ABSTRACT

2019 - 2020 Workforce Optimization Product and Market Report

DMG Consulting's ***2019 – 2020 Workforce Optimization Product and Market Report****, our 16th annual edition, focuses on contact center workforce optimization and the vendors who offer these suites. To be considered a WFO suite provider, a vendor must offer the two core WFO applications: recording and quality management (QM), as well as at least 2 more of the following applications: workforce management (WFM), interaction (text and speech) analytics (IA), surveying/voice of the customer (VoC), contact center performance management (CCPM), gamification, knowledge management (KM), customer journey analytics (CJA), desktop analytics (DA), robotic process automation (RPA), predictive analytics, and coaching/eLearning.*

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The contact center WFO market has seen amazing growth over the past decade. The market began the 2010's with contact center WFO revenues of $1,012.1 million, and by the end of 2018 (the most recent period for which full-year data is available), revenue had reached $1,855.2 million. Contact center WFO revenue grew by 83.3%, equivalent to a 7.9% compound annual growth rate (CAGR), over the 8-year period. This outstanding revenue performance stems from the benefits and value that companies have realized from contact center WFO suites, a trend that DMG expects to continue.

Organizations have traditionally purchased contact center WFO suites to improve service productivity, quality and the customer experience. Ten years ago, these suites were primarily known as QM and recording applications. Companies purchased them to improve compliance with internal and external regulations by recording calls; to provide insights into agents' performance to improve their productivity and ensure their adherence to internal policies and procedures; and to achieve a service differentiator by optimizing agent performance.

Contact center WFO suites have been steadily enhanced and expanded over the past decade. WFO suites have been transformed into analytics suites. The introduction of automation and artificial intelligence (AI) into these suites has enabled the vendors to offer new benefits, including greater insights into agent performance as well as customers' perception of service and their needs and wants. Improving the customer journey is a particular focus of the new generation of contact center WFO suites and an area of great investment. Executives appreciate the need to deliver an outstanding, frictionless customer experience and are prioritizing customer needs.

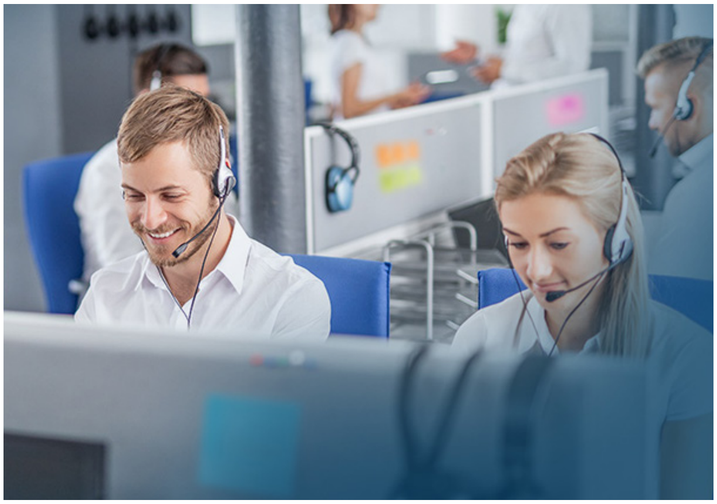
Companies have begun the process of digital transformation, building omni-channel service environments and implementing robotics to automate redundant and manual tasks. They are investing in AI, RPA, big-data, KM and digital-first solutions, as well as cloud servicing initiatives. Once digital channels are in place, there will be a need for omni-channel customer relationship management (CRM) solutions to enable agents to provide a consistently outstanding experience for customers across all channels. In turn, this will drive investments in omni-channel analytics, including interaction analytics and other solutions that can capture and measure the complete customer journey. The next stage in the process of understanding customer needs is customer journey analytics, which will utilize automation to analyze the massive amounts of customer data in contact centers, in order to identify any impediments to an optimized customer experience.

Demand for traditional WFO functionality is still strong, and interest in the new generation of solutions, such as analytics-enabled QM (AQM), bolstered by smarter and faster technology, is growing at unprecedented rates. Investments in automation and AI-enabled analytics are expected to continue at a brisk rate for at least the next 5 years. Companies are striving to understand and satisfy their customers' demands, and the new solutions are offering innovations that support these initiatives. Many vendors from various IT sectors are seeking to address these opportunities, and the WFO vendors are well-positioned to emerge as winners in the race.

The ***2019 – 2020 edition of the Workforce Optimization Product and Market Report*** covers 6 leading and contending vendors: Aspect, Calabrio, NICE, OnviSource, Verint and ZOOM International. Authority Software, is covered at a high level. The Report examines the servicing, business and management trends that are driving the contact center and WFO markets. This Report is intended to help contact center, IT and enterprise leaders and managers in small, mid-size and large companies select the right solution, technology, functionality and partner to meet their organization's current and future WFO needs.

Key Reasons to Buy this Report

- Analysis of WFO recording market segments and vendor-supported activities
- Overview of the functional components of a WFO solution, including core and optional modules offered in the 6 featured WFO suites
- Market and business trends and challenges that are driving enterprise investments and influencing product development
- WFO market innovation, including a review of recently introduced functionality and what is planned for the next 12 – 18 months
- Insightful discussion of the mega trends – digital transformation, artificial intelligence (AI) enablement, automation and the hybrid workforce – that are driving transformational changes in the contact center, the workforce and the technology that supports them
- Examination of how AI-enabled WFO is required to support the interaction centers of the future and a comparative analysis of 14 key WFO suite functional capabilities in the 6 featured solutions
- Detailed revenue and market share analyses featuring first-half 2019 vs. first-half 2018 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 QM
- 5-year WFO market projections for 2019 – 2023
- Review of the WFO competitive landscape, and vendor competitive positioning
- Overview of the 6 featured WFO vendors, including company snapshots, high-level WFO suite functional overview, and reporting, security and compliance capabilities
- Implementation analysis, including time frames, return on investment (ROI) and quantifiable benefits
- Comprehensive customer satisfaction survey results that measure and rank ratings across 18 WFO components, 11 product capabilities and 10 vendor categories
- Detailed pricing analysis for a 250-seat on-premise and cloud-based QM/recording/coaching implementation, including incremental costs for WFM, CCPM, surveying/VoC, IA, DA, gamification and CJA
- Detailed company reports for the 7 leading and contending WFO vendors, analyzing their products, functionality and future product development plans
- Comprehensive WFO Vendor Directory



Report Highlights

- ***WFO market performance has been outstanding, and strong momentum is likely to drive growth into the next decade:*** Contact center WFO revenues have grown by 83.3% between 2010 and the end of 2018, and 2019 saw tremendous investment and innovation in this market. 2020 is looking to be even better, as long as the economy remains stable.

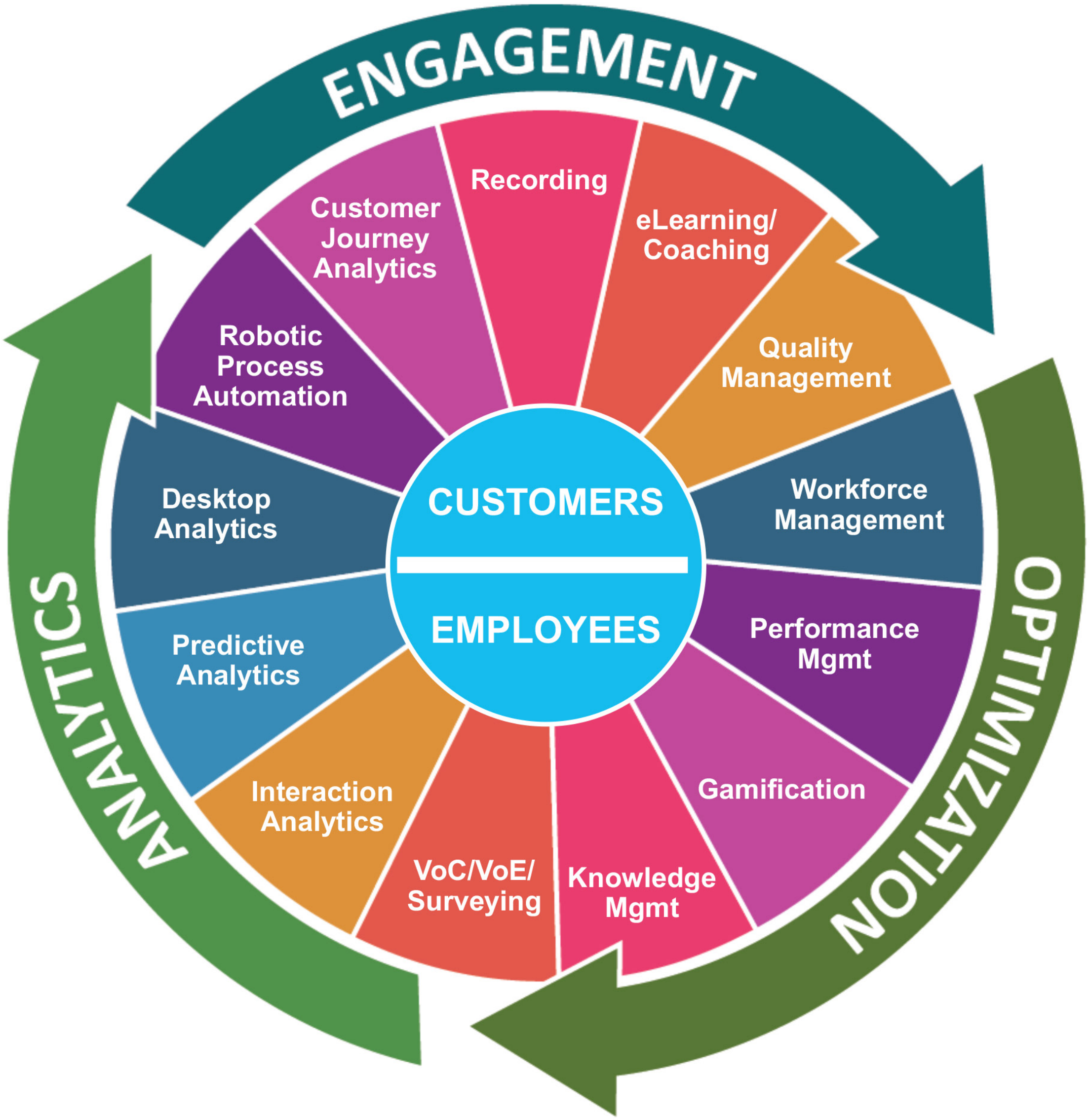
- ***Traditional contact center WFO suites are transforming into analytics suites:*** The core components of a WFO suite, recording and QM continue to be important productivity tools for companies. The new generation suites, however, incorporate automation and AI-enabled functionality to provide much-needed insight into employee engagement and the customer journey.

- ***Digital transformation of service environments is having a positive cascade effect on contact centers:*** Companies are investing in building omni-channel servicing environments, to deliver a consistently outstanding personalized customer experience. This will drive investments in omni-channel analytics to capture and measure the customer journey.

- ***Customer journey analytics is the next frontier:*** Customers are interacting with companies in a wide variety of channels, both self-service and human-assisted. It's critical for enterprises to find out which methods are working and where there are challenges to a frictionless customer experience. CJA will be an essential tool for capturing and analyzing all aspects of the customer journey, from the first touch through the entire customer lifecycle.

SAMPLE FIGURE

Enterprise Workforce Optimization


ENGAGEMENT
OPTIMIZATION
ANALYTICS
Recording
eLearning/ Coaching
Quality Management
Workforce Management
Performance Mgmt
Gamification
Knowledge Mgmt
VoC/VoE/ Surveying
Interaction Analytics
Predictive Analytics
Desktop Analytics
Robotic Process Automation
Customer Journey Analytics
CUSTOMERS
EMPLOYEES

Source: DMG Consulting LLC, January 2020

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