

## 2011 Proactive Customer Care Product and Market Report

DMG Consulting's third annual report on the hosted/managed service interactive voice response (IVR) market concentrates on the fast-growing proactive customer care (PCC) sector. The comprehensive *2011 Proactive Customer Care Product and Market Report* is designed to provide contact center, marketing and IT managers with detailed functional, technical, market share, uses, pricing, benefits, return on investment (ROI) and best practices information. The Report will help these decision-makers understand the PCC market, determine if PCC is right for their organization, and, if so, which technology and vendor is most suited to their needs. This 209-page Report is the preeminent guide to this unique PCC market, and includes in-depth reviews of the state of the market, growth projections, planned innovations, and the future of this sector.

When the Federal Trade Commission (FTC) implemented legislation to prevent companies from "blind dialing" in 2003, many pundits thought that was the end of the outbound dialing market. Instead, it forced companies to look for creative and more effective ways to communicate with customers who wanted to hear from them. With customers opting in to receive information, companies suddenly had the opportunity to enhance relationships, decrease operating costs by reducing the volume of inbound calls and emails, and increase revenue by issuing targeted notifications via outbound self-service applications. This legislative change was the critical driver behind what is known today as proactive customer care (PCC).

PCC is an emerging business strategy that makes consumers, partners, constituents' and employees' lives easier by enabling public and private institutions to address issues before a problem or need arises. Organizations that adopt a PCC strategy and implement the accompanying technology to reach out to customers with relevant information via their preferred channel, can proactively identify and address customer needs and significantly contribute to enterprise success and profitability.

**The 2011 Proactive Customer Care Product and Market Report** reveals that the PCC market is in transition. The days of companies utilizing outbound IVR to simply "blast" messages to customers are over. End users have realized the power of PCC and their customers' receptiveness to receiving appropriate information at a convenient time. Rapid adoption and increasing uses are driving vendors to build flexible, easy-to-use, multi-channel PCC solutions that engage customers via their channel of choice. The standard PCC offering today includes the ability to reach out to customers via voice/IVR, email, SMS/chat and fax. Mobile is an emerging requirement, and video and social media will be added next.

In the *2010 Hosted/Managed Service IVR Market Report*, DMG predicted that the outbound IVR (PCC) market would grow by 13% in both 2011 and 2012. Thus far, the outbound market is tracking to these numbers, and additional growth of 15% is expected in 2013, as social media functionality is incorporated by more vendors. DMG predicts additional steady growth of 10% in both 2014 and 2015.

**The 2011 Proactive Customer Care Product and Market**

**Report** identifies several areas that are impacting the growth of this important sector.

**Solutions are Evolving and Improving:** This IT sector has evolved its products from outbound notification applications (or blasters) to PCC solutions that engage customers and enhance the experience of interacting with an organization. Leading PCC solutions employ multiple channels, including voice/IVR, email, fax, SMS/chat, and also make it easy for recipients to transfer to a live agent within the same interaction. PCC is becoming an integrated component of the enterprise customer experience strategy, though many companies have not yet adopted a standard practice for when and how to use it to realize the greatest benefits.

**Stiff and Growing Competition Today Will Ultimately Give Way to Market Consolidation:** PCC solutions are offered by an increasingly diverse group of more than 50 vendors, with others expected to enter the segment to take advantage of the growing business. Today, PCC is sold by stand-alone hosted/managed service vendors; premise-based and hosted IVR vendors who sell it as one of many applications; and dialing vendors who offer integrated PCC solutions. Many of these providers are focused on specific vertical applications. DMG expects to see significant consolidation in this sector over the next two years as vendors make acquisitions to expand their functionality, vertical specialization and geographical reach.

**Innovation Drives Value and Benefits for End-User Organizations and their Customers:** DMG expects to see continued innovation in this narrow yet critical sector over the next two years. Vendors will offer enhanced and more functionally rich packaged and vertical applications, solutions will become easier to implement and use, reporting will improve, and new PCC channels will be added. These practical enhancements will increase the value of PCC to consumers and the companies they do business with.

The **2011 Proactive Customer Care Product and Market Report** defines the PCC market and explains its value proposition, benefits and uses. It provides a detailed analysis of the six leading and contending PCC vendors – Aspect, CSG Interactive Messaging, Nuance, Varolii, VoltDelta and West – as well as an appendix with a comprehensive list of global PCC competitors. SoundBite is also covered at a high level.

## Key Reasons to Buy This Report

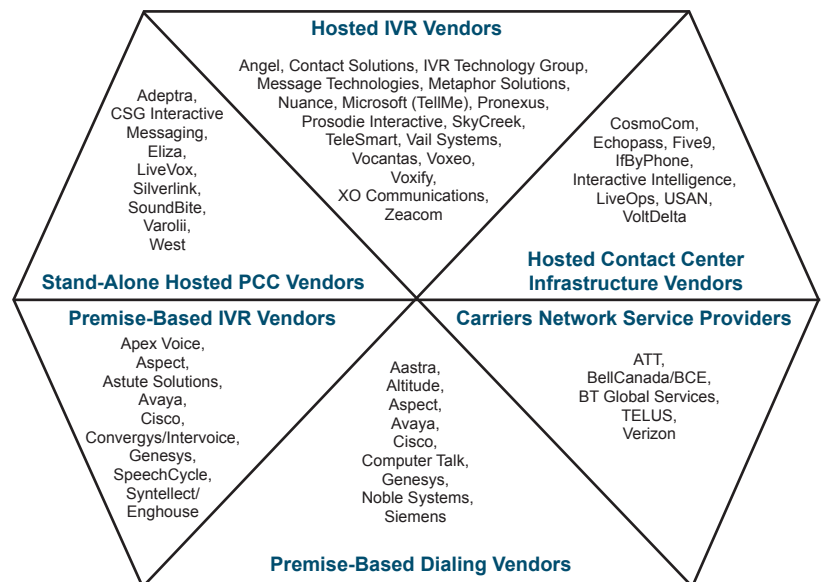
- ⇒ **Definition, uses and ROI of PCC:** A definition of PCC along with a review of the benefits delivered by utilizing PCC solutions, as well as an exploration of the uses of PCC solutions for different functional areas of the enterprise – customer service, sales and marketing, and public service – and their return on investment.
- ⇒ **Thorough evaluation of the state of the market and its future:** Overview of the state of the PCC market, including trends, challenges and projections for 2011 to 2015.
- ⇒ **Comprehensive review of the competitive landscape:** A detailed look at the PCC competitive landscape including offerings and capabilities by vendor, in-depth reviews of the leading and contending competitors, overviews of core and optional products offered, and vendors' plans for product enhancements.
- ⇒ **Best practices:** Analysis of proactive customer care implementation best practices, including DMG Consulting's "best of the best."
- ⇒ **Extensive product, company and technical analyses:** Detailed side-by-side analyses of the vendors' technical, functional and implementation capabilities, both vertically and horizontally by application, with company reports and product assessments for the top leaders and contenders.
- ⇒ **Pricing:** Detailed pricing analysis for the hosted, managed service and premise-based proactive customer care offerings, by vendor and the overall market.
- ⇒ **Comprehensive IVR Vendor Directory covering all 50 vendors**

## Report Highlights:

- **It's a buyer's market for PCC:** This Report reveals that the volume of PCC interactions is growing rapidly, although the price per transaction is decreasing. This is driving leading PCC vendors to differentiate their offerings through innovation. The result is a wide range of highly beneficial PCC solutions at good prices, making this a buyer's market.
- **Growth for the PCC sector is certain:** DMG predicts that the market will grow by 13% this year, as predicted in the 2010 Report, and the same rate in 2012. Growth will spike in 2013 to 15% as social media functionality is incorporated by more vendors.
- **PCC solutions are getting better:** PCC products are evolving from outbound notification blasters to multi-channel solutions that engage customers and enhance interactions with an organization. While PCC is becoming more ingrained in the enterprise-level customer experience strategy, many organizations have not yet adopted standard practices for using it to realize the most benefit.
- **PCC is a competitive market that will consolidate:** More than 50 vendors currently compete in the PCC sector, many offering solutions focused on specific verticals. DMG expects to see consolidation over the next two years as vendors make acquisitions to expand their functionality, vertical specialization and geographical reach.
- **Innovation brings end users and their customers/constituents myriad benefits:** PCC is largely regarded as a niche solution, however DMG expects to see continued innovation over the next two years. Vendors will offer more functionally rich packaged and vertical applications that are easier to implement and use, and have better reporting.

## Sample Figure: Proactive Customer Care (PCC) Vendor Categories

Source: DMG Consulting LLC, July 2011



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Order Information: To order a copy of the *2011 Proactive Customer Care 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).