

# CALL CENTER LOCATION TREND REPORT

2019



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## Introduction

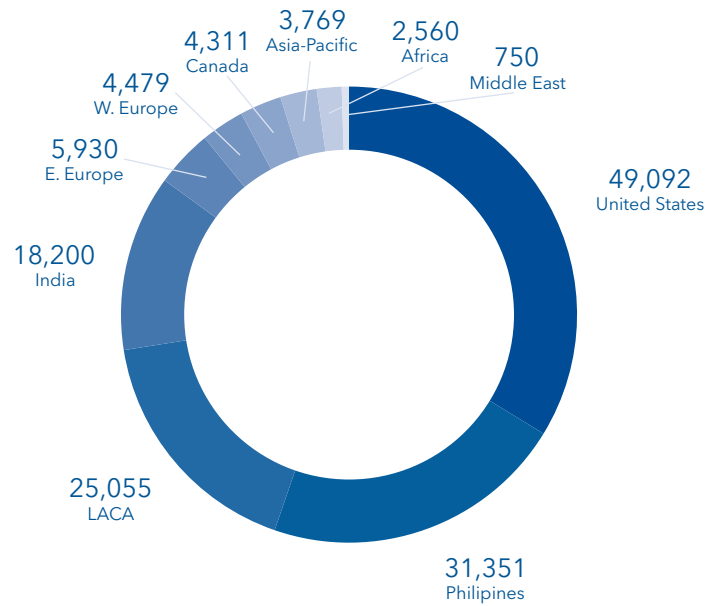
The call center industry continues to expand globally as companies seek the optimal balance of labor availability, labor costs, geopolitical stability and business climate. The Call Center Location Trend Report provides an analysis of global location trends to help you understand the onshore, nearshore and offshore geographies that might be the best location for your next call center.

As companies seek to find the optimal location for their call center operations, understanding historic growth trends can help to develop onshore, nearshore and offshore location strategies. In 2018, Site Selection Group identified 310 new and expanding call center projects that created 145,847 jobs as well as 107 call center projects involving 21,966 jobs that were downsizing or closing their facilities. By analyzing this data, Site Selection Group has identified regional location trends that are summarized in this report.

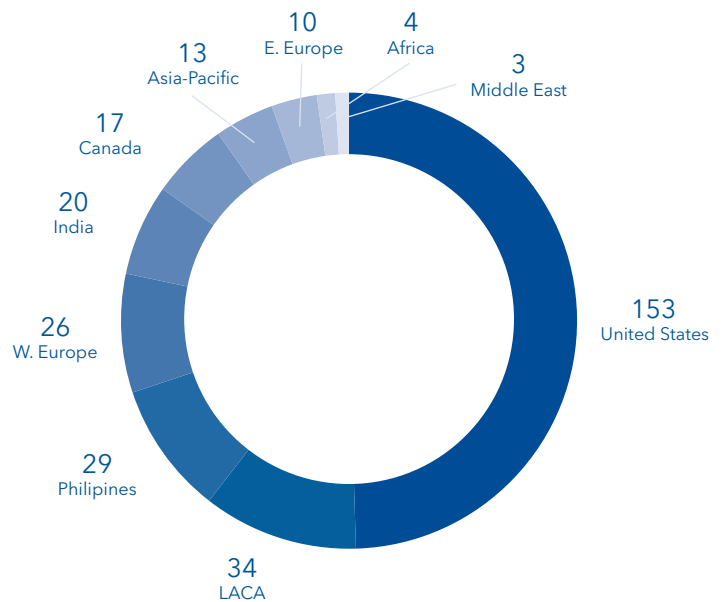
## Global Call Center Industry Growth Continues Across All Regions

The call center industry continues to shift jobs to and from onshore, nearshore and offshore geographies. With the current trend of onshoring taking center stage, the United States led overall growth with 153 projects announced with 49,092 jobs due to strong economic conditions and corporate reshoring initiatives. The Philippines and India led in job creation in the offshore regions. The Philippines reported 29 projects creating 31,351 jobs and India had 20 projects involving 18,200 jobs. Nearshore destinations in Latin America and the Caribbean had significant growth by creating 25,055 jobs at 34 announced projects. The following pie charts summarize the growth of call centers across the world:

# OF JOBS CREATED



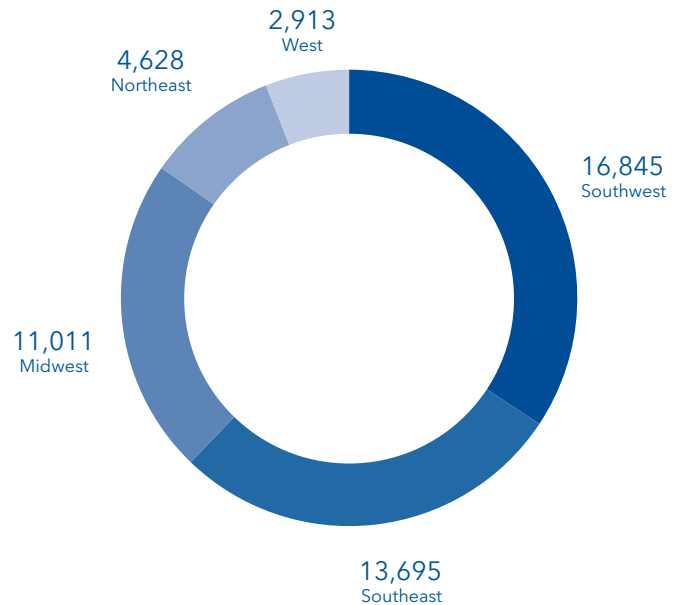
# OF SITES OPENED OR EXPANDED



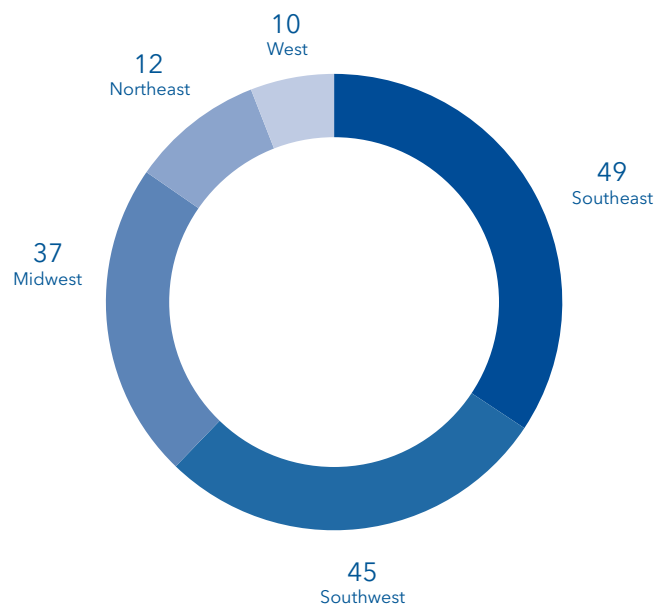
## U.S. Call Center Growth Remained Stable and Created Over 49,000 Jobs

The demand for quality customer service and trending of onshore call center expansion in the United States continued during 2018. As in years past, many companies reshored operations from the Philippines, India and other offshore markets as they sought to improve quality levels despite higher costs. Site Selection Group estimates that 153 call centers opened or expanded within the United States. These centers created 49,092 jobs which decreased from 66,231 in 2017. This growth has caused many labor markets to become tighter and put wage pressure on employers. The Southeast and Southwest regions of the U.S. accounted for the majority of the growth generally due to more attractive labor conditions, lower operating costs and availability of economic incentives. The following pie charts provide a summary of expansion data within the United States.

# OF JOBS CREATED



# OF SITES OPENED OR EXPANDED

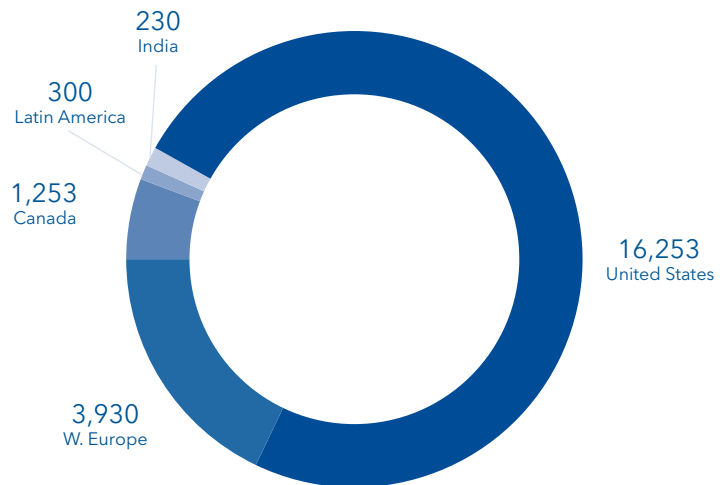


## The Closure and Downsizing of Call Centers Continues to Slow Across The United States

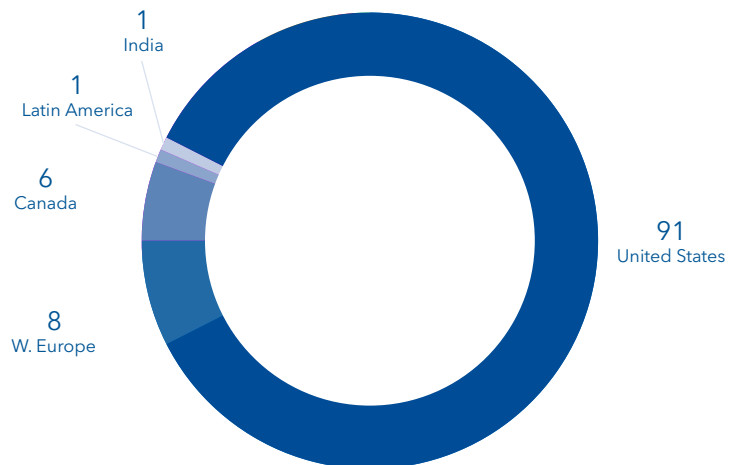
Despite the expanding economy and continued reshoring initiatives, the United States continues to see call center operations close and downsize for a variety of reasons. The total job loss in the call center industry in the United States was approximately 16,253 jobs. Since 49,092 jobs were added in opening and expansions, the United States had an estimated net gain of 32,839 jobs in this sector in 2018.

The following charts provide a summary of contraction data within the United States.

# OF JOBS LOST



# OF SITES CLOSED OR DOWNSIZED



## Top 20 U.S. Call Center Project Announcements

To help understand what companies are expanding in the United States, Site Selection Group has identified the top 20 largest announcements in the table below.

### LARGEST UNITED STATES CALL CENTER PROJECT ANNOUNCEMENTS OF 2018

Company	# of Jobs	Location	Type
Okin Business Process Services	1,400	San Antonio, TX	New Site
Round Point	1,100	York County, SC	New Site
Valor Global	1,000	Scottsdale, AZ	Expansion
Chewy.com	1,000	Hollywood, FL	New Site
Infosys	1,000	Hartford, CT	New Site
Infosys	1,000	Phoenix, AZ	New Site
TaskUS	1,000	New Braunfels, TX	New Site
Voya Insurance	1,000	Phoenix, AZ	New Site
Genpact	800	Jacksonville, FL	Expansion
Alta Resources	800	Ft. Myers, FL	New Site
C3	700	Tucson, AZ	Expansion
Geico	700	Tucson, AZ	Expansion
TaskUS	700	Albuquerque, NM	New Site
Faneuil	650	Sacramento, CA	Expansion
Alorica	625	Joplin, MO	Expansion
United Collection Bureau	621	Jeffersonville, IN	New Site
Bank of America	600	Hunt Valley, MD	Expansion
Wipro	600	Plano, TX	Expansion
Global Callcenter Solutions	600	Columbus, GA	New Site
Alorica	550	Minneapolis, MN	Expansion



# Nearshore Latin America Region Continues To Grow Due To Low Cost Structure, Accessibility, Bilingual Skills And Political Stability

Latin America has now become a serious contender in the site selection game over the last decade. Companies are actively setting up operations in the region. Most of these projects stem from the need to consolidate pan-Latin America operations or serve customers in high-cost locations such as the United States. Within the Latin America and Caribbean region, Jamaica was a real hotspot with significant growth while Central America countries such as Costa Rica, Guatemala, and Honduras continued to attract many call centers. Mexico and Columbia must also be noticed as they have become extremely active with expansion.

## Top 20 Nearshore Call Center Project Announcements

To help understand what companies are expanding in these offshore and onshore destinations, Site Selection Group has identified the top 20 largest announcements in the table below.

### LARGEST NEARSHORE CALL CENTER PROJECT ANNOUNCEMENTS OF 2018

Company	# of Jobs	Location	Type
Atento	3,500	Sao Paulo, Brazil	New Site
Alorica	2,600	Jamaica	Expansion
Allied Global	2,000	Tegucigalpa, Honduras	Expansion
Alorica	2,000	Guatemala City, Guatemala	New Site
Alorica	2,000	Kingston, Jamaica	New Site
ACCT	1,200	Montego Bay, Jamaica	New Site
Ibex Global	1,000	Kingston, Jamaica	Expansion
First Associates	1,000	Baja California, Mexico	New Site
Sutherland Global	1,000	Mandeville, Jamaica	New Site
Fusion BPO	800	Jamaica	Expansion
Intugo	800	Sonora, Mexico	New Site
Ibex	750	New Kingston, Jamaica	New Site
Atento	620	Caguas, Puerto Rico	New Site
Alorica	600	Puebla, Mexico	New Site
Amazon	600	Bogota, Colombia	New Site
Atento	500	Chile	New Site
Transparent BPO	465	Belize City, Belize	New Site
Etech Global Services	400	Montego Bay, Jamaica	Expansion
KM2 Solutions	400	Castries, Saint Lucia	Expansion
Amazon	350	San Jose, Costa Rica	Expansion

## India And The Philippines Dominate Offshore Region But Growth Is Slowing

India and the Philippines continue to dominate offshore industry growth. In India, there have been a push for more rural call center expansion due to lower cost and marketing efforts of the government to create jobs in rural India. While in the Philippines, the region has successfully attracted higher-end non-voice operations such as software development, shared service centers and other knowledge processing operations. The growth of these back-office operations in the Philippines is creating new challenges for companies trying to attract the best talent, reduce employee attrition and control labor costs, not to mention the recent impact of changes to the PEZA economic incentive program and the Chinese sports betting companies.

### Top 20 Offshore Call Center Project Announcements

To help understand what companies are expanding in these offshore and onshore destinations, Site Selection Group has identified the top 20 largest announcements in the table below.

#### LARGEST OFFSHORE CALL CENTER PROJECT ANNOUNCEMENTS OF 2018

Company	# of Jobs	City, State/Country	Type
Accenture	5,000	Laoag City, Philippines	Expansion
HCL Technologies	5,000	India	Expansion
Infosys	4,000	Pune, India	Expansion
Google	3,500	Quezon City, Philippines	New Site
Teleperformance	3,000	Quezon City, Philippines	Expansion
Alorica	3,000	Bay Area, Philippines	New Site
Concentrix	2,000	Quezon City, Philippines	New Site
iQor	2,000	Santa Rosa, Philippines	New Site
VXI	2,000	Clark, Philippines	New Site
PayPal	1,800	Muntinlupa, Philippines	New Site
Omega Healthcare	1,500	Bengaluru, India	New Site
Raya Contact Center	1,500	Cairo, Egypt	New Site
Undisclosed	1,500	Varanasi, India	New Site
Radical Minds	1,300	New Delhi, India	Expansion
Flatworld	1,300	Davao, Philippines	New Site
UiPath	1,200	India	New Site
Raya Holdings	1,000	Egypt	Expansion
TaskUs	1,000	Philippines	Expansion
Accenture	1,000	Muntinlupa, Philippines	New Site
ING	1,000	Bonifacio, Philippines	New Site

# Business Process Outsourcing, Financial Services and Telecommunications Sectors Lead The Call Center Industry's Growth

The call center sector's growth has been fueled by growth industries such as business process outsourcing (BPO), financial services and retail/e-commerce. Other industries such as technology, healthcare and telecommunications are also contributing to the industry's growth. The BPO sector had the greatest market activity with 107,122 jobs announced during 2018. The BPO sector was followed by financial services (9,940 jobs), retail (7,370 jobs), technology (4,820 jobs), healthcare (4,523 jobs) and telecommunications (2,690 jobs). The following chart provides a summary of the industry's growth trends.

	Jobs	Projects
Automotive	630	3
BPO	107,122	183
Collections	2,121	6
Financial Services	9,940	25
Financial Services	100	1
Government	2,000	2
Healthcare	4,523	22
Market Research	215	3
Other	885	9
Retail	7,370	17
Technology	4,820	8
Telecommunications	2,690	19
Travel	1,152	7
Unknown	1,500	1
Utilities	429	3
<b>Grand Total</b>	<b>145,497</b>	<b>309</b>



## Conclusions

Finding the optimal location for expansion continues to be a complicated question and requires extensive analysis to figure out the right answer. Based on the analysis conducted by Site Selection Group, it is clear that the United States, India, the Philippines and Latin America have been established as the dominate geographies for an onshore, nearshore and offshore global footprint for U.S.-based companies; however, Eastern Europe and to some extent, Africa, continue to serve a role for companies needing additional languages or other skills sets beyond voice-related call center operations. To help you develop a call center location strategy aligned to your goals and objectives, contact one of our global call center site selection experts to find the optimal location for you.





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