



Company	Ticker	Sector	Industry
Concentrix Corporation	CNXC-US	Industrials	Professional Services

## Business Description

Concentrix Corp. engages in the provision of customer experience (CX) solutions and technology. The firm offers end-to-end capabilities, including CX process optimization, technology innovation, front- and back-office automation, analytics, and business transformation services to clients in five primary industry verticals. It delivers its services across all channels of communication, such as voice, chat, email, social media, asynchronous messaging, and custom applications. The company was founded in 1973 and is headquartered in Newark, CA.

## Price Chart

## Key Info & Metrics



<b>Empirical Research Rank:</b>	<b>3</b>
Date Purchased:	07/08/2022
Price:	\$112.88
52-Week Range:	\$109.76 - \$161.86
Dividend Yield:	0.93%
Market Cap (\$M):	\$5,878
Forward Price-to-Earnings:	9
<b>Total Return</b>	
Year-to-Date:	-15.1%
1 Year:	-31.3%
3 Year:	@NA
5 Year:	@NA

## Investment Case - Updated: March 23, 2023

Concentrix was formed in 2004 within the hardware distribution company Synnex. Several sizable acquisitions boosted this once low-growth unit's revenue from about \$200 million in 2013 to \$4.7 billion in 2020. Concentrix was spun-out from its parent company in late-2020 and is currently the second largest player in the customer experience (CX) consulting market. While only 28% of CX spending was outsourced to third parties like Concentrix in 2021, the global pandemic has accelerated the pace of outsourcing as customer service becomes increasingly digital and complex. The CX market is evolving from basic call center services to include new digital IT service products like chat-bots, voice-of-the-customer, and analytics. Accordingly, Concentrix is shifting its business mix toward new, high-growth digital offerings. The company has also successfully attracted over 125 "New Economy" clients who represent almost one quarter of revenue and are growing nearly 50% annually. As such, Concentrix is on track to narrow the operating and valuation gap between itself and the industry leader, Teleperformance.

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