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BEST PRACTICES

AWARDS

FROST & SULLIVAN

2020 BEST PRACTICES AWARD

ASTUTE™

**2020 NORTH AMERICAN KNOWLEDGE
MANAGEMENT IN CONTACT CENTERS
CUSTOMER VALUE LEADERSHIP AWARD**

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Background and Company Performance

Industry Challenges

About five years ago, the contact center industry's focus on reducing costs and improving operational efficiencies shifted toward enhancing the customer experience (CX). Since then, improving the employee experience (EX) was added to the mix as companies became more aware that CX and EX are deeply entwined - and that improving one helps the other. To reach these goals, research and development (R&D) departments have focused on making agent-facing applications easier to use and more intelligent, while creating customer channels that are more feature and data rich and user friendly. A key design factor includes surfacing the right information at the right time in applications and channels. Knowledge management has become a critical component of this trend, whether to enable agents to work more quickly and efficiently, find the proper information to assist customers, or to allow customers to self-serve on channels - all without having to connect with live assistants.

According to KMWorld, "The classic one-line definition of *Knowledge Management* was offered up by Tom Davenport early on (Davenport, 1994): 'Knowledge Management is the process of capturing, distributing, and effectively using knowledge.' Probably no better or more succinct single-line definition has appeared since."

The concept of knowledge management started within management consulting in the late 1980s, spread like wildfire with the introduction and growth of the Internet, and then disseminated across organizations. Knowledge management was initially aimed at gathering and sharing knowledge within an organization, including documents, databases, and other sources. One of the most critical early components of knowledge management was content management, making an organization's data and information available to stakeholders through portals or dashboards, in turn spurring the offshoot of enterprise content management (ECM) systems.

Knowledge management is a growing tool in improving both the CX and EX; however, according to NTT Ltd.'s *2020 Global Customer Experience Benchmarking Report*, while 53.9% of companies employ knowledge management to enable workplace productivity,¹ only 28.6% use advanced knowledge management for employees and only 21.2% for customers. To properly improve the CX and EX, Frost & Sullivan notes that solution providers must incorporate knowledge management capabilities into all touchpoints of a customer's journey, so that the knowledge is consistent and available across that journey. In turn, new data arising from each customer's journey needs to be automatically analyzed, curated, and incorporated into knowledge bases to improve operations even further.

Customer Impact and Business Impact

Headquartered in Columbus, Ohio, Astute has been in the business of customer engagement for decades, starting in 1995 with a CRM platform. Through a series of

¹ NTT; *2020 Global Customer Experience Benchmarking Report*; "[Is CX a differentiator or detractor in your organization](#)"

acquisitions, the company built out its customer engagement suite with knowledge management that included patented natural language processing (NLP) and social relationship management and engagement capabilities. In 2020, the company added voice of the customer (VoC) intelligence through the acquisition of iPerceptions, further strengthening its customer engagement portfolio. Astute now offers a complete end-to-end customer engagement platform, including customer journey intelligence, conversational artificial intelligence (AI)-driven customer self-service, agent desktop CRM, social media management, and VoC tracking and analytics.

Criterion Purchase Experience

According to NTT's 2020 *Global Customer Experience Benchmarking Report*, contact centers support, on average, eight customer interaction channels - and this number is growing. Customers use more than one channel and tend to channel hop, moving from one to another based on need or preference. In addition, customers are increasingly choosing self-service over live assistance. As interaction channels continue to increase, agents and virtual assistants (VAs) must intelligently handle more types of channels, yet consistently without much training overhead. More than ever, companies need to design omnichannel experiences in which the context and data flow with the client no matter where they are in their customer journey, adding intelligence and value to interactions.

Frost & Sullivan believes that Astute's two-decade history of CRM development and the early use of AI and knowledge management enabled it to properly create a robust and mature platform that drives a frictionless, omnichannel CX across channels and devices, including supplying agents and virtual agents with smart tools that surface the right information at the right time, provide insights into customer interactions, and collect ongoing data from those interactions. With this, customers have a continuous feedback loop to improve additional interactions, uncover issues, and gain insights to drive further development.

Frost & Sullivan points out that what makes Astute stand out to customers is that its customer engagement platform supports all channels, particularly sophisticated VA capabilities that are easy to create and modify. Conversational AI enables the VA to understand intent, effectively handle a two-way conversation, and personalize interactions. In addition, companies can seamlessly deploy conversational AI on any digital channel.

Customer Ownership Experience

Frost & Sullivan analysts feel that one of the most appealing aspects for Astute's customers is that the platform takes rich, complex data and delivers it with elegant simplicity. Astute believes that the key to having robust interaction channels should not depend on professional services assistance.

Users of the product do not need specialized training to experience the benefits it provides. Astute has gone to considerable lengths to make it quite simple for anyone to develop a VA, design an employee portal, or enhance agent desktop capabilities. This is clearly important since supervisors or other staff members may have risen through the

ranks with deep operational knowledge of the contact center or their respective work area - but do not have the technical skillset needed for development.

Knowledge Management

Knowledge management is one area where simplicity has not always been the guiding factor in its development, particularly in the contact center; however, Astute's design methodology counters this norm. In fact, the company's fundamental design principle is 'simplicity is hidden complexity,' highlighting that while the use of AI technologies is complex, the end user does not need to know how it works. The platform is designed to harvest the data repositories used in customer contact and provide better organization if required. AI-enhanced tools deliver continuous insights to customers, masking the complexity that lies underneath.

The following eight core principles under 'simplicity is hidden complexity' best showcase the thinking that translates Astute's development into ease of use and better business outcomes for customers:

- **Topics:** Content should never be static but continuously refreshed; it has lifecycles, behaviors, and attributes.
- **Choices:** Content can be built and delivered on any device or channel, fitting to the attributes of the device or channel.
- **Publishing:** Publishing should be completely within the author's control without needing IT. Content can be reviewed and published individually - or as a larger group.
- **Exemplars:** Show examples when describing the content of topics, helping the NLP engine generate other variations.
- **Non-technical tools:** If authors or administrators know the content and can type, they can build and deploy robust content without any technical assistance.
- **Multiple response design:** Authors should have options for easy-to-use WYSIWYG editors to build robust graphical content for varied audiences.
- **Focused navigation:** Navigation should be kept simple to make authoring easy and intuitive.
- **Growth:** The system needs to be scalable for growth. Machine learning (ML) gathers information that a user might need, and the user then builds a response to what is being asked for by customers.

In addition, Astute reduces the complexity of content management by allowing authors to reference content rather than reproduce it; therefore, spreadsheets and other data sources can be referenced when building out a knowledgebase. ML can be applied to determine, over time, if those data sources are worth being integrated into the platform, rather than taking care of it all upfront or including outdated information.

The system automatically optimizes per channel. For instance, a user can build a topic

once and put in a few responses. The tool can then create multilingual responses and the channel variant, which take advantage of the footprint and characteristics of each channel.

Price/Performance

Frost & Sullivan analysts believe that Astute's early start in CRM and AI technologies is the clear driver behind its ability to create real value for customers. While many solution providers in the market started as full contact center providers, later integrated with CRM providers, and then most recently started to improve their solutions by adding AI-based enhancements, Astute was already more than a decade into this journey. Furthermore, the decision to design based on the trend of consumers favoring self-service gave the company an additional advantage point of frictionless omnichannel engagement, which is geared toward self-service, becoming core to its solution set.

A good example of this is automaker Ford, which has been in business since 1903 and conducts business in 30 countries and in 40 languages. By utilizing Astute Knowledge, Ford developed a knowledgebase that contained all of its relevant documentation, including vehicle manuals since 1950. Astute provides the backbone to information across the company from a breadth of customer service channels. For instance, Ford customers can engage in a two-way conversation with a VA on any channel they choose, including Ford's website, social media, or mobile app FordPass.

FordPass leverages Astute's VA technology to deliver relevant, tailored responses to each user, which improves the experience for customers, Ford dealers, and agents. The VA analyzes what the user says using natural language and deep learning to pull information from multiple data sources. In addition to one-click access to roadside assistance or live customer service, the app can pull answers from Ford's knowledgebase, internal systems, and even approved external sources to provide answers to customers. For example, the app provides direct access to ParkWhiz's parking space finder and can gain access to ParkWhiz capabilities, including providing answers to questions from ParkWhiz.

Moreover, the platform is flexible enough to accommodate change. A good example arises from solving an issue that emerged as a result of the COVID-19 pandemic. One large grocery chain suddenly had a 100,000 email backlog from people asking how to find toilet paper. As a result, Astute implemented its Email Virtual Assistant (EVA) to handle the unexpected backlog. EVA uses NLP to identify issues in emails and then crafts responses back to customers, taking the burden off of live agents. According to Astute, EVA can handle 50 to 60% of email traffic.

Brand Equity

With the accelerated market demand for intelligent solutions, Astute has enjoyed a groundswell of adoption across a diverse set of companies, such as younger, more forward-thinking companies as well as some of the oldest brands worldwide, including Ford, McDonalds, PepsiCo, Toyota, Delta, Bayer, and Kellogg's. Moreover, Astute enjoys an enviable customer retention rate of over 90%; while some are newer additions, many customers have been with the company for decades.

Customer Service

In addition to standard product support teams, one of Astute's key service differentiators is that it strives to reduce customers' need for support. The company's 25 years of working with consumers have generated a wealth of experience in best practices to be embedded into its platform and service organization.

With the initial customer engagement, Astute's team ensures that the software is configured correctly, and that the customer's team is properly trained. The platform is low maintenance and designed to require little, if any, customization.

For customers that decide they need a higher level of care, Astute offers its Solutions Ambassador program, which is a managed services offering with a dedicated solution ambassador that assists in implementation and training and proactively ensures that customers receive the most value out of the product. This program alerts customers of any part of a new release that could positively impact their current operations, and if so, assists with its adoption and training.

Growth Potential

Astute continues to grow both its customer base and platform. The company's base includes over 7,000 of the world's best brands, and the platform monitors over 10 million social profiles and handles over 20 million interactions every month. In addition, the platform analyzes over 135 million VoC data points every day.

Astute always seeks to enrich its capabilities and competitive positioning; as such, its product marketing and R&D teams have a solid roadmap for execution, which includes native development and acquisition. For instance, in June 2020, the company acquired iPerceptions, which brought an AI-based customer survey platform that provides a complete view of each customer's voice across the entire customer journey. iPerceptions has developed best practices in VoC by managing thousands of VoC programs since 1999.

In September 2020, Astute added Socialbakers to its family of products. Socialbakers provides an AI-powered social media marketing platform with an installed base of over 2,500 enterprise and mid-market brands worldwide. In addition to expanding its installed base of customers, these two acquisitions further rounded out Astute's portfolio, making it an even more attractive draw for customers looking to improve their customer engagement.

Conclusion

Astute has continuously grown and refined its customer engagement platform into a powerful tool that assists thousands of global brands to connect with customers in a meaningful and productive way. The continuous infusion of new technologies, such as AI, has furthered the company's customer engagement capabilities, leading to substantial growth and a healthy pipeline. With its strong overall performance, Astute has earned the 2020 Frost & Sullivan Customer Value Leadership Award.

Significance of Customer Value Leadership

Ultimately, growth in any organization depends on customers purchasing from a company and then making the decision to return time and again. Satisfying customers is the cornerstone of any successful growth strategy. To achieve this, an organization must be best in class in 3 key areas: understanding demand, nurturing the brand, and differentiating from the competition.



Understanding Customer Value Leadership

Customer Value Leadership is defined and measured by 2 macro-level categories: Customer Impact and Business Impact. These two sides work together to make customers feel valued and confident in their products' quality and performance. This dual satisfaction translates into repeat purchases and a lifetime of customer value.

Key Benchmarking Criteria

For the Customer Value Leadership Award, Frost & Sullivan analysts independently evaluated Customer Impact and Business Impact according to the criteria identified below.

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.

Business Impact

Criterion 1: Financial Performance

Requirement: Overall financial performance is strong in terms of revenue, revenue growth, operating margin, and other key financial metrics.

Criterion 2: Customer Acquisition

Requirement: Customer-facing processes support the efficient and consistent acquisition of new customers, even as it enhances retention of current customers.

Criterion 3: Operational Efficiency

Requirement: Staff is able to perform assigned tasks productively, quickly, and to a high quality standard.

Criterion 4: Growth Potential

Requirements: Customer focus strengthens brand, reinforces customer loyalty, and enhances growth potential.

Criterion 5: Human Capital

Requirement: Company culture is characterized by a strong commitment to quality and customers, which in turn enhances employee morale and retention.

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 practices 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 recipient 	Decision on which company performs best against all best practices criteria
9 Communicate recognition	Inform Award recipient of Award 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 is 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>.