

ABSTRACT



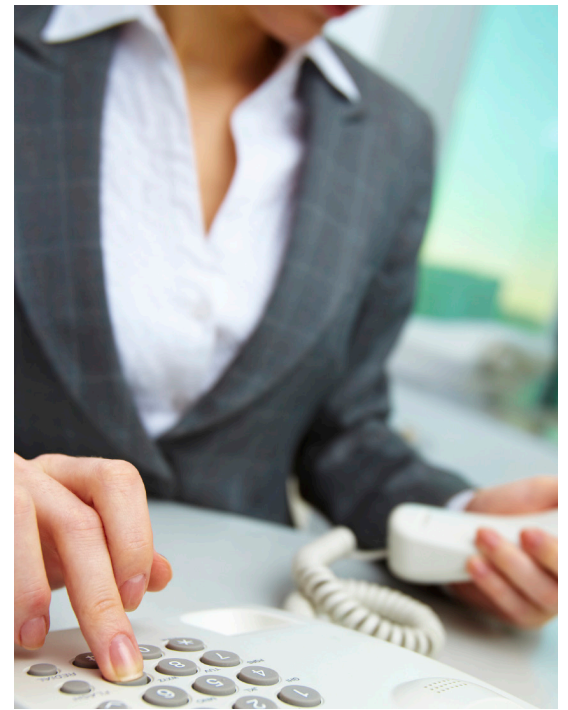
2016-2017 Cloud-Based Contact Center Infrastructure Market Report

DMG
CONSULTING LLC



*The ninth annual edition of DMG Consulting's **Cloud-Based Contact Center Infrastructure Market Report** presents a detailed analysis of this complex, dynamic and highly competitive IT sector, which continues to grow quickly while it is seeing consolidation among the vendors. This 542-page Report is the most thorough and in-depth analysis of the cloud-based contact center infrastructure market. It covers vendors, the competitive landscape, products, functionality, operations, pricing and a great deal more for leading and contending vendors in the market. It also contains valuable insights into market trends and challenges, customer satisfaction with the vendors and their offerings, market activity, adoption and projections for these solutions. Prospects will find the information and facts they need to select the right cloud-based infrastructure solution for their organization, along with best practices to achieve the greatest return on their investment.*

Please contact Deborah Navarra at deborah.navarra@dmgconsult.com or 516-628-1098 with any questions. To order your copy of the report, visit www.dmgconsult.com.



2016 has been a great year for the cloud-based contact center infrastructure market. Companies of all sizes, including contact centers with more than 500 seats, are now adopting these solutions. The number of seats grew by a very strong 20.9% in the last 12 months, a trend that is expected to continue for the next five years as premise-based environments migrate to the cloud. Increased reliability, flexibility, scalability and security are attracting new business, including from the financial services industry, one of the last holdouts.

The cloud-based contact center infrastructure market has started to undergo a major technology refresh. Vendors are investing in their architecture to improve system performance and reliability, migrating to third-party data centers to speed time to market, using virtualization to enhance their operating environments and reduce costs, and making enhancements requested by their customers and prospects. The flexibility and responsiveness of cloud-based contact center infrastructure vendors is attracting the attention of a growing number of premise-based contact center users who are tired of waiting for their incumbent to respond to their needs. Of course, there are still significant opportunities for the cloud-based contact center infrastructure vendors to improve, as reflected by the findings and verbatims in DMG's customer satisfaction study.

The cloud-based contact center infrastructure market is starting to mature; overcrowding is placing great downward pressure on prices, which is good for buyers. Merger and acquisition (M&A) activity has been brisk. Notable deals

include NICE's acquisition of inContact, and Genesys's purchase of Interactive Intelligence. DMG expects to see a significant amount of M&A activity in the future, which will strengthen this very dynamic market and possibly result in some new names emerging as market leaders.

The next five years look very promising for the cloud-based contact center infrastructure market. Momentum is strong, and the solutions continue to improve, drawing buyers from organizations of all sizes and all verticals. DMG estimates that the number of seats in the cloud-based contact center infrastructure market will grow by 23% in 2016, 23.5% in 2017 and 2018, and 24% in 2019 and 2020.

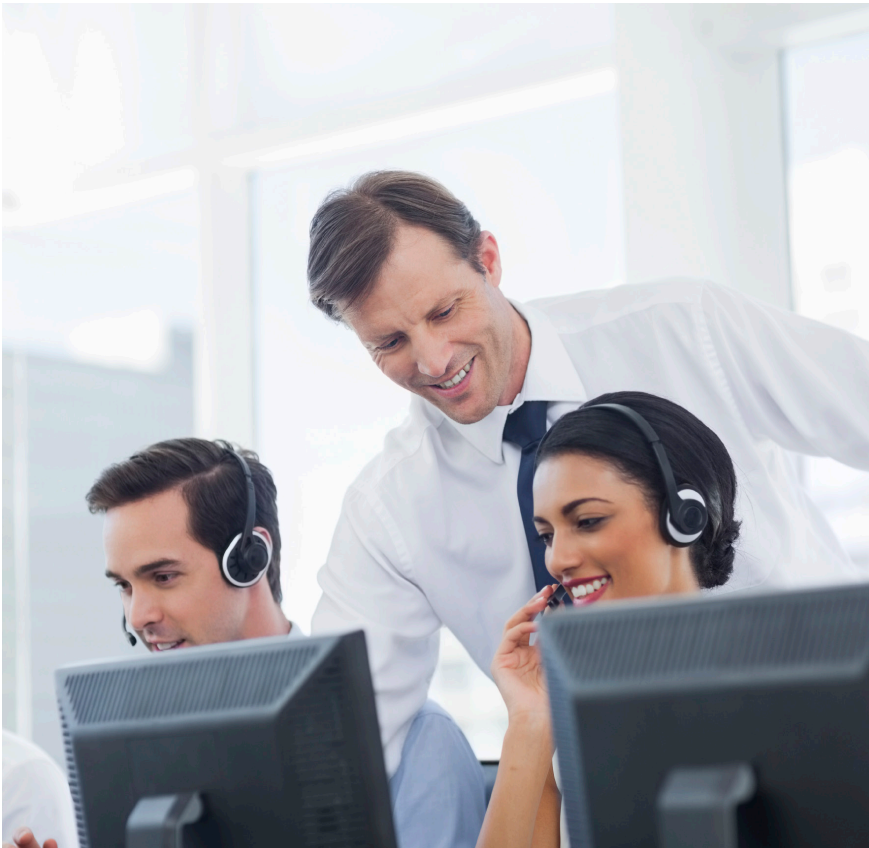
The *2016 - 2017 Cloud-Based Contact Center Infrastructure Market Report* covers 11 vendors, 10 in-depth and 1 at a high level. Participants include: 8x8, Cisco, Content Guru, Enghouse Interactive, Five9, inContact, Intelcom, Interactive Intelligence, NewVoiceMedia, Serenova and West, who is covered at a higher level. This year's Report includes two new participants, Cisco and West. 3CLogic and Connect First are no longer being covered. The Report gives readers an appreciation of the range of cloud-based contact center infrastructure offerings, covering market-leading vendors and contenders. The Report also includes a comprehensive Vendor Directory that lists vendors who provide cloud-based contact center infrastructure systems for contact centers and customer service organizations.

Key Elements of This Report

- ⇒ Overview of cloud-based contact center infrastructure technology, architecture and applications, including multi-tenancy, integration, security, compliance management and disaster recovery/business continuity capabilities in the 10 featured solutions
- ⇒ Market and business trends and challenges driving investments in cloud-based contact center infrastructure solutions
- ⇒ Cloud-based contact center infrastructure product innovation, including a review of recently introduced functionality and what is planned for the next 12 – 18 months
- ⇒ Examination of the features and functionality in cloud-based contact center infrastructure solutions that facilitate omni-channel support
- ⇒ Discussion of how outbound and proactive customer care are essential “legs” of the customer journey, and an analysis of the outbound capabilities provided by the 10 featured cloud-based contact center infrastructure solutions
- ⇒ A look at how the leading and contending cloud-based contact center infrastructure vendors are building out workforce optimization (WFO) capabilities in their solutions
- ⇒ Review of the increasing importance of speech, text and desktop analytics capabilities in cloud-based contact center infrastructure solutions
- ⇒ Cloud-based contact center infrastructure market activity and market share analysis, adoption rate, and 5-year projections
- ⇒ Review and assessment of the rapidly changing cloud-based contact center infrastructure competitive landscape
- ⇒ Overview of the 11 leading and contending cloud-based contact center infrastructure vendors, including company snapshots, vendor go-to-market strategies and product overviews, including offerings targeted at small and mid-size businesses (SMBs) and packaged solutions
- ⇒ In-depth technical and functional reviews and side-by-side comparative analyses of the key functional and technical capabilities of the 10 featured cloud-based contact center infrastructure solutions
- ⇒ Vendor implementation analysis, including a review of the implementation process, training, professional services, support, and vendor best practices to optimize success
- ⇒ Comprehensive vendor satisfaction survey results that measure and rank vendor approval ratings across 22 product components and 10 vendor categories
- ⇒ Detailed pricing analysis for the leading and contending cloud-based contact center infrastructure vendors
- ⇒ Detailed company reports for the 11 leading and contending cloud-based contact center infrastructure vendors, analyzing their products, functionality and future product development plans
- ⇒ Cloud-Based Contact Center Infrastructure Vendor Directory

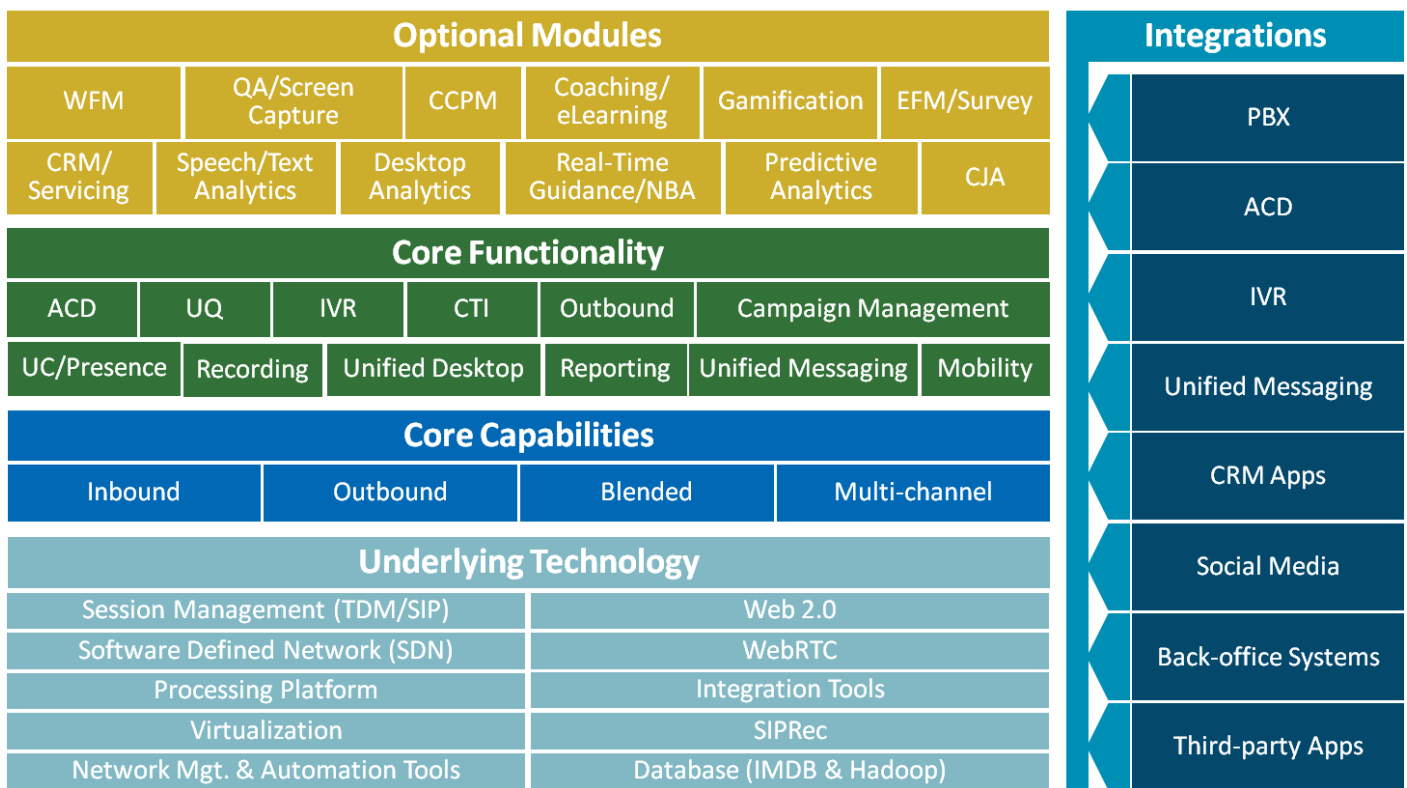
Report Highlights

- **Cloud-based contact center infrastructure solutions are now considered viable for enterprises of all sizes and verticals:** Enhancements in performance, reliability, flexibility, scalability and security are attracting the interest of larger enterprises and financial services organizations. Features to address globalization and multi-national transaction routing are obliterating geographical borders and driving adoption of these solutions around the world.
- **Momentum is strong, and the cloud-based contact center infrastructure market is growing:** The number of cloud-based contact center infrastructure seats has grown from 268,794 in 2008 to 1,788,992 in 2016 (end of July 2016); the compound annual growth rate (CAGR) for cloud-based contact center infrastructure seats between 2008 and 2015 was a very strong 31.1%.
- **Mergers and acquisitions are changing the market landscape:** There are over 150 competitors in the cloud-based contact center infrastructure market, and the time for consolidation has arrived. Continued M&A activity is expected to strengthen the market and help to clarify market leadership.
- **Customer satisfaction with cloud-based contact center infrastructure solutions is high but improvement is welcome:** DMG research shows that 95.3% of customers are satisfied with their cloud-based contact center infrastructure solutions, and of that group, 62.5% are either completely or highly satisfied. Vendors are listening to their customers' requests for innovation, which is great, but there is an opportunity for the vendors to improve service.



SAMPLE FIGURE

Cloud-Based Contact Center Infrastructure



Source: DMG Consulting LLC, November 2016

1. Executive Summary
2. Introduction
3. DMG Consulting Research Methodology
 - 3.1 Report Participation Criteria
4. Service Delivery Models for Cloud-Based Contact Center Infrastructure Solutions
 - 4.1 DMG Service Delivery Definitions
 - 4.2 Vendor Service Delivery Options
5. Cloud-Based Contact Center Infrastructure Functional Overview
 - 5.1 Core Cloud-Based Contact Center Infrastructure Functional Capabilities
 - 5.1.1 Automatic Call Distributor
 - 5.1.2 Interactive Voice Response
 - 5.1.3 Computer Telephony Integration
 - 5.1.4 Unified Communications
 - 5.1.5 Customer Relationship Management
 - 5.2 Cloud-Based Contact Center Infrastructure Technical Overview
6. Core Cloud-Based Contact Center Infrastructure Technical Capabilities
 - 6.1 Multi-Tenancy
 - 6.2 Integration Capabilities
 - 6.2.1 CRM Integration
 - 6.3 Security
 - 6.4 Compliance Management
 - 6.5 Data Center Back-Up, Disaster Recovery and Business Continuity
7. Cloud-Based Contact Center Infrastructure Market Trends and Challenges
 - 7.1 Cloud-Based Contact Center Infrastructure Trends
 - 7.2 Cloud-Based Contact Center Infrastructure Challenges
8. Cloud-Based Contact Center Infrastructure Market Innovation
 - 8.1 New Product Features
 - 8.2 Future Enhancements
9. Omni-Channel Support and the Customer Journey
 - 9.1 Social Customer Care
 - 9.2 The Emergence of Video
 - 9.3 Cloud-Based Contact Center Infrastructure Vendor Omni-Channel Capabilities
 - 9.4 Customer Journey Analytics
10. Outbound and Proactive Customer Care: An Essential Leg of the Omni-Channel Customer Journey
 - 10.1 Proactive Customer Care (PCC)
 - 10.2 Outbound Capabilities
11. Workforce Optimization: The "Suite" Life for CBCCI Solutions
 - 11.1 Recording
 - 11.2 Quality Assurance/Quality Management
 - 11.2.1 Analytics-Enabled Quality Assurance
 - 11.3 Workforce Management
 - 11.3.1 Workforce Management Suites
 - 11.3.2 Next-Gen WFM
 - 11.4 Performance Management
 - 11.5 Real-Time Performance Management
 - 11.6 Enterprise Feedback Management
12. Cloud-Based Contact Center Infrastructure Enters the Analytics Era
 - 12.1 Cloud-Based Contact Center Infrastructure Vendor Analytics Offerings
 - 12.2 Speech Analytics
 - 12.3 Text Analytics
 - 12.4 Desktop Analytics
 - 12.5 Dashboards, Reporting and Analytics
13. Cloud-Based Contact Center Infrastructure Market Activity Analysis
14. Cloud-Based Contact Center Infrastructure Market Projections

- 15. Adoption of Cloud-Based Contact Center Infrastructure Solutions
 - 16. Cloud-Based Contact Center Infrastructure Competitive Landscape
 - 16.1 Acquisition Activity in the Cloud Contact Center Sector
 - 16.2 Categories of Cloud-Based Contact Center Infrastructure Competitors
 - 16.3 Cloud-Based Contact Center Infrastructure Vendor Market Overview
 - 17. Cloud-Based Contact Center Infrastructure Vendors and Solutions
 - 17.1 Company Snapshot
 - 17.2 Vendor Strategy
 - 17.3 Vendor Offerings and Products
 - 17.4 SMB Offerings
 - 17.5 Packaged Offerings
 - 17.6 High-Level Functional Summary
 - 17.7 High-Level Technical Summary
 - 18. Implementing and Managing a Cloud-Based Contact Center Infrastructure Solution
 - 18.1 Implementation Analysis
 - 18.2 Implementation Best Practices
 - 18.3 Professional Services and Training
 - 18.4 Service Level Agreements
 - 18.5 License Management
 - 18.6 Maintenance and Ongoing Support
 - 18.7 Return on Investment
 - 19. Cloud-Based Contact Center Infrastructure Vendor Satisfaction Analysis
 - 19.1 Summary of Survey Findings and Analysis
 - 19.2 Detailed Survey Findings and Analysis
 - 19.3 Vendor Satisfaction by Category
 - 19.4 Customer Background and Insights
 - 19.4.1 Customer Background
 - 19.5 Customer Insights
 - 19.5.1 Biggest Challenges with Implementing a Cloud-Based Contact Center Infrastructure Solution
 - 19.5.2 Benefits from Using a Cloud-Based Contact Center Infrastructure Solution
 - 19.5.3 Strengths of Cloud-Based Contact Center Infrastructure Solutions
 - 19.5.4 Product Enhancements
 - 19.5.5 Additional Comments
 - 20. Pricing
 - 20.1 Pricing Structure
 - 20.2 Pricing for a 50-Seat Implementation
 - 20.3 Pricing for a 250-Seat Implementation
 - 20.4 Pricing for a 500-Seat Implementation
 - 21. Company Reports
 - 21.1 8x8
 - 21.2 Cisco Systems
 - 21.3 Content Guru
 - 21.4 Enghouse Interactive
 - 21.5 Five9, Inc.
 - 21.6 inContact
 - 21.7 Intelcom Group AS
 - 21.8 Interactive Intelligence, Inc.
 - 21.9 NewVoiceMedia
 - 21.10 Serenova
 - 21.11 West
- Appendix: Cloud-Based Contact Center Infrastructure Vendor Directory

Figure 1:	Service Delivery Models, Advantages and Disadvantages
Figure 2:	DMG's Service Delivery Model Definitions
Figure 3:	Vendor Service Delivery Options
Figure 4:	Cloud-Based Contact Center Solutions
Figure 5:	Adaptive & Intelligent Real-Time Routing
Figure 6.1:	Automatic Call Distributor (ACD)
Figure 6.2:	Automatic Call Distributor (ACD)
Figure 7.1:	IVR/Voice Portal
Figure 7.2:	IVR/Voice Portal
Figure 8.1:	CTI
Figure 8.2:	CTI
Figure 9:	UC Key Features and Advantages
Figure 10.1:	Unified Communications
Figure 10.2:	Unified Communications
Figure 11.1:	CRM Software
Figure 11.2:	CRM Software
Figure 12.1:	Multi-Tenancy
Figure 12.2:	Multi-Tenancy
Figure 13.1:	Integration Capabilities
Figure 13.2:	Integration Capabilities
Figure 14.1:	CRM Integration
Figure 14.2:	CRM Integration
Figure 15.1:	Security
Figure 15.2:	Security
Figure 16.1:	Compliance Management
Figure 16.2:	Compliance Management
Figure 17.1:	Data Center, Back-Up, Disaster Recovery and Contingency
Figure 17.2:	Data Center, Back-Up, Disaster Recovery and Contingency
Figure 18:	Cloud-Based Contact Center Infrastructure Trends
Figure 19:	Cloud-Based Contact Center Infrastructure Challenges
Figure 20:	New Product Features
Figure 21:	New Product Features, by Category
Figure 22:	Future Enhancements
Figure 23:	Omni-Channel Contact Center
Figure 24.1:	Social Media Capabilities
Figure 24.2:	Social Media Capabilities
Figure 25:	Video Uses and Benefits
Figure 26.1:	Omni-Channel Capabilities
Figure 26.2:	Omni-Channel Capabilities
Figure 27.1:	Customer Journey Analytics (CJA)
Figure 27.2:	Customer Journey Analytics (CJA)
Figure 28.1:	Outbound Capabilities
Figure 28.2:	Outbound Capabilities
Figure 29:	Recording Solutions
Figure 30.1:	Recording
Figure 30.2:	Recording
Figure 31.1:	Quality Assurance (QA)/Management (QM)
Figure 31.2:	Quality Assurance (QA)/Management (QM)
Figure 32.1:	Analytics -Enabled Quality Assurance
Figure 32.2:	Analytics -Enabled Quality Assurance
Figure 33:	Contact Center WFM Building Blocks
Figure 34.1:	Workforce Management (WFM)
Figure 34.2:	Workforce Management (WFM)
Figure 35.1:	Performance Management
Figure 35.2:	Performance Management
Figure 36.1:	Real-Time Performance Management

Figure 36.2:	Real-Time Performance Management
Figure 37.1:	Surveying/Enterprise Feedback Management (EFM)
Figure 37.2:	Surveying/Enterprise Feedback Management (EFM)
Figure 38:	Cloud-Based Contact Center Infrastructure Vendor Analytics Offerings
Figure 39:	What is Speech Analytics?
Figure 40.1:	Speech Analytics
Figure 40.2:	Speech Analytics
Figure 41:	The Classic Text Analytics Process
Figure 42.1:	Text Analytics
Figure 42.2:	Text Analytics
Figure 43:	Desktop Analytics
Figure 44.1:	Desktop Analytics (DA)
Figure 44.2:	Desktop Analytics (DA)
Figure 45.1:	Dashboards, Reporting and Analytics
Figure 45.2:	Dashboards, Reporting and Analytics
Figure 46:	2016 Cloud-Based Contact Center Infrastructure Customers and Seats, as of July 2016
Figure 47:	2015 Cloud-Based Contact Center Infrastructure Market Activity, as of July 2016
Figure 48:	Cloud-Based Contact Center Infrastructure Market Share, by Seats, as of July 2016
Figure 49:	Cloud-Based Contact Center Infrastructure Market Share, by Customers, as of July 2016
Figure 50:	Cloud-Based Contact Center Infrastructure Market Activity by Number of Seats, 2015 vs. 2014 Comparison
Figure 51:	Cloud-Based Contact Center Infrastructure Market Activity by Number of Seats, 2015 vs. 2014 Comparison
Figure 52:	Cloud-Based Contact Center Infrastructure Market Activity by Number of Customers, 2015 vs. 2014 Comparison
Figure 53:	Cloud-Based Contact Center Infrastructure Market Activity by Number of Customers, 2015 vs. 2014 Comparison
Figure 54:	Cloud-Based Contact Center Infrastructure Seat Trend Analysis, 2008 – 2015
Figure 55:	Cloud-Based Contact Center Infrastructure Seat Trend Analysis, 2008 – 2015
Figure 56:	Cloud-Based Contact Center Infrastructure Seats and Growth Rates
Figure 57:	Cloud-Based Contact Center Infrastructure Actual 2008 – 2015 Seats and Growth Rates
Figure 58:	Cloud-Based Contact Center Infrastructure Projected 2016 – 2020 Seats and Growth Rates
Figure 59:	Cloud-Based Contact Center Infrastructure Seats, Growth and Adoption Rates, 2008 – 2015
Figure 60:	Cloud Vendor Acquisitions in 2016
Figure 61.1:	Company Information
Figure 61.2:	Company Information
Figure 62:	Vendor Strategy
Figure 63.1:	Cloud-Based Contact Center Infrastructure Solution Overview
Figure 63.2:	Solution Overview
Figure 64.1:	Small/Mid-Sized Business (SMB) Offering
Figure 64.2:	Small/Mid-Sized Business (SMB) Offering
Figure 65.1:	Packaged Solutions
Figure 65.2:	Packaged Solutions
Figure 66.1:	High-Level Functional Analysis
Figure 66.2:	High-Level Functional Analysis
Figure 67.1:	High-Level Technical Analysis
Figure 67.2:	High-Level Technical Analysis
Figure 68.1:	Implementation Analysis
Figure 68.2:	Implementation Analysis
Figure 69.1:	Cloud-Based Contact Center Infrastructure Implementation Best Practices
Figure 69.2:	Cloud-Based Contact Center Infrastructure Implementation Best Practices
Figure 70.1:	Professional Services and Training
Figure 70.2:	Professional Services and Training
Figure 71.1:	Service Level Agreements (SLAs)
Figure 71.2:	Service Level Agreements (SLAs)
Figure 72.1:	License Management
Figure 72.2:	License Management
Figure 73.1:	Maintenance and Support
Figure 73.2:	Maintenance and Support
Figure 74:	Payback Analysis

Figure 75:	Customer Survey Rating Categories
Figure 76:	Average Satisfaction Ratings, by Category
Figure 77:	Product Satisfaction Ratings by Category
Figure 78:	Ease of Use/Configuration/Maintenance Satisfaction Ratings, by Customer
Figure 79:	Ease of Integration with Third-Party Applications Satisfaction Ratings, by Customer
Figure 80:	Omni-Channel Capabilities Satisfaction Ratings, by Customer
Figure 81:	Multi-Skill Routing and Queuing Features Satisfaction Ratings, by Customer
Figure 82:	Agent Interface Satisfaction Ratings, by Customer
Figure 83:	Supervisor Interface Satisfaction Ratings, by Customer
Figure 84:	IVR Features and Functionality Satisfaction Ratings, by Customer
Figure 85:	Outbound Features and Functionality Satisfaction Ratings, by Customer
Figure 86:	Blended (Inbound/Outbound) Capabilities Satisfaction Ratings, by Customer
Figure 87:	Scripting Satisfaction Ratings, by Customer
Figure 88:	Regulatory Compliance Features Satisfaction Ratings, by Customer
Figure 89:	Recording Feature Set Satisfaction Ratings, by Customer
Figure 90:	Quality Assurance/Coaching Capabilities Satisfaction Ratings, by Customer
Figure 91:	Analytics (Speech, Text and Desktop Analytics) Capabilities Satisfaction Ratings, by Customer
Figure 92:	Dashboards Satisfaction Ratings, by Customer
Figure 93:	Real-Time Reporting Satisfaction Ratings, by Customer
Figure 94:	Historical Reporting Satisfaction Ratings, by Customer
Figure 95:	Ad Hoc Reporting Satisfaction Ratings, by Customer
Figure 96:	System Security Satisfaction Ratings, by Customer
Figure 97:	System Scalability Satisfaction Ratings, by Customer
Figure 98:	Platform Reliability and Dependability Satisfaction Ratings, by Customer
Figure 99:	Business Continuity/Disaster Recovery Capabilities Satisfaction Ratings, by Customer
Figure 100:	Current Product Satisfaction Ratings, by Customer
Figure 101:	Implementation Satisfaction Ratings, by Customer
Figure 102:	System Availability and Up-Time Satisfaction Ratings, by Customer
Figure 103:	Professional Services Satisfaction Ratings, by Customer
Figure 104:	Training/Workshops Satisfaction Ratings, by Customer
Figure 105:	Service and Support Satisfaction Ratings, by Customer
Figure 106:	System Upgrade Satisfaction Ratings, by Customer
Figure 107:	Product Innovation Satisfaction Ratings, by Customer
Figure 108:	Responsiveness to Product Enhancement Requests Satisfaction Ratings, by Customer
Figure 109:	Vendor Communication Satisfaction Ratings, by Customer
Figure 110:	Product Pricing Satisfaction Ratings, by Customer
Figure 111:	Overall Vendor Satisfaction Ratings, by Customer
Figure 112:	What contact center applications are you using from your cloud-based contact center infrastructure vendor?
Figure 113:	What contact center activities do you use your cloud-based contact center infrastructure to support?
Figure 114:	What contact center functions do you use your cloud-based contact center infrastructure to support?
Figure 115:	What channels do you use your cloud-based contact center infrastructure to support?
Figure 116:	What were the 3-5 biggest challenges you experienced in implementing your cloud-based contact center infrastructure?
Figure 117:	What were the top 3 - 5 benefits gained from using a cloud-based contact center infrastructure solution?
Figure 118:	Please tell us the top 3 - 5 strengths of your cloud-based contact center infrastructure solution.
Figure 119:	Please list the product enhancements you would like to see.
Figure 120:	Additional comments about your experience with the vendor and/or product
Figure 121.1:	Pricing Structure
Figure 121.2:	Pricing Structure
Figure 122.1:	Pricing for Cloud-Based Contact Center Infrastructure: 50 Seats
Figure 122.2:	Pricing for Cloud-Based Contact Center Infrastructure: 50 Seats
Figure 123.1:	Pricing for Cloud-Based Contact Center Infrastructure: 250 Seats
Figure 123.2:	Pricing for Cloud-Based Contact Center Infrastructure: 250 Seats
Figure 124.1:	Pricing for Cloud-Based Contact Center Infrastructure: 500 Seats
Figure 124.2:	Pricing for Cloud-Based Contact Center Infrastructure: 500 Seats

DMG

CONSULTING LLC

6 Crestwood Drive, West Orange, NJ 07052
(973) 325-2954 www.dmgconsult.com