

# 2011-2012 Desktop Analytics Product and Market Report

This is DMG Consulting's first market report on desktop analytics, one of the newest applications being adopted by the contact center and the back office. The Report defines desktop analytics and presents an in-depth analysis of trends, challenges, capabilities and uses. It explains how desktop analytics provides insights into what agents and back-office employees are doing at their desktops and offers guidance to help employees do things right the first time. This 183-page comprehensive guide is designed to help contact center, back-office and IT decision-makers identify, assess and select an appropriate DA application for their business.

Desktop analytics (DA) solutions are the "new kid on the contact center block," having been used in a meaningful way for only the past few years. DMG Consulting initiated coverage of the DA sector in 2009. At that time, the technology was just emerging and was primarily regarded as a tactical tool. Today, DA is a more sophisticated process analytics and automation solution that is rapidly becoming strategic in its ability to address three key operational challenges: capturing, measuring and analyzing all agent and back-office desktop activities (activity tracking); providing real-time guidance; and enabling process automation and workflow.

DA is capable of many functions, and various definitions of DA prevail in the market. DMG defines DA as a solution that helps contact centers and back-office operations capture, track and analyze everything that happens on every employee desktop, including how employees interact with their desktop servicing/customer relationship management (CRM) application, and evaluates the performance of those applications. DA also uses desktop activities to trigger sequential guidance and process flows to help employees best utilize their time and deliver an outstanding customer experience.

Confusion about the functional capabilities, purpose and benefits of DA is largely the result of a lack of awareness, an issue typical of most emerging tech sectors. The 2011-2012 Desktop Analytics Product and Market Report explains that one of the biggest challenges for DA vendors is to educate the market and end users about the value proposition and the many capabilities these solutions offer. However, great strides are being made. In the last two years, vendors have realized DA's tremendous potential and are selling it as a stand-alone offering, as well as including it in product suites, such as workforce optimization solutions, to enhance the performance and benefits of other applications such as workforce management (WFM), speech analytics, and back-office solutions. Over time, DMG expects DA capabilities to also become part of CRM, sales force automation, enterprise resource planning (ERP), supply chain management, and many other process-oriented business solutions.

As a stand-alone application, DA can be purchased as a modularized or bundled solution, allowing users to choose the level of functionality they desire. When purchased as an add-on in a WFO suite, DA is integrated so that data from desktop analytics is collected and shared with other modules such as quality assurance (QA), WFM, speech analytics, performance management, and/or surveying/Voice of the Customer (VoC), to enhance the output of these applications. Components of a desktop analytics solution may include configuration, scripting and desktop workspace design, desktop automation, real-time agent or process guidance, and/or next-best-action recommendations. Features and functionality vary by vendor and the relative maturity of the solution. DMG cautions users to be aware that DA is not a simple application. Many times, DA implementations require extensive professional services, which is another key challenge for the market.

In 2009, DMG estimated that there were 360 DA implementations with 350,000 seats in use in contact centers. As of the end of December 2010, there were an estimated 487 DA implementations and 946,000 seats (including contact center and back-office operating groups), a 170% increase in DA seats between 2008 and 2010.\* In every size installation, DMG research shows that DA quickly becomes an essential application, due to the contributions it makes to the department. DMG expects continued adoption of DA to be strong. During the next three years, DMG also expects to see a push in the area of real-time guidance

and next-best action, capabilities enabled by DA functionality. Vendors are working to better productize their DA offerings, reduce complexity, and lower the cost and amount of professional services they require.

DA remains a relatively unknown capability that is highly appreciated by a small but growing number of organizations. The importance of its functionality in the front and back office is in its ability to deliver quantifiable benefits by improving productivity and the customer experience while reducing costs. The 2011-2012 Desktop Analytics Product and Market Report discusses how operating groups can improve productivity by tracking desktop activity and employee performance and using the information to identify system and training opportunities. A majority of front and back offices could benefit from DA's process analytics and workflow to improve automation and reduce the processing burden on their staff. DMG urges users to review available DA solutions and determine how they might positively impact their organization, as these applications are capable of delivering increasing value and benefits based on how they are used. For example:

- With transparency into what front- and back-office employees are doing at their desktops, users can rapidly identify system, operational and performance issues that are costly and preventing staff from delivering a consistently outstanding customer experience.
- DA solutions can be set up to identify and monitor compliance issues that can put an organization at risk – issues that can be either eliminated or controlled using the real-time guidance features that show employees the steps to take to properly handle inquiries or accurately process their work.
- The more sophisticated DA solutions can improve the performance of CRM/servicing applications by providing a processing framework and workflow capabilities that can be used to enhance the underlying solutions.

To assess the effectiveness of current DA implementations, as part of the 2011-2012 Desktop Analytics Product and Market Report, DMG Consulting conducted a thorough independent customer satisfaction survey for the four leading desktop analytics vendors: Cicero, NICE, OpenSpan and Verint. DMG asked customers of each vendor to complete an online survey of 13 questions related to company background, product satisfaction, vendor satisfaction, and their experience with the vendor's DA solution. The results reveal that in two of the nine categories (service and maintenance and professional services), the reference group was "highly satisfied," and in the remaining seven categories they were "satisfied". The Report breaks down survey responses by vendor and by category, and offers detailed qualitative findings gleaned from customers' open-ended responses in the study. DMG Consulting advises prospects to review customer references, as this can be among the most valuable tools when selecting a solution.

The **2011-2012 Desktop Analytics Product and Market Report** covers vendors, products, technology, functionality, trends, challenges, market activity, projections, benefits, return on investment (ROI), implementation best practices and pricing. This Report covers four leading vendors in-depth: Cicero, NICE, OpenSpan and Verint. Enkata and VPI are analyzed at a less detailed level, as their DA solutions are relatively new.

*\* DMG cautions that early market activity numbers are often inflated, and we believe this to be the case for this sector*

**Order Information:** To order a copy of the 2011 – 2012 *Desktop Analytics Product and Market Report* contact Deborah Navarra at [deborah.navarra@dmgconsult.com](mailto:deborah.navarra@dmgconsult.com) or 516-628-1098. You may also purchase the report online at [www.dmgconsult.com](http://www.dmgconsult.com).

## Key Reasons to Buy This Report

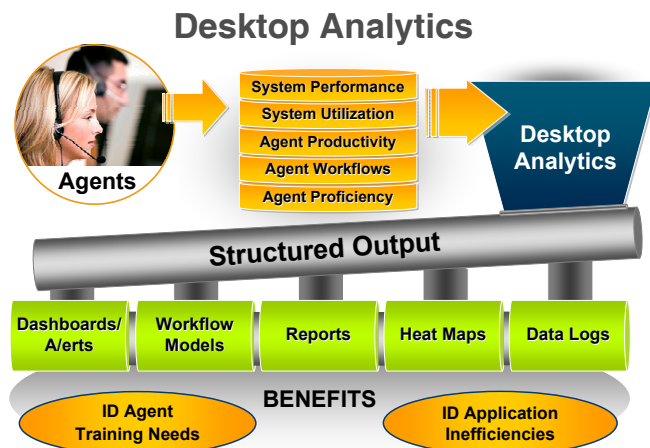
- ⇒ High-level explanation, definition and overview of desktop analytics
- ⇒ Review of trends and challenges that are driving and impeding the adoption of these solutions
- ⇒ Examination of current and projected uses and applications of DA for contact centers, back offices and other enterprise groups
- ⇒ Overview of the emerging DA competitive landscape, including detailed company reports and product assessments
- ⇒ In-depth technical and functional side-by-side comparisons of competitors and available products
- ⇒ Market share and activity analysis, including current adoption rates and market projections through 2014
- ⇒ DA implementation best practices, benefits, and ROI being realized by early adopters
- ⇒ Customer satisfaction analysis for DA solutions, including detailed verbatims about products, implementations, professional services, training, and more
- ⇒ Detailed pricing analyses

## Report Highlights:

- **Desktop analytics solutions are still emerging but have evolved significantly in a short time:** DA has been used effectively in the contact center for only the past few years, but has already evolved into a sophisticated process analytics and automation solution that is rapidly being perceived as strategic for the front and back office.
- **Current DA users are “satisfied”:** In its customer satisfaction survey, DMG discovered that the reference group was generally “highly satisfied” or “satisfied”. The Report provides an in-depth review of customer satisfaction with DA solutions by vendor and by category, and presents detailed qualitative findings gleaned from customers responses.
- **Any size organization can reap the benefits of DA:** Whether in a 25-seat or multi-thousand-seat implementation, DMG research shows that DA quickly becomes an essential application due its significant and quantifiable contributions. DA can help operating groups improve productivity by tracking desktop activity and employee performance and using the information to identify system and training opportunities. A majority of front and back offices of all sizes can benefit from process analytics and workflow to improve automation and reduce the processing burden on their staff.
- **Users can implement DA as a stand-alone product, or acquire it as part of a product suite:** As a stand-alone application, DA can be purchased as a modularized or bundled solution, giving users the flexibility to select the functionality they need. When purchased as an add-on in a WFO suite, DA is integrated so that data is collected and shared with other modules such as QA, WFM, speech analytics, performance management and/or surveying/VoC, to enhance the output of these applications.
- **DA faces challenges but the outlook is bright:** As is typical of most emerging tech sectors, DA is hindered by lack of awareness and market confusion about its functional capabilities and uses. Another key challenge slowing adoption is that DA implementations often require extensive professional services. Vendors are working to better productize their DA offerings, reduce complexity, and lower the cost and amount of professional services needed.
- **Growth is certain for the DA sector:** As of the end of December 2010, there were an estimated 487 DA implementations and 946,000 seats (including contact center and back-office operating groups), a 170% increase between 2008 and 2010\*. DMG expects the number of DA seats to continue to increase by 25%, 30%, 25% and 25% each year, respectively, from 2010 to 2014.

### Sample Figure: Desktop Analytics

Source: DMG Consulting LLC, December 2011



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