

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

# 2024 COMPANY OF THE YEAR

*IN THE LATIN AMERICAN  
CUSTOMER EXPERIENCE  
OUTSOURCING SERVICES  
INDUSTRY*

# Konecta

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

2024  
BEST  
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. Konecra excels in many of the criteria in the customer experience outsourcing services space.

AWARD CRITERIA	
<i>Visionary Innovation &amp; 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

### *Market Overview: Changing Tides in the Customer Experience World*

The 2024-2028 period will see a strong growth trajectory for the customer experience (CX) outsourcing services landscape. The increasing acceptance of CX as a formidable competitive differentiation weapon and compelling incentives for companies to outsource their CX operations will fuel this momentum. Organizations understand that providing a superior customer journey is imperative for staying relevant in their market, which brings greater attention and investment opportunities to the CX arena.

In particular, Frost & Sullivan's independent research shows that the Latin American market experienced high single-digit growth in 2022 and 2023 and is forecast to achieve positive revenue growth rates in the forthcoming years, mainly driven by nearshore<sup>1</sup> and LATAM shore<sup>2</sup> activities and partially offset by the mild performance of the domestic segment. Yet, brisk exchange rate fluctuations and political uncertainties in many countries in the region are creating challenging conditions for different market segments.

Requirements for CX providers are growing by the minute. Companies expect continuous process enhancement and rapid innovation. As organizations adapt to changing market conditions, they are looking to partner with nimble CX service providers to accelerate time to market. The emergence of new

<sup>1</sup> Nearshore revenue is generated by serving US and Canadian consumers from delivery centers located in Latin America and the Caribbean.

<sup>2</sup> LATAM shore revenue is generated by serving LATAM consumers from delivery centers located in a different Latin American country; for example, CXSP "X" serving Argentinean consumers from its delivery site in Peru.

technologies like generative artificial intelligence (AI) leads organizations to seek trusted advisors who can partner with them to implement the right tools securely and strategically to cut costs and increase the quality of service. The key to success lies in the right combination of people, processes, and technologies, which will help providers deliver reliable and agile transformation capabilities to their clients.

### ***Konecta: An Established Leader***

Founded in 1999, Konecta is a prominent market participant in the business process outsourcing and customer relationship management services arena. The company is one of the fastest-growing providers in Latin America, occupied a top three position in terms of market share in 2022, escalated positions, and gained share compared to 2021. It also leads the market in Argentina and Peru and was among the top five providers in Chile, Colombia, and Mexico. Konecta operates a vast network of 40 delivery centers in the region with almost 30,000 available seats and thousands of remote agents.

*“Konecta’s business has successfully transformed from providing mere call center services to higher-value and technology-intensive transformational solutions.”*

***- Sebastian Menutti  
Industry Principal***

Konecta’s business has successfully transformed from providing mere call center services to higher-value and technology-intensive transformational solutions. Organizations need providers who can engage with their highly sophisticated, demanding, and multichannel customers at any time and by any channel (whether it is an automated interface or a live-agent interaction). Konecta is making it easy for brands and consumers to communicate with each

other.

The company leverages AI and automation technologies to streamline the customer journey, turning it fast and easy for the end consumer while significantly reducing costs and human errors. As a result, customer interactions that reach a human agent are often more complex than they used to be. Konecta thrives in these instances, too, as per its highly motivated and empathetic agent community, aided by some of the most advanced productivity tools. This approach is instrumental in strengthening the employee experience, which becomes a solid CX.

### ***A Leader’s Path***

Konecta focuses on boosting digital transformation and data lab services centered on innovation and continuous process improvement. By utilizing agile methodologies and keeping the end-users in mind, the company develops new and innovative solutions through multidisciplinary teams, a horizontal organizational structure, and state-of-the-art technology and security capabilities. Since 2021, Konecta has significantly improved its speech and digital analytics features, leading to new opportunities in digital marketing. Furthermore, the company has developed channel integrations through its Epron omnichannel platform, introduced a voice-based virtual intelligent assistant for recruiting, utilized neural networks, come up with novel innovations in its proprietary contact center as a service platform (IntergrALL), implemented knowledge management, and introduced several verticalized solutions.

For example, Konecta implemented Temis IVR at Bancolombia, one of the largest Colombian financial institutions. Temis IVR is a model designed to detect phone numbers that display unusual behavior within the Interactive Voice Response System (IVR). It uses a combination of extract, transform, and load processes and a machine learning algorithm to identify anomalous behavior across all interactions and operations performed by a mobile number. Once identified, it blocks these abnormal numbers from accessing the IVR through other calls. The model was highly successful, processing more than 700 million records in each execution and blocking 16,498 numbers in the IVR. It linked 17% of users to genuine fraudulent transactions, and the model reduced digital channel fraud from 1.3% to 0.35%.

While Konecta significantly increased its market share in 2022 and exhibited positive growth rates in most industry verticals, the company is actively diversifying its client portfolio, going beyond

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**- Marcos Ainchil**  
**Best Practices Research Analyst**

telecommunications and banks, financial services, and insurance, winning new logos in e-commerce, fintech, utilities, automotive, and retail. The company has created dedicated teams for different verticals and is leveraging verticalized approaches for each client. Moreover, Konecta seeks to apply technology and certified processes to clients with experience in their sectors, allowing them to face each potential market with specific knowledge and strategies and generate a unique value proposition. The company uses a design consultancy that it applies to its external and internal processes. This model is a synergy of Konecta’s commercial, operational, and development teams, which analyzes each potential market and

customer to design and efficiently implement its solutions.

Koneccta promotes digital transformation solutions by digitizing operations to enhance quality and efficiency. The team at Konecta focuses on designing digitally enabled experiences to provide unparalleled customer journeys. The company takes a comprehensive approach to managing business process services to increase value, utilizing artificial intelligence and analytics to enhance performance and deliver optimal outcomes. Konecta engages with its customers by developing data-driven digital strategies to improve satisfaction. The company has an outstanding service portfolio, solid innovation competencies, and a robust growth pipeline in several segments. With this leadership focus, Frost & Sullivan expects Konecta to sustain its momentum in the industry.

### ***Roadmap to Success: Customer-centric, Hyper-digitalized, Proactive***

With its customer-centric corporate philosophy, Konecta operates on the central tenet that its success depends on customer satisfaction. This philosophy permeates the company’s daily practices. Konecta goes to great lengths to ensure a seamless solution integration. The company meets with its clients first to assess their unique needs. At this stage, Konecta’s team of professionals runs a complete analysis of the customer’s situation and pitches opportunities that often imply creative and improved solutions at a lower cost and a competitive advantage.

An exemplary case of Konecta delivering tailored, digital solutions is Liberty+, a telecommunications company that needed to improve the way its team handled complaints and corrections on service invoices. Service agents often faced complex questions, and team leaders were not always available for immediate support. Agents also made mistakes when entering values into the adjustment calculator. The team at Konecta provided a chatbot designed to empower agents in their daily tasks, a solution that transformed the search process completely. This instrument guarantees quick access to information related to a specific topic and simplifies various tasks, ranging from mathematical calculations to effective exploration of external data. The solution improved performance metrics for Liberty+, provided a better work experience for agents, and created a more user-friendly knowledge base. The chatbot also led to an improved quality of responses, fewer incorrect transfers within the same service, and a lower risk of human error.

Post-deployment, Konecta provides immediate follow-up support. The company has a customer feedback mechanism for its commercial processes. Konecta surveys new and existing customers to learn from each opportunity and improve customer satisfaction for future scenarios. Konecta assesses their needs and develops tailored solutions with roadmaps for seamless execution. This foundational approach establishes ongoing customer trust for long-lasting relationships throughout the service lifecycle.

### ***Growth Potential***

By the end of 2022, Konecta had over 65,000 employees in the region, and it operated in 10 countries worldwide, making it a rapidly transitioning regional market participant to a strong global brand with impressive growth rates. In Q2 2022, Konecta announced its merger with Comdata, significantly increasing its LATAM market share and development capabilities. Konecta is expanding into the US market through nearshore-based organic growth, focusing on bringing new growth opportunities from Colombia and Mexico.

Konecta is at the forefront of the fiercely competitive CX outsourcing market. With a deep-rooted history of purpose-fit innovation, the company shapes the industry's trends, impacting its role in the CX market. Frost & Sullivan believes the company is well-positioned to drive the customer experience outsourcing space into its next growth phase, capturing market share and sustaining its leadership in the coming years.

## Conclusion

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Konecta continues to cement its strong position in the Latin America customer experience outsourcing services industry by simplifying what is extremely complex and servicing increasingly digitalized, sophisticated, and demanding customers. Its unparalleled consulting services provide a competitive advantage in the sector, making Konecta stand out due to its customer satisfaction. The company promotes digital transformation and solutions to drive additional value, leveraging data analytics and artificial intelligence to improve performance and leading clients to growth in several business verticals and markets. Its business model is built upon exceptional customer relations, including feedback mechanisms and ownership experience support. The company remains a trusted partner, earning a reputation in the industry that will serve as a foothold for continued growth as Konecta expands into new regions and maintains its focus on leading the market.

With its strong overall performance, Konecta earns Frost & Sullivan's 2024 Latin American Company of the Year Award in the customer experience outsourcing services industry.

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

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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 ongoing 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 6 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)**

