

SYKES CMS in Telecommunications

Vendor Assessment

Report Abstract

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Who Is This Vendor Assessment For?

NelsonHall's CMS in telecommunications industry sector profile on SYKES is a comprehensive assessment of SYKES' telecommunications sector customer management services (CMS) offerings and capabilities, designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of CMS to serve the telecommunications sector and identifying vendor suitability for CMS RFPs
- Vendor marketing, sales and business managers looking to benchmark themselves against their peers
- Financial analysts and investors specializing in the support services sector.

Key Findings & Highlights

SYKES Enterprises (SYKES) is a U.S. based company with headquarters in Tampa, Florida. It offers outsourced customer management services (CMS), primarily in support of the communications, financial services, technology, healthcare, travel, and retail industries. SYKES places an emphasis on providing inbound customer engagement solutions and services.

SYKES was founded in 1977 by John H. Sykes, as a small engineering services firm in North Carolina, where it serviced IBM, Disney, AT&T, and Pacific Bell. In 1984, it was split into information services and technical services divisions, and in the mid-1990s it moved its headquarters to Tampa, Florida. SYKES went public, trading on the NASDAQ in 1996. Currently, it has 55k employees including ~44k contact center agents, located in 70 contact centers in 20 countries, and supporting 30 languages. Currently, it has ~300 CMS clients.

SYKES has its roots in high tech, as its first client was a computer hardware and software manufacturer. It initially provided technical support for the high-tech sector for a number of years, including the provision of technical documents for its clients. About a decade ago, when the telecommunications sector began increasing its outsourcing, SYKES shifted to providing more outsourced customer care and technical support.

Telecommunications is SYKES' largest industry sector and it has supported this sector for 35 years. Currently, it has ~20 CMS telecommunications clients.

SYKES has made the following key acquisitions to better support its CMS telecommunications clients:

- In March 2016: 100% of Clearlink Holdings LLC, for \$207m with no earn-out provision. The Salt Lake City, Utah based Clearlink is a lead generation, inbound sales, and digital marketing company with ~1.3k employees (~1k sales agents) in three centers in Utah, and annual revenues of ~\$123m (2015). Clearlink supports telecom, satellite television, home security and insurance sectors in the U.S., with clients including ADT, AT&T, CenturyLink, Frontier, Verizon, DISH, Liberty Mutual, HughesNet, The General Insurance, Progressive, Allied, Vivant Smart Home, FrontPoint Just Energy, Protect America, Nationwide and Travelers. Its top five clients represent ~75% of the business
- In 2015: Qelp, an Amsterdam, Netherlands based company for €8.9m; Qelp offers tutorial software for contact center staff and self-service for end users to configure and use smartphones. It has over 60 mobile carrier clients
- In 2012: Alpine Access, Inc., to expand its work at home agent delivery in the U.S. and Canada.

Scope of the Report

The report provides a comprehensive and objective analysis of SYKES' telecommunications offerings, capabilities, and market and financial strength, including:

- Identification of the company's strategy, emphasis, and new developments
- Analysis of the company's strengths, weaknesses, and outlook
- Revenue estimates
- Analysis of the profile of the company's CMS telecommunications sector customer base, including the company's targeting strategy and examples of current contracts
- Analysis of the company's telecommunications sector CMS offerings and key service components
- Analysis of the company's delivery organization including the geography of delivery locations used for CMS telecommunications sector clients.



Contents

1.	Background
2.	Revenue Summary
3.	Key Offerings
4.	Delivery Capability and Partnerships
5.	Target Markets
6.	Strategy
7.	Strengths and Challenges
	7.1 Strengths
	7.2 Challenges
8.	Outlook

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