ABSTRACT

2019 Workforce Optimization Mid-Year Market Share Report

This is DMG Consulting's 15th annual ***Workforce Optimization Mid-Year Market Share Report****. It presents a detailed analysis of the financial performance of the WFO market and its approximately 38 suite vendors during the first half of 2019. The Report compares first-half 2019 performance to the same period in 2018. The mid-year report complements the annual* ***Workforce Optimization Product and Market Report****, in which DMG provides a thorough analysis of the WFO vendors, their offerings, functionality, technology, market competitive landscape, trends and challenges, benefits, return on investment, pricing, customer satisfaction, implementation best practices, and much more.*

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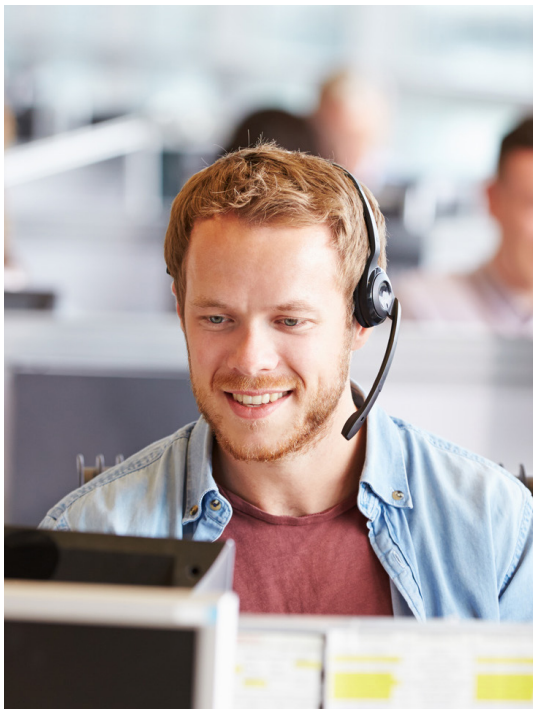

The first half of 2019 showed strong revenue performance for the WFO sector, building on the positive momentum of 2018. Total company GAAP revenue for the WFO market in the first half of 2019 was $1,829.0 million, up from $1,685.1 million in the same period in 2018.This increase of $143.9 million is a very strong 8.5% improvement. Perhaps even more significant is that the contact center WFO market grew by 11.6%, from $863.6 million in first-half 2018 to $963.7 million, an increase of $100.1 million, in the first six months of 2019.

WFO solutions, which have been invaluable assets for contact centers, are now expanding their reach into the back office and other enterprise functions. The WFO vendors are investing in their solutions and are successfully marketing them to drive customer experience (CX), productivity and quality improvements. The pace of innovation in the WFO market has never been more rapid. Enhancements to WFO applications include improved real-time speech analytics, deeper automated insights from interaction analytics (IA) and customer journey analytics (CJA), new forecasting algorithms for workforce management (WFM), and updates to agent, supervisor and administration user interfaces (UIs).

The two core components of WFO suites – recording and quality management (QM) continue to deliver performance improvements in contact centers and throughout enterprises. WFO applications are supporting new channels and are incorporating artificial intelligence (AI) to increase the opportunities for smarter and more sophisticated automation. New functionality, like robotic process automation (RPA), is achieving unprecedented "hockey stick" growth because it enhances the effectiveness of the WFO offerings.

AI-enabled systems represent the future of contact centers. AI will become the "brain" of the service organization, coordinating the many functions of these complex operating environments within the next 5 – 10 years. AI and automation will enable customers to help themselves in many service interactions, while the technology will drive changes in the function of contact center agents, who will become value-added service providers in a hybrid human/machine workforce.

The ***2019 Workforce Optimization Mid-Year Market Share Report*** provides a detailed breakdown of revenue for the following 21 named vendors: 8x8, ASC, Aspect, Avaya, Calabrio, ComputerTel, CSI/Virtual Observer, DVSAnalytics, Enghouse, Envision, Genesys, HigherGround, Mitel, NICE, OnviSource, OpenText, Serenova, Verint, VirtualLogger, Xarios and ZOOM International. These vendors comprise 99.4% of the contact center WFO market; the remaining 0.6% (17 vendors) is addressed in the "Other" category.

To be considered a WFO suite provider, a vendor must offer the two core WFO applications – recording and QM – and at least 2 more of the following applications: WFM, contact center performance management (CCPM), IA (which consists of speech and text analytics), desktop analytics (DA), RPA, enterprise feedback management (EFM)/surveying, eLearning, coaching, gamification, CJA, and new to the 2019 edition of this Report, knowledge management (KM).

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Key Reasons to Buy this Report

- Market projections by WFO application segment for the 5-year period from 2019 to 2023, for recording, QM, WFM, CCPM, gamification, IA, desktop analytics, robotic process automation, EFM/surveying, customer journey analytics, eLearning/coaching, and KM
- Detailed revenue and market share analyses by vendor, broken down by total company GAAP revenue, the contact center WFO segment, WFO and recording solutions (excluding video), voice recording, contact center and non-contact-center voice recording, and QM
- Growth-rate comparisons by vendor for the first half of 2019 vs. the same period in 2018
- Detailed analyses of the 21 leading and contending vendors in the various WFO sectors

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Report Highlights

- ***WFO market revenue momentum is strong and is expected to continue:*** Total company GAAP revenue for the WFO market grew 8.5%, year-over-year, between first-half 2018 and 2019. The contact center WFO market grew by 11.6% in the same period. WFO revenue growth is expected to continue, as the vendors continue to invest in their solutions and deliver innovation to the market.

- ***Artificial intelligence is transforming WFO solutions:*** Innovation in WFO offerings is being driven by the need to make organizations smarter and more productive through automation. Although much of the "buzz" about AI remains futuristic, it is rapidly becoming a reality. Contact centers are using AI-enabled systems to drive predictive analytics, and in the next 5 – 10 years, AI will be embedded in contact center systems, overseeing and coordinating departmental activities.

- ***WFO solutions are invaluable for contact centers, and beyond:*** The market needs what the WFO vendors have to offer. Sales of these solutions are expected to remain strong as their reach extends into the back office and other enterprise departments. However, the way in which WFO capabilities are sold is expected to change significantly over the next 5 – 10 years.

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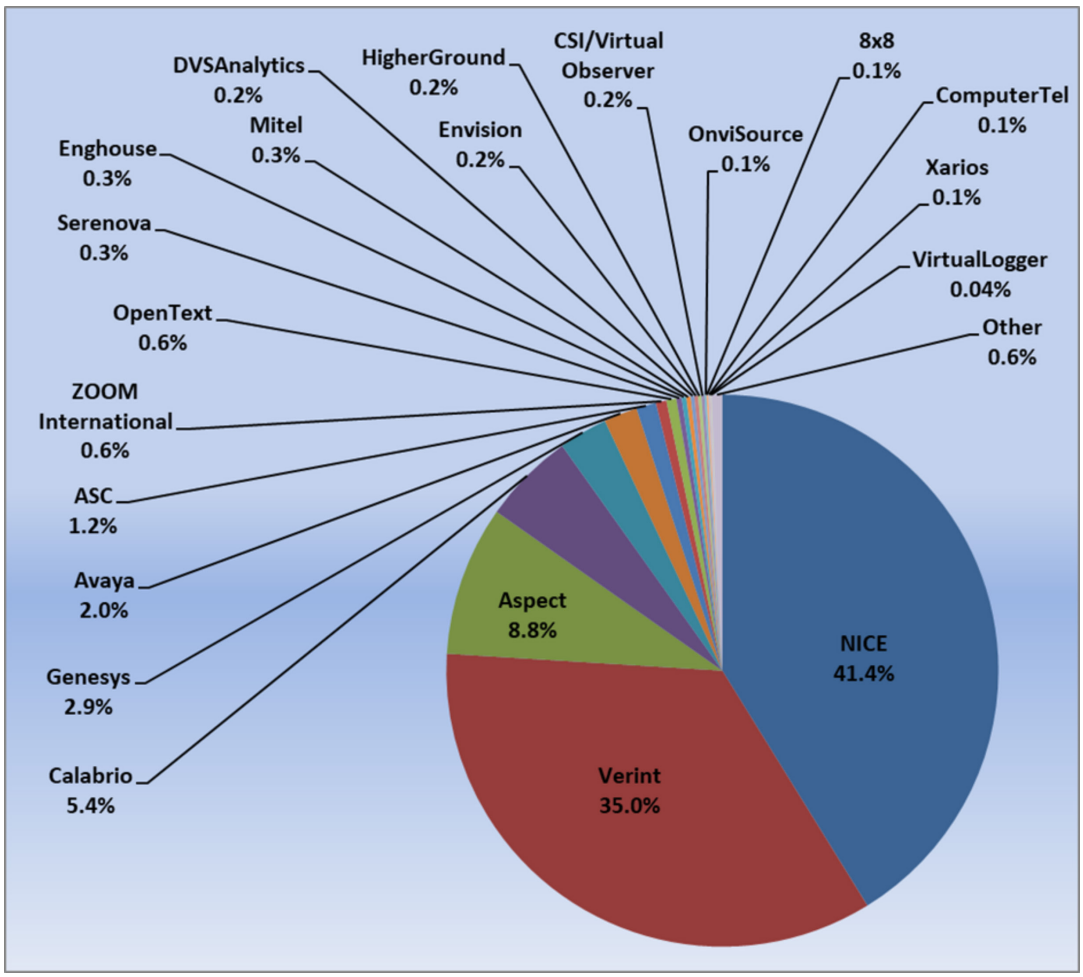
SAMPLE FIGURE

First-Half 2019 Total Company GAAP Revenue Market Share



Source: DMG Consulting LLC, November 2019

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TABLE OF CONTENTS

1. Executive Summary
2. Introduction
3. Financial Information Sources
4. Debates about Methodology
5. DMG's Methodology
6. Market Projections for 2019 through 2023
7. Total GAAP Revenue and Market Share, First-Half 2019 vs. First-Half 2018 (all WFO-related vendors)
8. Total Contact Center WFO Revenue and Market Share, First-Half 2019 vs. First-Half 2018
9. WFO and Recording Solutions Revenue and Market Share (excluding video), First-Half 2019 vs. First-Half 2018 Comparison
10. Total Voice Recording Revenue and Market Share, First-Half 2019 vs. First-Half 2018 Comparison
11. Total Contact Center Voice Recording Revenue and Market Share, First-Half 2019 vs. First-Half 2018 Comparison
12. Total Non-Contact-Center Voice Recording Revenue and Market Share, First-Half 2019 vs. First-Half 2018 Comparison
13. Total Voice Recording Revenue and Market Share
14. QM Application Revenue and Market Share, First-Half 2019 vs. First-Half 2018 Comparison

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TABLE OF FIGURES

Figure 1: WFO Application Revenue Projections, 2019 – 2023
Figure 2: Total Company GAAP Revenue and Market Share, First-Half 2019 vs. First-Half 2018 Comparison
Figure 3: Total Company GAAP Revenue, First-Half 2019 vs. First-Half 2018 Comparison
Figure 4: First-Half 2019 Total Company Market Share for WFO Competitors
Figure 5: Contact Center WFO Revenue and Market Share, First-Half 2019 vs. First-Half 2018 Comparison
Figure 6: Total Contact Center WFO Revenue, First-Half 2019 vs. First-Half 2018 Comparison
Figure 7: Total Contact Center WFO Market Share, First-Half 2019
Figure 8: WFO and Recording Solutions Excluding Video, First-Half 2019 vs. First-Half 2018 Comparison
Figure 9: WFO and Recording Solutions, Excluding Video Revenue, First-Half 2019 vs. First-Half 2018 Comparison
Figure 10: First-Half 2019 WFO and Recording Solutions (excluding video) Market Share
Figure 11: Total Voice Recording, First-Half 2019 vs. First-Half 2018 Comparison
Figure 12: Total Voice Recording Revenue, First-Half 2019 vs. First-Half 2018 Comparison
Figure 13: Total Voice Recording Market Share, First-Half 2019
Figure 14: Contact Center Voice Recording Revenue and Market Share, First-Half 2019 vs. First-Half 2018 Comparison
Figure 15: Total Contact Center Voice Recording Revenue, First-Half 2019 vs. First-Half 2018 Comparison
Figure 16: Total Contact Center Voice Recording Market Share for First-Half 2019
Figure 17: Non-Contact-Center Voice Recording, First-Half 2019 vs. First-Half 2018 Comparison
Figure 18: Total Non-Contact-Center Voice Recording Revenue, First-Half 2019 vs. First-Half 2018 Comparison
Figure 19: Total Non-Contact-Center Voice Recording Market Share, First Half 2019
Figure 20: Total Voice Recording, First-Half 2019 Revenue ($ in millions)
Figure 21: Total Voice Recording, First-Half 2019 vs. First-Half 2018 Revenue Comparison ($ in millions)
Figure 22: Total Voice Recording Revenue, Contact Center vs. Non-Contact Center, First-Half 2019
Figure 23: Total Voice Recording, First-Half 2019 vs. First-Half 2018 Revenue Comparison Graph ($ in millions)
Figure 24: QM Applications Revenue and Market Share, First-Half 2019 vs. First-Half 2018 Comparison
Figure 25: QM Application Revenue, First-Half 2019 vs. First-Half 2018 Comparison
Figure 26: QM Application Market Share, First-Half 2019

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