ABSTRACT

2016-2017 Workforce Optimization Product and Market Report

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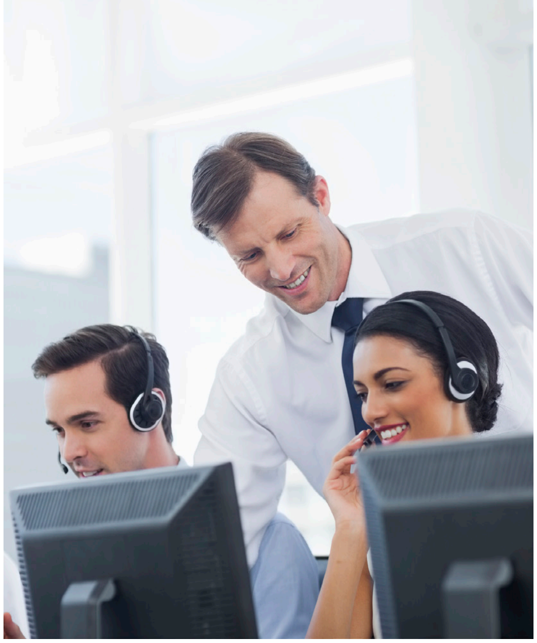

DMG Consulting's 13th annual ***Workforce Optimization Product and Market Report*** *provides the most accurate, detailed and comprehensive coverage of this transforming technology sector. The 472-page Report presents all of the vendor, product, functional, technical, pricing and operational data that contact center, IT and enterprise leaders need to find the right solution and vendor to meet their organization's current and future WFO requirements for both the front and back office. The core modules of workforce optimization (WFO) solutions are recording and quality assurance (QA)/quality management (QM). To be considered a true WFO suite, a solution should also include at least 3 of the following complementary applications: workforce management (WFM), contact center performance management (CCPM), speech analytics (SA), text analytics (TA), desktop analytics (DA), enterprise feedback management (EFM)/surveying, eLearning, coaching, gamification and customer journey analytics (CJA).*

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The WFO market is at an inflection point. Instead of focusing on agent optimization, there is a growing emphasis on employee empowerment and engagement. Analytics is identifying customer insights and companies are starting to use this information to match customers with the right agents to address their needs. Companies are looking to WFO vendors to provide the technology and best practices they need to build effective operating departments where agents have the data they need to deliver a personalized and outstanding customer experience.

2016 was a highly disruptive year for the WFO market, due to the busiest round of merger and acquisition (M&A) activity in its history. But that is just the beginning of what promises to be a major overhaul of the WFO market. WFO functionality is a necessity for companies that need to comply with many regulatory requirements, and are vital for enterprises to provide an outstanding customer journey. However, end users are demonstrating a growing preference for purchasing WFO functionality directly from their automatic call distributor (ACD) vendor.

The rapid growth of cloud-based contact center infrastructure solutions is another factor greatly influencing the future of the WFO market. End users expect their contact center infrastructure vendor to provide all of their functionality, including WFO capabilities. The need to be cloud-ready is driving a surge of innovation in the WFO market, including new architectures, enhanced user interfaces, faster processing and new functionality.

Back-office and branch WFO is finally starting to gain traction. WFO vendors are making investments to capture this growing opportunity, as it is expected to be an increasingly important market opportunity for them. There are substantial differences in the vendors' back-office and branch WFO capabilities, as highlighted in this Report.

The ***2016 – 2017 edition of the Workforce Optimization Product and Market Report*** covers 9 leading and contending vendors at a detailed level. These vendors are: Aspect, Calabrio, dvsAnalytics, inContact, NICE, OnviSource, TelStrat, Verint, and ZOOM International. Each year the list of vendors changes based on participation criteria, customer requests and changing market dynamics.

Key Elements of This Report

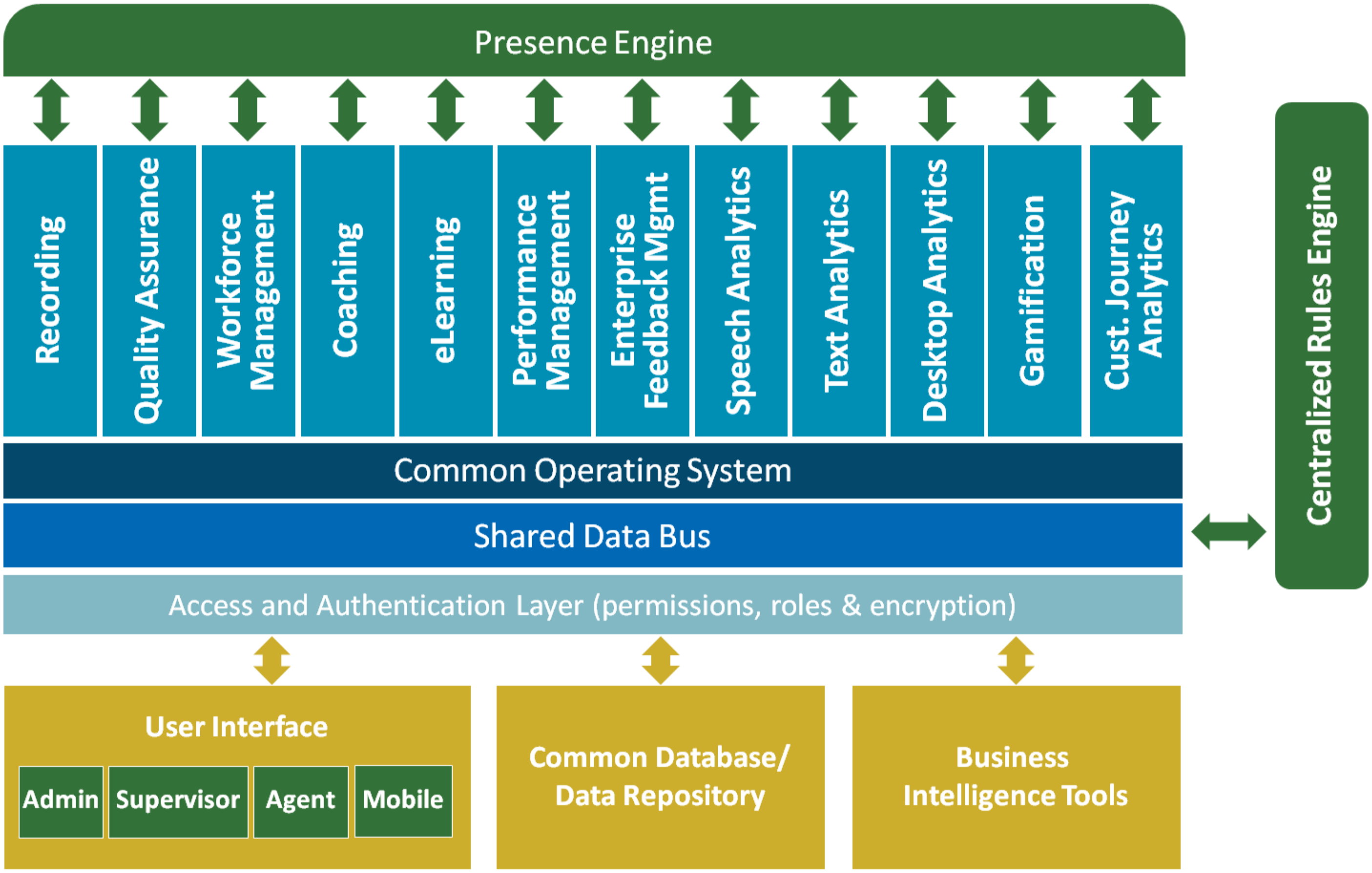
- ⇛ QM/liability recording market segments and vendor-supported activities
- ⇛ Functional and technical building blocks and defining characteristics of contact center WFO suites
- ⇛ Service deployment options for WFO solutions: on-premise, cloud, managed service and hybrid, including the pros and cons of each model
- ⇛ Market and business trends and challenges that are driving enterprise investments and influencing vendor innovation
- ⇛ WFO market innovation, including a review of recently introduced functionality and what is planned for the next 12 – 18 months
- ⇛ Examination of the increasing importance of analytics in WFO suites and WFO vendor analytics offerings
- ⇛ Discussion of analytics-enabled quality assurance (AQA) and how it can improve agent performance and customer satisfaction and enhance contact center performance
- ⇛ An insightful look at how WFO suites and best practices can be leveraged to engage and empower today's Millennial workforce
- ⇛ Discussion of the importance of omni-channel customer engagement and the applications and strategies to support a seamless cross-channel customer experience
- ⇛ Explanation of how WFO suites support the top contact center servicing trends and initiatives
- ⇛ Detailed revenue and market share analyses featuring first-half 2016 vs. first-half 2015 revenue comparisons, by vendor, based on GAAP revenue for total company, the contact center WFO segment, the quality management/recording (WFO) sector, voice recording, contact center and non-contact-center voice recording, and QA/QM
- ⇛ 5-year WFO market projections for 2016 – 2020
- ⇛ Review and assessment of the rapidly changing WFO competitive landscape, market consolidation and acquisition activity over the past 12 months, and vendor competitive positioning
- ⇛ Overview of the 9 leading and contending WFO vendors, including company snapshots, go-to-market strategy, WFO suite overviews and packaged offerings
- ⇛ Comparative analyses of the key functional capabilities of the 9 featured WFO suites
- ⇛ Comprehensive customer satisfaction survey results that measure and rank ratings across 15 product components, 16 effectiveness categories and 11 vendor categories
- ⇛ Detailed pricing analysis for a 250-seat on-premise, cloud-based and managed service QM/recording/coaching implementation, including incremental costs for WFM, CCPM, EFM, speech, text and desktop analytics, and gamification
- ⇛ Detailed company reports for the 9 leading and contending WFO vendors, analyzing their products, functionality and future product development plans
- ⇛ Comprehensive WFO Vendor Directory

Report Highlights

- ***The contact center WFO market has reached a critical juncture:*** Vendors are shifting the focus of WFO solutions away from employee productivity and moving toward solutions that promote employee and customer engagement. Analytics – speech, text, desktop and, increasingly, customer journey – represent the future of WFO. Organizations need insights into all of the actions that their employees take when interacting with customers, and analytics solutions provide the data required to take appropriate actions to correct any impediments to service excellence and deliver a consistently outstanding customer experience.
- ***WFO functionality is still in great demand:*** WFO has always been an essential productivity tool for contact centers, and the new generation of solutions is designed to integrate into end users' existing environments, enabling them to improve the customer experience, reduce operating costs and better engage employees and customers. Companies are hungry for the new WFO technology, capabilities, concepts and practices. The next generation of offerings is also being designed to address the needs of the huge, addressable back-office and branch market.
- ***Mergers and acquisitions are changing the competitive landscape in the WFO market:*** 2016 saw a large number of acquisitions, and more WFO companies are on the block. The market is saturated with vendors, and given the maturity of the sector and the availability of so many offerings, end users are unwilling to pay high prices for these somewhat commoditized solutions.
- ***The cloud is exerting a profound influence on the future of the WFO market:*** Cloud-based contact center infrastructure solutions have taken off, and WFO capabilities are in strong demand as part of these platforms. As WFO capabilities become more widely available in the cloud, they are now more affordable for companies of all sizes and in all verticals. The cloud is also driving a long overdue transformation of architecture, product and system usability.

SAMPLE FIGURE

WFO Functional and Technical Framework


Presence Engine
Recording
Quality Assurance
Workforce Management
Coaching
eLearning
Performance Management
Enterprise Feedback Mgmt
Speech Analytics
Text Analytics
Desktop Analytics
Gamification
Cust. Journey Analytics
Common Operating System
Shared Data Bus
Access and Authentication Layer (permissions, roles & encryption)
Centralized Rules Engine
User Interface
Admin
Supervisor
Agent
Mobile
Common Database/ Data Repository
Business Intelligence Tools

Source: DMG Consulting LLC, December 2016

TABLE OF CONTENTS

1 of 2

1. Executive Summary
2. Introduction
3. DMG Consulting Research Methodology
    - 3.1 Report Participation Criteria
4. Quality Management/Liability Recording Market Segments
5. Workforce Optimization Defined
    - 5.1 WFO Functional and Technical Framework
    - 5.2 Characteristics of a WFO Suite
    - 5.3 High-Level Vendor Suite Capabilities
    - 5.4 Suite Benefits
    - 5.5 WFO Suite Integration
    - 5.6 Implementation and ROI Analysis
6. Service Delivery Models for WFO Solutions
    - 6.1 DMG Service Delivery Definitions
    - 6.2 Vendor Service Delivery Options
7. Worforce Optimization Market Trends and Challenges
    - 7.1 Worforce Optimization Trends
    - 7.2 Worforce Optimization Challenges
8. WFO Market Innovation
    - 8.1 New Product Features
    - 8.2 Future Enhancements
9. Analytics is the Future of WFO
    - 9.1 WFO Vendor Analytics Offerings
    - 9.2 Speech Analytics
        - 9.2.1 How Speech Analytics Works
    - 9.3 Text Analytics
    - 9.4 Desktop Analytics
    - 9.5 Customer Journey Analytics
    - 9.6 Predictive Analytics
10. It's Time to Adopt Analytics-Enabled Quality Assurance
11. Best Practices for Managing and Engaging Millennials
    - 11.1 Creating a Cycle of Success for Agents
    - 11.2 Agent Engagement Applications 1
    - 11.3 Top Strategies for Engaging Agents
12. Omni-Channel Customer Engagement
    - 12.1 Voice Remains a Vital Channel
    - 12.2 Emergence of Video
    - 12.3 Vendor Omni-Channel Capabilities
13. Using WFO to Support Top Servicing Trends
14. WFO Market Activity Analysis
    - 14.1 Financial Information Sources
    - 14.2 WFO Market Consolidation
    - 14.3 Debates about Methodology
    - 14.4 Methodology
    - 14.5 Total GAAP Revenue and Market Share, First-Half 2016 vs. First-Half 2015 (all QM/recording-related vendors)
    - 14.6 Total Contact Center WFO Revenue and Market Share, First-Half 2016 vs. First-Half 2015
    - 14.7 Total Voice Recording Revenue and Market Share, First-Half 2016 vs. First-Half 2015 Comparison
    - 14.8 QM/QA Application Revenue and Market Share, First-Half 2016 vs. First-Half 2015 Comparison
15. WFO Market Projections for 2016 through 2020

TABLE OF CONTENTS

2 of 2

16. WFO Competitive Landscape
    16.1 Contact Center WFO Vendor Summaries
17. WFO Vendors and Solutions
    17.1 Company Snapshot
    17.2 Vendor Strategy
    17.3 Vendor WFO Suite Overview
    17.4 Packaged Offerings
18. Core Functional Analysis
    18.1 Recording
    18.2 Quality Assurance/Quality Management
    18.3 Coaching and eLearning
    18.4 Dashboards and Reporting
    18.5 Security
    18.6 Compliance
19. Other WFO Components
    19.1 WFM
    19.2 Performance Management
    19.3 Gamification
    19.4 Enterprise Feedback Management/Voice of the Customer/Surveying
20. WFO Vendor Satisfaction Analysis
    20.1 Summary of Survey Findings and Analysis
    20.2 Detailed Survey Findings and Analysis
    20.3 Vendor Satisfaction by Category
    20.4 Customer Background and Insights
        20.4.1 Customer Background
        20.4.2 Benefits from Using a WFO Solution
        20.4.3 Strengths of WFO Solutions
        20.4.4 Product Enhancements
        20.4.5 Additional Comments
21. Pricing
    21.1 Premise-Based Price Range, by Solution
    21.2 Premise-Based Pricing for QA, Recording and Coaching
    21.3 Premise-Based Pricing for Incremental Workforce Optimization Modules
    21.4 Cloud-Based Pricing for QA, Recording and Coaching
    21.5 Cloud-Based Pricing for Incremental Workforce Optimization Modules
    21.6 Managed Service Pricing for QA, Recording and Coaching
    21.7 Managed Service Pricing for Incremental Workforce Optimization Modules
22. Company Reports
    22.1 Aspect Software, Inc.
    22.2 Calabrio
    22.3 dvsAnalytics
    22.4 inContact, Inc.
    22.5 NICE
    22.6 OnviSource
    22.7 TelStrat International, LTD
    22.8 Verint Systems
    22.9 ZOOM International
Appendix: WFO Vendor Directory

TABLE OF FIGURES

Figure 1: WFO Market Segments
Figure 2: Business Activities
Figure 3: Contact Center Workforce Optimization Suite
Figure 4: WFO Functional and Technical Framework
Figure 5: Technical and Functional Characteristics and Benefits of a WFO Suite
Figure 6.1: High-Level WFO Suite Capabilities
Figure 6.2: High-Level WFO Suite Capabilities
Figure 7. Top 10 Benefits from Buying a Suite Versus Individual Modules, by Vendor
Figure 8. WFO Suite Integration
Figure 9: Implementation and ROI Time Frames
Figure 10: Service Delivery Models, Advantages and Disadvantages
Figure 11: DMG's Service Delivery Model Definitions
Figure 12 : Vendor Service Delivery Options
Figure 13: Worforce Optimization Trends
Figure 14: Worforce Optimization Challenges
Figure 15: New Product Features
Figure 16: New Product Features, by Category
Figure 17: Future Enhancements
Figure 18: WFO Vendor Analytics Offerings
Figure 19.1: Speech Analytics
Figure 19.2: Speech Analytics
Figure 20.1: Text Analytics
Figure 20.2 Text Analytics
Figure 21.1: Desktop Analytics
Figure 21.2: Desktop Analytics
Figure 22.1: Customer Journey Analytics (CJA)
Figure 22.2: Customer Journey Analytics (CJA)
Figure 23.1: Predictive Analytics
Figure 23.2: Predictive Analytics
Figure 24: Analytics-Enabled QA
Figure 25.1: Analytics-Enabled Quality Assurance (AQA)
Figure 25.2: Analytics-Enabled Quality Assurance (AQA)
Figure 26: Agent Cycle for Success
Figure 27: Top Strategies for Engaging Agents
Figure 28: Omni-Channel Contact Center
Figure 29: Video Uses and Benefits
Figure 30: Multi/Omni-Channel Capabilities
Figure 31.1: Using WFO Solution to Support Top Servicing Trends
Figure 31.2: Using WFO Solution to Support Top Servicing Trends
Figure 32: Total Company GAAP Revenue and Market Share, First-Half 2016 vs. First-Half 2015 Comparison
Figure 33: Contact Center WFO Revenue and Market Share, First-Half 2016 vs. First-Half 2015 Comparison
Figure 34: Total Voice Recording, First-Half 2016 vs. First-Half 2015 Comparison
Figure 35: QM/QA Applications Revenue and Market Share, First-Half 2016 vs. First-Half 2015 Comparison
Figure 36: WFO Application Projections, 2016 – 2020
Figure 37: 2017 Contact Center WFO Suite Execution/Innovation Competitive Positioning
Figure 38.1: Company Information

TABLE OF FIGURES

2 of 3

Figure 38.2: Company Information
Figure 39: Vendor Strategy
Figure 40: High-Level Vendor WFO Suite Components
Figure 41: Packaged Offerings
Figure 42.1: Recording
Figure 42.2: Recording
Figure 43.1: QA/QM
Figure 43.2: QA/QM
Figure 44.1: Coaching and eLearning
Figure 44.2: Coaching, eLearning and Gamification
Figure 45.1: Dashboards, Reporting and Analytics
Figure 45.2: Dashboards, Reporting and Analytics
Figure 46.1: Security
Figure 46.2: Security
Figure 47.1: Compliance Features
Figure 47.2: Compliance Features
Figure 48: Contact Center WFM Building Blocks
Figure 49.1: Workforce Management (WFM)
Figure 49.2: Workforce Management (WFM)
Figure 50: Historical vs. Real-Time Performance Management
Figure 51.1: Performance Management
Figure 51.2: Performance Management
Figure 52.1: Gamification
Figure 52.2: Gamification
Figure 53.1: Enterprise Feedback Management (EFM)/Voice of the Customer (VoC)/Surveying
Figure 53.2: Enterprise Feedback Management (EFM)/Voice of the Customer (VoC)/Surveying
Figure 54: Customer Survey Rating Categories
Figure 55: Average Satisfaction Ratings, by Category
Figure 56: Product Satisfaction Ratings by Category
Figure 57: Supervisor Interface Satisfaction Ratings, by Customer
Figure 58: Agent Interface Satisfaction Ratings, by Customer
Figure 59: Recording Feature Set Satisfaction Ratings, by Customer
Figure 60: Quality Assurance/Management Satisfaction Ratings, by Customer
Figure 61: Analytics-Enabled QA Satisfaction Ratings, by Customer
Figure 62: Omni-channel Capabilities Satisfaction Ratings, by Customer
Figure 63: Coaching Capabilities Satisfaction Ratings, by Customer
Figure 64: Historical Reporting Satisfaction Ratings, by Customer
Figure 65: Real-Time Reporting Satisfaction Ratings, by Customer
Figure 66: Ad Hoc Reporting Satisfaction Ratings, by Customer
Figure 67: Dashboards Satisfaction Ratings, by Customer
Figure 68: Overall Breadth of Suite Functionality Satisfaction Ratings, by Customer
Figure 69: Security Features Satisfaction Ratings, by Customer
Figure 70: Ease of Administration/Configuration/Use Satisfaction Ratings, by Customer
Figure 71: Ease of Integration with Third-Party Applications Satisfaction Ratings, by Customer
Figure 72: Product Effectiveness Ratings by Category
Figure 73: Ability to Reduce the Cost of Service Satisfaction Ratings, by Customer

TABLE OF FIGURES

3 of 3

Figure 74: Ability to Improve Productivity Satisfaction Ratings, by Customer
Figure 75: Ability to Reduce Operating Costs Satisfaction Ratings, by Customer
Figure 76: Enhance Omni-Channel Service Quality Satisfaction Ratings, by Customer
Figure 77: Address Regulatory and Compliance Requirements Satisfaction Ratings, by Customer
Figure 78: Deliver an Outstanding Customer Experience Satisfaction Ratings, by Customer
Figure 79: Reduce Customer Effort Satisfaction Ratings, by Customer
Figure 80: Improve Cross-Departmental Coordination Satisfaction Ratings, by Customer
Figure 81: Ability to Bring Together Front and Back-Office Departments Satisfaction Ratings, by Customer
Figure 82: Ability to Track and Improve the Cross-Channel Customer Journey Satisfaction Ratings, by Customer
Figure 83: Ability to Increase Sales Satisfaction Ratings, by Customer
Figure 84: Ability to Enhance Customer Engagement Satisfaction Ratings, by Customer
Figure 85: Ability to Enhance Staff Engagement Satisfaction Ratings, by Customer
Figure 86: Ability to Reduce Agent Attrition Satisfaction Ratings, by Customer
Figure 87: Ability to Address the Big Data Challenge Satisfaction Ratings, by Customer
Figure 88: Ability to Enhance Reporting and Analytics Satisfaction Ratings, by Customer
Figure 89: Current Product Satisfaction Ratings, by Customer
Figure 90: Implementation Satisfaction Ratings, by Customer
Figure 91: Training Satisfaction Ratings, by Customer
Figure 92: Professional Services Satisfaction Ratings, by Customer
Figure 93: Ongoing Service and Support Satisfaction Ratings, by Customer
Figure 94 Planned Product Innovation Satisfaction Ratings, by Customer
Figure 95: Responsiveness to Product Enhancement Requests Satisfaction Ratings, by Customer
Figure 96: Vendor Communication Satisfaction Ratings, by Customer
Figure 97: Cloud Capabilities Satisfaction Ratings, by Customer
Figure 98: Pricing Satisfaction Ratings, by Customer
Figure 99: Overall Vendor Satisfaction Ratings, by Customer
Figure 100: Which of your vendors WFO modules are you using?
Figure 101: What channels do you use your WFO solution to support?
Figure 102: What were the top 3 - 5 benefits you have gained from using the WFO system?
Figure 103: Please tell us the top 3 - 5 strengths of your WFO solution.
Figure 104: Please list the product enhancements you would like to see.
Figure 105: Additional comments about your experience with the vendor and/or product
Figure 106: 2016 Premise-Based Price Ranges By Solution
Figure 107.1: Pricing for QA/Recording/Coaching, Single-Site, 250-Seat Contact Center; Premise-Based
Figure 107.2: Pricing: Pricing for QA/Recording/Coaching, Single-Site 250-Seat Contact Center; Premise-Based
Figure 108.1: Pricing: Enterprise Pricing for Incremental Modules, Single-Site, 250-Seat Contact Center; Premise-Based
Figure 108.2: Pricing: Enterprise Pricing for Incremental Modules, Single-Site, 250-Seat Contact Center; Premise-Based
Figure 109.1: Pricing: Pricing for QA/Recording/Coaching, Single-Site, 250-Seat Contact Center; Cloud-Based
Figure 109.2: Pricing: Pricing for QA/Recording/Coaching, Single-Site,250-Seat Contact Center; Cloud-Based,
Figure 110.1: Pricing: Pricing for Incremental Modules, Single-Site, 250-Seat Contact Center; Cloud-Based
Figure 110.2: Pricing: Enterprise Pricing for Incremental Modules, Single-Site, 250-Seat Contact Center; Cloud-Based

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