trends, and issues by integrating all 7 of Frost & Sullivan's research methodologies. Too often companies make important growth decisions based on a narrow understanding of their environment, resulting in errors of both omission and commission. Successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. The integration of these research disciplines into the 360-degree research methodology provides an evaluation platform for benchmarking industry participants and for identifying those performing at best-in-class levels.

360-DEGREE RESEARCH: SEEING ORDER IN THE CHAOS



About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, helps clients accelerate growth and achieve best-in-class positions in growth, innovation, and leadership. The company's Growth Partnership Service provides the CEO and the CEO's growth team with disciplined research and best practices models to drive the generation, evaluation, and implementation of powerful growth strategies. Frost & Sullivan leverages nearly 60 years of experience in partnering with Global 1000 companies, emerging businesses, and the investment community from 45 offices on 6 continents. To join Frost & Sullivan's Growth Partnership, visit <http://www.frost.com>.

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