

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

2024 COMPANY OF THE YEAR

*IN THE MALAYSIAN
CUSTOMER EXPERIENCE
MANAGEMENT SERVICES
INDUSTRY*

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

BEST
2024 PRACTICES
AWARD



Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. TDCX MY excels in many of the criteria in the Malaysian customer experience management services space.

AWARD CRITERIA	
<i>Visionary Innovation & Performance</i>	<i>Customer Impact</i>
Addressing Unmet Needs	Price/Performance Value
Visionary Scenarios Through Mega Trends	Customer Purchase Experience
Implementation of Best Practices	Customer Ownership Experience
Leadership Focus	Customer Service Experience
Financial Performance	Brand Equity

Trusted Transformative Partner

TDCX, formerly Teledirect, was founded in 1995 in Singapore with the vision to become the leading digital customer experience (CX) service provider. The company delivers comprehensive digital CX solutions, including omnichannel CX (OCX), that reflect the ever-growing importance of seamless interactions across channels. The company’s sales and digital marketing services (SDM) help clients successfully market their products and services to potential customers in the business-to-consumer (B2C) and business-to-business (B2B) markets. The company’s content, trust, and safety (CTS) services help clients ensure a secure online environment for their social media platforms with a human touch.

Today, TDCX anchors all of its offerings in its vision to provide consultative, tech-influenced solutions that deliver transformative outcomes for its clients. TDCX specializes in customizing solutions that provide consulting and analytics services, insights and recommendations on the CX strategy, customer journey mapping, general analytics, CX maturity assessment, operating model design, and process optimization to manage intricate customer interactions for technology, blue-chip, and new-economy organizations. Over the years, TDCX has successfully positioned itself as a one-stop, trusted transformative partner that guides businesses through their evolution and growth journey.

TDCX Malaysia (MY) has come a long way from its modest beginning, with 400 employees in 2014 to over 6,000 employees and counting, presenting a testament to its growth and adaptability in the face of the evolving CX landscape. This success was made possible through the company’s strategic evolution from

servicing traditional telecommunications clients to onboarding clients from the burgeoning new economy sectors.

Today, Malaysia continues to lead the charge regarding high-touch multilingual service offerings for the world's biggest brands to Asia for TDCX and is strategic for the company. TDCX (MY) attracts and retains

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Asia Pacific**

a highly diverse workforce, with over 54 nationalities supporting more than 20 languages. This linguistic and cultural diversity provides TDCX with a significant advantage in serving a wide range of global clients and markets.

TDCX (MY) plays a pivotal role in TDCX’s long-term success through its Innovation Lab in the country, developing proprietary tools and platforms to analyze customer interactions, gain insights, and create tailored solutions for its diverse clients. The TDCX (MY) team is empowered with local decision-making authority and is considered a powerhouse for the group's global operations, unlike many global business processing outsourcing (BPO) operations in the country. Such

effective local empowerment and autonomy have enabled the company to be agile and responsive to clients’ needs and have been central to the group’s success.

Differentiating with a Clear Leadership Focus

TDCX (MY) secures its leadership strategy by anticipating and adapting to industry changes, particularly in the quickly evolving eCommerce, fintech, and technology sectors. By aligning its service offerings with these sectors, TDCX has become the preferred partner for some of the world’s most innovative businesses. Central to this approach is the company's desire to make Malaysia the strategic hub for its global operations. A strategic vision and operational excellence have led to TDCX (MY) expanding over the last decade. This expansion is about scaling up and about deepening its capability in key areas, enabling TDCX to serve its clients better and outpace competitors.

The experienced leadership team at TDCX (MY) has been farsighted in setting a clear vision for outstanding customer service and is dedicated to promoting a work environment that fosters employee growth and satisfaction. The leadership team believes that employees are pivotal in meeting business standards for service excellence. The company, therefore, has been on a mission to empower its team members with the necessary training, resources, and decision-making authority to surpass clients’ expectations. This approach cultivates a culture of ownership and accountability, resulting in personalized and proactive service interactions.

TDCX reinforces its leadership by focusing on employee development and operational agility, with training programs and continual professional development initiatives to ensure the skilled workforce remains aligned with the latest industry trends. This particular focus on human capital is a competitive edge that allows TDCX to maintain high service standards and rapidly adjust to industry changes.

Furthermore, TDCX's investment in developing proprietary technology solutions, such as the FastTrack platform and the Acuity analytics platform, demonstrates a clear leadership focus. Offering such unique,

value-added services allows TDCX to surpass the competition. By deploying these solutions at scale, TDCX can uncover more value for its global client base, thus solidifying its leadership position with an unmatched depth and breadth of offerings.

Excellent relations with clients are at the center of TDCX's leadership approach. Consistent value delivery and proactive client engagement have helped the company maintain high customer retention. This loyal client base further enhances TDCX's position in the market. Clients view TDCX as a partner that can produce tailored solutions to drive their business success, cementing TDCX's position in the marketplace.

Furthermore, TDCX stays "human-in-the-loop" as it moves toward AI and automation with a leadership approach that distinguishes the business. Recognizing the importance of human oversight and domain knowledge in ensuring the accuracy and fairness of automated decision making, TDCX develops trust and offers high-quality CX services, even in sensitive and high-risk situations. This balanced approach to technology and human intelligence is a hallmark of a true industry leader.

Innovation and Operational Excellence: Blueprint for Consistent Success

Since its inception, TDCX has focused on becoming a unique industry participant on the strength of its local culture and talent within its markets. The company deems its business structure, work culture, and employees as competitive and critical for success. TDCX (MY) is a great testimony to the breadth and depth of the TDCX's talent pool. This linguistic and cultural diversity allows TDCX to serve a wide range of global clients and markets. TDCX has leveraged its strong presence in Malaysia to establish a hub-and-spoke model, quickly setting up and scaling operations in new markets, such as Turkey, Vietnam, Japan, South Korea, and Brazil. This agility and ability to replicate its success in other countries are testaments to the operational excellence of the Malaysian team.

TDCX (MY) continues to build the capabilities required to sustain an innovation culture and is investing in developing human-centric digital technology capabilities to empower its service delivery. For instance, the company has fostered technology capabilities by investing in a digital innovation team, and by strategically partnering with technology service providers. At the forefront of the company's innovation philosophy in Malaysia is a dedicated digital innovation team known as the Innovation Lab. In addition, TDCX (MY) frequently collaborates with technology partners such as Google and ecosystem participants such as Zendesk to harness complementary capabilities, delivering comprehensive solutions that enhance the CX.

TDCX's technology strategy is anchored in delivering high-quality, scalable solutions using leading frameworks and cutting-edge tools. TDCX produces modular, flexible, easily deployable, and highly reliable applications utilizing a microservices architecture and cloud-native solutions. Integrating AI, machine learning (ML), and Big Data analytics powers intelligent automation and personalized experiences while offering insights into user behavior and market developments. Security and compliance are prioritized through rigorous standards and regular audits, ensuring data privacy. Automated software delivery pipelines, supported by continuous integration and deployment (CI/CD), streamline the release process, which allows for quick, reliable updates while maintaining high-quality service delivery.

TDCX has built its product development strategy around agility, collaboration, and customer centricity to deliver high-quality products and services efficiently. Embracing an agile methodology and an iterative

development process, TDCX easily adapts to market demands, releasing minimum viable products (MVPs) to collect real-world feedback and evolve its offerings accordingly. A holistic approach ensures cross-functional interaction among product managers, designers, developers, and QA teams, along with lean product management principles focusing on maximizing value with minimal waste. This approach prioritizes customers' needs through user-centered designs and extensive feedback to ensure products appeal to target audiences. The company's strategic roadmap prioritization aligns development with business goals and market needs, consistently delivering value.

TDCX's approach to leveraging technology and data-driven insights stands out as a best practice. Rather than providing generic GenAI solutions, TDCX applies a far more tailored approach, developing bespoke AI-powered tools and services to address clients' specific requirements, including the FastTrack platform, which leverages AI and ML to boost agent expertise and improve the CX. The company showcases its innovation prowess through Acuity, a proprietary analytics platform offering real-time, actionable insights that help businesses optimize operations, enhance the CX, and drive better strategic choices. TDCX emphasizes keeping a human-in-the-loop approach while embracing AI and automation. The company recognizes the need for human oversight and domain expertise to ensure reliable, fair, and accurate automated decision-making processes.

TDCX is a change agent that empowers its clients to realize their full potential and experience sustained business growth amid a fast-paced business landscape. The company's TDCX AI consulting arm, comprising a team of 50 experts specialized in AI, ML, robotic process automation (RPA), and CX optimization, can help clients leverage AI to analyze Big Data, generate insights, and unlock opportunities for superior predictive features and process improvements in the CX.

Among TDCX's most notable method is a commitment to a hypercare approach when onboarding new clients or even expanding into new markets. The company invests heavily in project implementation and supports the transition with rebadging employees and system integration, along with a project implementation team. This level of detail and dedication to a successful launch distinguishes TDCX from competitors by reducing disruption and maximizing the CX. Overall, TDCX's consultative engagement/onboarding process, domain knowledge, technology-enabled solutions, and balanced human-AI collaboration are all best practices that contribute to success and position the company as a leading CX provider in the industry.

Value Creation: Essence of Customer Centricity

TDCX is distinguished by its holistic approach to the CX, encompassing every stage of the customer journey, from the initial purchase to ongoing ownership and service. Clients increasingly want enduring partnerships with their outsourcing service providers. TDCX has embraced a digital-first approach to managing clients' growing expectations and demand for superior experiences.

Committed to its customer-focused strategy, TDCX consistently brings best-in-class digital CX service capabilities to market. The company fosters long-term client relationships, building on local insights, vertical expertise, and operational excellence. The company has designed a seamless, consultative, and deeply client-centric purchase experience. From the first interaction, TDCX engages clients through a thoughtful, tailored approach that focuses on understanding their unique business needs and challenges.

Leveraging its advanced analytics platform, TDCX provides data-driven insights during the purchase phase, helping clients clearly see the potential impact and benefits of the solutions on offer. This strategic, evidence-based engagement builds trust and confidence, making the decision-making process straightforward and transparent.

TDCX's ability to scale and customize its offerings quickly to meet clients' specific requirements further enhances the purchase experience, ensuring that clients feel supported and empowered from the beginning. TDCX's commitment to excellence extends beyond initial training, where the company equips agents with skills and immerses them in the client's brand ethos, enabling them to deliver authentic, brand-aligned interactions. As the project progresses, the operations team proactively and meticulously reviews customer satisfaction (CSAT) and dissatisfaction (DSAT) scores, identifying trends and addressing any negative feedback at the root. The company's quality and training teams continually monitor and adjust strategies as needed, ensuring the company maintains the highest service standards and swiftly implements necessary improvements.

TDCX's approach to delivering the best value to customers, compared to similar approaches from competitors, is built on the following two core pillars: excellence in service delivery and customization. TDCX recognizes the importance of customizing solutions to meet each customer's unique needs and preferences. Through in-depth consultation leveraging the TDCX Maturity Framework, the company can dive deep into some of the clients' operational structures and the challenges they face. Through collaborative discussions, TDCX designs bespoke solutions that seamlessly integrate into existing workflows and identifies areas for improvement, ensuring maximum efficiency and alignment with overarching CX goals. TDCX is a high-quality, dependable, and customer-satisfaction business devoted to

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excellence in service delivery. The company's dedicated teams strive to exceed customer expectations at each touchpoint with timely support, proactive communications, and personalized attention to ensure a seamless and rewarding journey.

TDCX values customer co-creation and seeks feedback through surveys, forums, and user testing. By incorporating customers' insights into its product development process, TDCX enhances quality while fostering a strong sense of ownership. This collaboration allows customers to direct product development based on their needs and preferences.

TDCX is aggressively focused on improving stickiness and extending it to existing client accounts. One key approach is identifying and pursuing new lines of work within existing client relationships. By offering additional services and expanding into new markets or business verticals, TDCX has successfully deepened its engagement with clients and increased their reliance on its services.

Elevating Trust and Loyalty by Building on Quality, Innovation, and Execution

TDCX has successfully built a strong brand reputation, reflected in positive customer perceptions and growing brand commitment. The company established a strong market presence in Malaysia and a distinguished brand name by delivering exceptional service quality, innovative solutions, and a deep commitment to client success among diverse businesses, including leading global brands. With the ability to provide multilingual support from Malaysia and focus on Southeast Asia, TDCX is a preferred partner for organizations looking to expand in the region. Malaysia's status as an attractive destination for international businesses, with its favorable policies and access to talent, provides TDCX (MY) with a preferential nod from many of its global clients. TDCX believes that its employees and distinctive corporate structure and culture are core strengths and key to its success, resulting in a competitive advantage.

Moreover, TDCX prioritizes the development of profound domain expertise and functional capabilities within its teams, significantly impacting its brand equity. By proactively recruiting and retaining industry experts, the company shines in delivering specialized, high-value services for clients' unique needs. Such unequaled expertise and customization for clients set TDCX apart in the market, solidifying its brand positioning and establishing it as a trusted partner.

Through the years, TDCX has established itself as a reliable and forward-thinking partner, significantly influencing customers' positive perceptions of the brand and fostering high levels of loyalty. The company's investment in its proprietary solutions demonstrates its dedication to remaining ahead of the competition, in terms of offering innovative services to clients. Frost & Sullivan believes that offering pure-play digital CX services has positioned TDCX to help high-growth, new-economy clients with enhanced customer engagement.

By focusing on communication with clients and prospects, TDCX is positioned as a strategic partner rather than a service provider. The company continues to showcase its industry knowledge, technological ability, and proven track record of providing tangible business outcomes and has successfully invested in thought leadership programs, case studies, and client testimonials to boost credibility and attract premium clients. A track record of innovation and forward-thinking approaches further strengthens TDCX's brand equity and positions it as a leader in the CX management services industry.

TDCX (MY) has received over 140 industry accolades and awards for its exceptional performance/contribution to the local and regional industry, including 24 since 2022, demonstrating the recognition and acclaim it has garnered within the CX management services sector. Recently, the company's FastTrack solution was recognized with a Transformation Award at the AI Trailblazers event, which was led by Google and the Singapore Economic Development Board (EDB). This award highlights TDCX's innovative approach and ability to drive meaningful transformation for its clients. In addition, the company has been proactively engaged with industry bodies and intensely collaborates to enhance the country's value proposition in the global market. The following are some examples:

- Malaysia Digital Economy Corporation (MDEC): hiring of foreign knowledge workers, digital research, and financial incentives
- Human Resource Development Corporation (HRDC): learning and development funding and access to quality training solutions

- Contact Centre Association of Malaysia (CCAM): continuous industry collaboration and best practice benchmarks

TDCX has embraced sustainability as a core value proposition by implementing environmentally friendly practices across the company, such as energy-efficient infrastructure, paperless processes, and responsible environmental management. Frost & Sullivan believes that highlighting a commitment to sustainability will help TDCX appeal to socially conscious clients.

These various forms of recognition, including industry awards, prestigious client partnerships, and specialized consulting expertise and thought leadership, demonstrate TDCX's ability to establish a strong brand reputation and remain widely regarded as a leading participant in the CX management services market.

Sustained Financial Performance Bodes Well for the Future

TDCX has consistently demonstrated a strong financial performance, showcasing its enviable growth momentum. Frost & Sullivan is impressed with TDCX's sustained success and resilience in a competitive market. TDCX has demonstrated a remarkable ability to maintain and even grow its profitability in an industry that has seen increasing margin pressures. The company's operations in Malaysia, particularly its nearly 10% annual revenue growth in 2023, have been a key driver of this financial performance.

TDCX's Malaysian business has experienced an astounding growth trajectory, reflecting the company's strategic expansion and market adaptability. Transitioning from traditional telecommunications to new economy sectors, such as technology, eCommerce, and fintech, has driven its client numbers and operational scale in the country; therefore, TDCX has diversified its revenue streams as well, thus driving substantial revenue growth. TDCX (MY)'s rapid scaling has been accompanied by an equally impressive 88% customer retention rate, showcasing the company's ability to deliver value consistently to its clients.

In 2023, TDCX (MY) achieved an 8% increase in its client count over the previous year. Throughout the years, the company has established a robust yet healthy mix of OCX, SDM, and CTS service lines.

Prudent financial stewardship has been instrumental in TDCX's success, fueling its growth initiatives and ability to invest in new technologies and confidently expand globally. Frost & Sullivan commends TDCX's financial and operational acumen, exemplified by its sustained revenue growth and margins as it quickly adapted to remote work and secured essential service status while navigating the uncertainty brought about by the pandemic. This agility has ensured operational continuity and allowed the company to meet the demand to expand its customer support services.

Beyond the top-line growth, TDCX (MY) has proved to be adept at maintaining healthy profit margins. Success in this regard can be attributed to the company's investments in technology and its focus on driving operational efficiencies. Deploying proprietary solutions, such as the FastTrack platform and the Acuity analytics suite, has enabled TDCX to enhance agent productivity, improve the CX, and ultimately drive profitability. These financial strengths support TDCX's ongoing growth initiatives and bode well for the company's continued success and market leadership.

Conclusion

TDCX exemplifies industry leadership through its strategic focus on innovation, operational excellence, and customer centricity. By embracing advanced technologies, fostering strong client relationships, and employing best-in-class practices, TDCX consistently delivers exceptional value to its client base across diverse sectors. With a pledge to excellence and agility to adapt and flourish in a dynamic market, TDCX solidifies its position as a trailblazer in the industry.

With its strong overall performance, TDCX earns Frost & Sullivan's 2024 Malaysian Company of the Year Award in the CX management services industry.

What You Need to Know about the Company of the Year Recognition

Frost & Sullivan's Company of the Year Award is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Award Analysis

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Visionary Innovation & Performance

Addressing Unmet Needs: Customers' unmet or under-served needs are unearthed and addressed by a robust solution development process

Visionary Scenarios Through Mega Trends:

Long-range, macro-level scenarios are incorporated into the innovation strategy through the use of Mega Trends, thereby enabling first-to-market solutions and new growth opportunities

Leadership Focus: Company focuses on building a leadership position in core markets and on creating stiff barriers to entry for new competitors

Best Practices Implementation: Best-in-class implementation is characterized by processes, tools, or activities that generate a consistent and repeatable level of success

Financial Performance: Strong overall business performance is achieved in terms of revenue, revenue growth, operating margin, and other key financial metrics

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

