*Flytxt Recognized as the*

# 2021

## Company of the Year

Global AI in Telecom Marketing Industry
Global *Excellence in Best Practices*

**FLYTXT**®

## 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. Flytxt excels in many of the criteria in the AI in telecom marketing space.

## AWARD CRITERIA

| Visionary Innovation & Performance | Customer Impact |
|---|---|
| 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 |

### The Flytxt Story: A Pioneer in Intelligent Telecom CVM Solutions for Marketing

With telecom marketing requirements transitioning from traditional rule-based engagements to augmented and autonomous marketing, artificial intelligence (AI) and machine learning (ML) will play a role in transforming the way businesses and their customers engage.

Flytxt is a Dutch company founded in 2008 that built its core technology using AI, data analytics, and ML brick by brick. Flytxt aims to be a leading provider of intelligent customer value management (CVM) solutions for marketing and knits its cloud platform with analytics, AI, and automation capabilities.

The company caters to the specific requirements of subscription and usage businesses such as telecommunication players (telcos). Telco marketers face hurdles related to accurate decision-making and timely actions that hamper productivity and disrupt current systems. Flytxt offers a proprietary Big Data architecture, unique multi-dimensional usage metrics framework, patented autonomous AI, privacy preservation techniques, and hyper-personalization algorithms. With Flytxt's innovative technology, telcos can predict, learn, and influence customer behavior accurately and precisely.

Flytxt has a presence in more than 50 countries spread across four continents. The company has leadership in telecom CVM for marketing solutions with a customer base of more than 70 telcos, including 8 of the top 30 telco groups worldwide. Using AI, data analytics, and machine learning, Flytxt helps marketers predict their customers' needs. The company helps these marketers respond in real-time and typically supports more than 100,000 customer engagements per month.

Flytxt offers smarter, faster, and accurate decisions to marketers based on pre-integrated out-of-box analytics and ML, increasing marketing agility and decisiveness. However, the company is revamping its solution offerings with a broader portfolio like Omni-channel CVM, CVM-in-a-Box, and CVM Accelerators.

### *Omni-channel CVM*

Omni-channel CVM provides a comprehensive solution packaged with analytics and marketing automation capabilities helping enterprises plan and execute various CVM use cases off the shelf. The solution offers meaningful insights that enhance the marketers' actions and interactions with customers by predicting the customers' needs and extending the right products and offers. This solution is mostly for those enterprises that wish to migrate from legacy, disconnected MarTech stack to a modern, integrated stack purpose built for CVM.

> *"Frost & Sullivan appreciates Flytxt's continuous AI/ML Innovation to stay ahead of the curve, evolving uniquely differentiated software applications and best practices for telco marketers to enable data-driven decision making and customer lifetime value generation out of the box."*
> *- Ruman Ahmed, Best Practices Research Analyst*

### *CVM-in-a-Box*

CVM-in-a-Box is a cloud solution combining technology, analytics, and best practices. The solution ensures that data-driven campaigns are launched within days with minimum effort, addressing mainly smaller telcos (that have lacking skilled resources or limited budgets).

Flytxt provides best-in-class in-house marketing automation and analytics capabilities, eliminating the need for additional investments in acquiring these capabilities.

### *CVM Accelerators*

The CVM Accelerators behave as plug-in customer intelligence solutions to existing marketing workflows. They offer insights "out of the box" for marketers to improve the speed and accuracy of their decisions; thus, accelerating the realization of desired outcomes as in churn reduction or growth in upsell/cross-sell revenue.

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## *Creating Customer Value*

The main focus of subscription and usage-based businesses like telcos is maximizing customer lifetime value; thus, generating revenue from existing customers, retaining customers, and reducing churn. However, these businesses witness gaps in planning and executing marketing campaigns due to massive volumes of data they need to deal with on a daily basis. Marketers require intelligence about their customers updated almost in real-time to provide recommendations on the right products and services. Flytxt's AI/ML applications handle decisions and actions dynamically and contextually at scale, sifting through high volumes of data in a short period to arrive at the best campaign opportunities. Its AI/ML

offerings ensure faster deployment and ease of maintenance and replace the need to have in-house data engineers and scientists. Lastly, the company implements stringent data privacy and other protection mechanisms.

Beyond its off-the-shelf offerings, Flytxt offers technology and managed marketing consulting services to help clients apply AI/ML-based learnings. Flytxt provides "value as a service" with a future-proof and advanced analytics platform with privacy-preserving techniques that integrate seamlessly into data science operations workflow.

AI tools augment the decision-making capability of marketers. However, marketers still need to interpret the insights and make decisions. Thus, Flytxt takes it to the next level with an Explainable AI tool that automatically offers marketers campaigns and designs beyond the human scale. Most of the AI tools available today are black boxes that are strenuous to interpret.

### Research and Development Innovation

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> *- Hemangi Patel, Senior Research Analyst*

Flytxt partnered with global research and development organizations like the Netherlands Organization for applied scientific research (TNO) and the Indian Institute of Technology Delhi. Flytxt has more than 15 patents in AI, analytics, marketing automation, and customer engagement. With TNO, Flytxt developed algorithms for encrypting privacy-sensitive data and three patents on multi-party computation technology. The company has also developed multiple methodologies for detecting, classifying, and predicting user behavior trends and automatic discovery, annotation, and interactive visualization of value-based customer segments. Frost & Sullivan commends Flytxt for its continuous efforts and focus on using AI, ML, and analytics in the marketing space, expanding its product portfolio with innovative offerings to address evolving customer needs and emerging market trends.

### Diverse AI and ML Offerings

The common hurdle faced around AI and ML adoption is that the marketing practice often gets disconnected from the data science/analytics function. Thus, marketers need to depend on data science experts and their bandwidth, often resulting in delayed implementations or development of only basic models, which may not give optimal, accurate results. Flytxt approaches the hurdle by building AI and ML applications that are interoperable with any other marketing automation system, including Flytxt's own marketing automation stack. Therefore, the company has increased the addressable market size by serving its existing customer base and customers using other marketing automation platforms. The company designed its AI and ML offerings in a plug-and-play mode to work with other automation systems by bringing in flexible packages and pricing models. This approach helps customers to start using the models quickly at a lower investment and scale them across multiple product lines and verticals.

***Objective-driven Next Best Offer***

Flytxt has developed an intelligent decisioning engine driven by ML capabilities designed to determine the next best offer for achieving specific marketing objectives. It integrates seamlessly with existing systems and has unique pre-built output connectors that feed offer or product recommendations to marketing workflows. It can assign priorities to different offers based on the customer's previous and recent usage patterns and current contextual usage. In addition, the intelligent decisioning engine can learn on its own based on the recent customer interactions and preferences and improve the analytical capabilities with time.

A leading telco in Africa observed that its existing upsell/cross-sell promotional campaigns were not giving them desired results; the offer acceptance rate was still low. They tested Flytxt's Next Best Offer recommendation model against its existing heuristic approach. The African telco recorded a peak monthly offer conversion rate of around 50%.

***Robo-X, the Autonomous Marketing AI***

Robo-X discovers every possible campaign opportunity by continuously analyzing the best customer segment offer combination. Thus, Robo-X functions as a trusted AI companion to marketers, ensuring the speed, scale, and accuracy of marketing operations; instantly identifying new up-sell, cross-sell, and retention opportunities while removing low-performing campaigns by continuously rating the campaigns. Robo-X discovers and recommends new campaign opportunities and designs the campaigns, thus ensuring that telcos never miss any marketing opportunity to maximize customer value. Robo-X can be used with Flytxt's automation system or any other marketing automation system, bringing out interoperability. The company integrated Robo-X with the Salesforce Marketing Cloud and is available in Salesforce AppExchange. This tool currently supports email performance optimization use cases, helping Salesforce Marketers to optimize open/click rates and conversions of email campaigns sent on Salesforce Marketing Cloud.

An eminent telco in Latin America faced challenges around tracking the performance of over 100 campaigns and missed campaign opportunities due to traditional heuristic analysis, leading to missed optimization opportunities and revenues. Robo-X maximized the revenue with its impactful recommendations and designs for the campaigns based on the opportunities identified. As a result, it led to a higher percentage of customers accepting offers suggested by Robo-X.

## Unique Models Delivering Superior Customer Experience

The AI and ML models are built specifically for customers' lifetime value maximization after being tested, trained, and proven across various telcos (small to large telcos) and multiple countries. These supervised and curated models are built with domain expertise from telco marketing campaigns.

Flytxt offers a self-service model with a simple three-step process:

1. Select a model
2. Configure the model attributes
3. Activate the model (eliminating the need for data scientists or specialized skills that may not be available within small telcos)

Outside of this packaged, simple offering, Flytxt can develop custom analytical models, addressing specific clients' requirements. Frost & Sullivan commends Flytxt for its efforts in designing and packaging models aligned with the changing market dynamics and catering to specific needs of telcos.

### The Churn Propensity Model

Flytxt's Churn Propensity (a proprietary ML model) automatically recommends and prioritizes offers based on customers' historical and recent usage behavior and returns a churn score while identifying the causal factors leading to a churn. With causal churn analysis output, the marketer can decide what actions to initiate to retain the customers. Flytxt has proven the Churn Propensity model in multiple markets and geographies.

### A Churn Propensity Model Usage Case

A major mobile virtual network operator in South Asia witnessed a high churn rate, but the current retention campaign was not giving the anticipated results. Flytxt offered a packaged model that identified potential churners, predicted churn propensity accurately, and retained the customers. Thus, the company accurately predicted possible churners, and the timely action led to higher retention.

### The Aspect-based Sentiment Analytics Model

The Aspect-based Sentiment Analytics model tracks customers based on their sentiments and suggests marketers with unique sentiment-based customer value management strategies.

## Tackling the COVID-19 Impact

The COVID-19 pandemic changed business operations and impacted the CVM activities of many telcos. Flytxt worked along with their telco clients to run coordinated campaigns specific to the pandemic period. It was not limited to unique benefits, information, and government-mandated programs. The company was agile to address the requirements with end-to-end support around geo-targeting (delivering information based on user location) and micro containment zones.

On the operations front, the company's products are easily accessible over a browser eliminating the need for any special software installed in user systems leading to negligible impact on regular campaign operations. With the industry immediately transitioning to the work from home model, the company's operations immediately shifted to remote working. The company is well placed around remotely managing operations with its adequately defined and mature remote support systems and processes. The company created chat groups and used various collaboration and communication platforms, keeping in touch with the clients to ensure real-time monitoring and timely resolution of any issue.

The company successfully executed a project for one of the leading telcos in Indonesia during this pandemic period. The complete project was rolled out by entirely working remotely and within 14 weeks.

## Conclusion

As the telecommunications industry's requirements transitioned from rule-based to augmented and autonomous marketing, the Dutch company, Flytxt, transformed its technology offerings using artificial intelligence (AI), data analytics, and machine learning (ML) to enable precision marketing at scale. The company weaved its marketing automation and AI solutions focusing on customer lifetime value maximization, specifically fabricated for telecommunication players (telcos).

Flytxt offers smarter, faster, and accurate decisions based on pre-integrated out-of-box analytics and ML models, increasing marketing agility. Moreover, Flytxt has developed autonomous and explainable AI applications to take marketing automation to the next level, ensuring that marketers will never miss any marketing opportunity to maximize customer value across many thousands of micro-moments and contexts with customers daily. Flytxt's AI/ML offerings were developed with decades of domain knowledge and data science expertise. This development resulted in a package of the right set of decisioning variables and logic to meet changing market dynamics seamlessly across different markets.

For its continued AI/ML innovation, unique offerings purpose built for the telecom marketing domain, and proven results in various use cases across multiple markets, Flytxt earns Frost & Sullivan's 2021 Global Company of the Year Award for AI in the telecom marketing 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

# About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at http://www.frost.com.

## The Growth Pipeline Engine™

Frost & Sullivan's proprietary model to systematically create on-going growth opportunities and strategies for our clients is fuelled by the Innovation Generator™. Learn more.

### Key Impacts:

■ **Growth Pipeline:** *Continuous flow of Growth opportunities*

■ **Growth Strategies:** *Proven Best Practices*

■ **Innovation Culture:** *Optimized Customer Experience*

■ **ROI & Margin:** *Implementation Excellence*

■ **Transformational Growth:** *Industry Leadership*

## The Innovation Generator™

Our six analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

### Analytical Perspectives:

■ **Mega Trend (MT)**

■ **Business Model (BM)**

■ **Technology (TE)**

■ **Industries (IN)**

■ **Customer (CU)**

■ **Geographies (GE)**