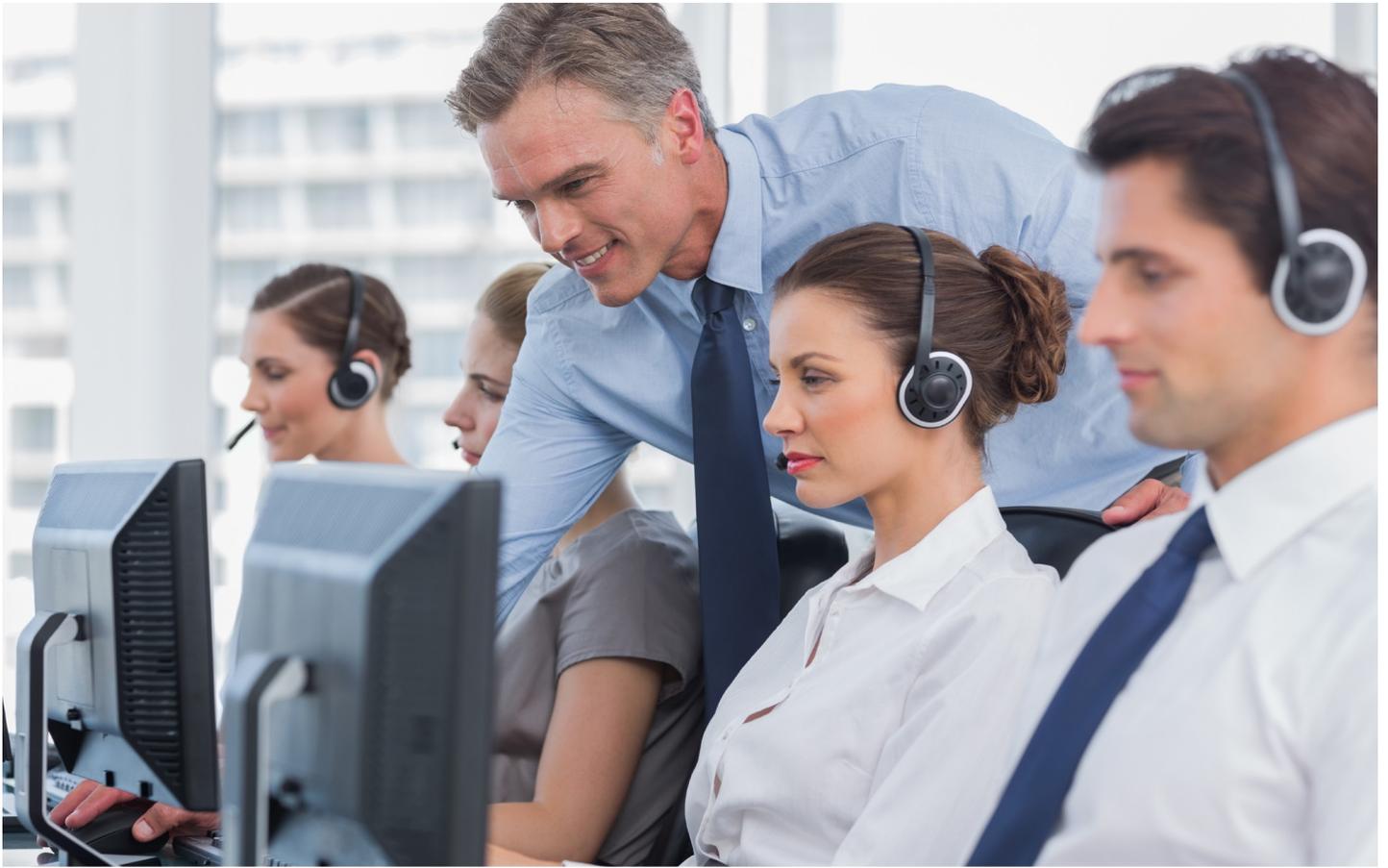
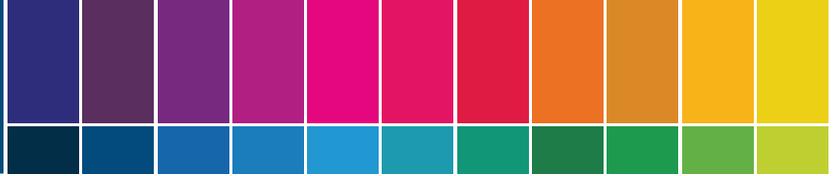
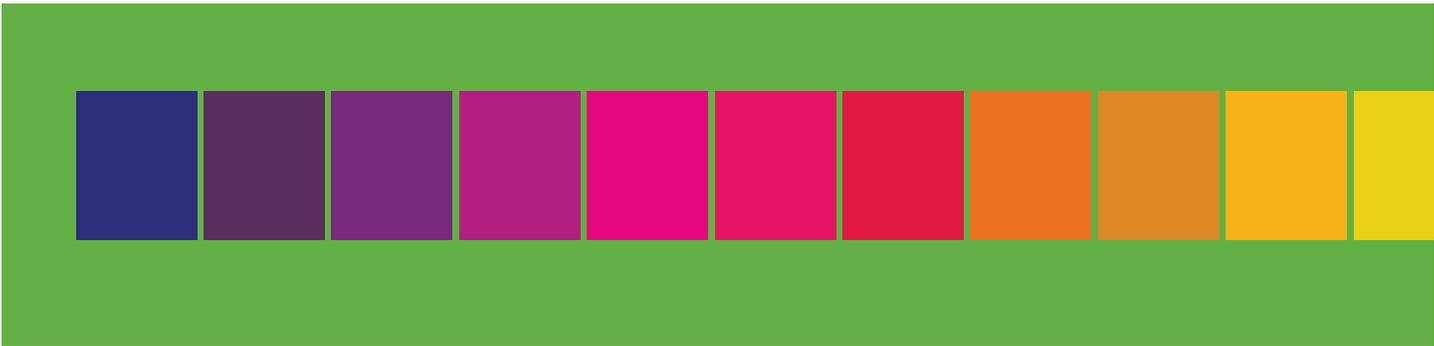


ABSTRACT



**2020 - 2021
Workforce Optimization
Product and Market Report**

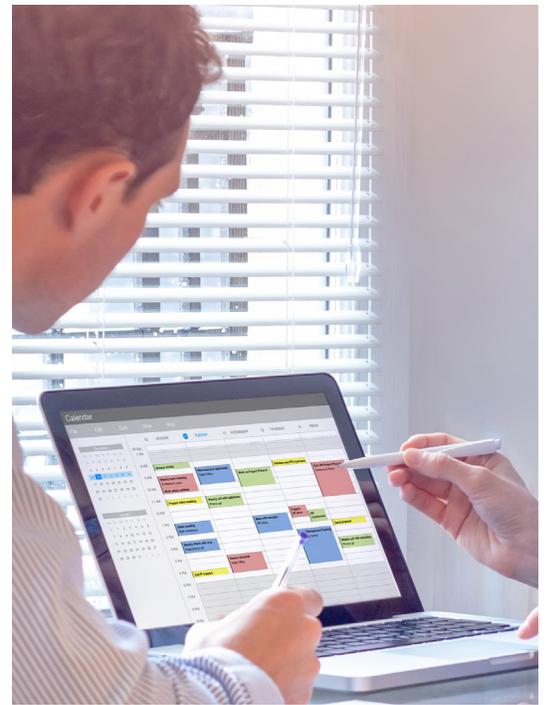




*This is the 17th annual edition of DMG Consulting's **Workforce Optimization Product and Market Report**. The Report focuses on contact center workforce optimization (WFO) and the vendors who offer WFO suites. WFO suites consist of recording and quality management (QM), the two core WFO applications, as well as at least 4 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), and predictive analytics. The Report also covers back-office and branch WFO capabilities.*

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Contact centers are changing at a dramatic rate, driven by companies' needs during the pandemic as well as the ongoing digital transformation. Many of the changes were on companies' roadmaps but have been sped up by as much as 2 – 4 years. Some of the most significant changes that have occurred in 2020 include migration of employees from offices to work-at-home (WAH), use of video as a primary channel of communication, adoption of a digital-first mindset, a growing consumer preference for self-service, and transition of contact center technology to the cloud. Even one of these changes would have been significant for the contact center market, but having all of them occur simultaneously represents the most dramatic period of change in the history of this market.

At the beginning of the pandemic, as lockdowns and quarantines were implemented around the world, contact centers demonstrated their flexibility and agility as they moved employees into home offices, sometimes within a matter of days. The companies that had the easiest time with this transition were those that had already migrated to contact-center-as-a-service (CCaaS) solutions. No one knows what the future will bring once the pandemic is past, but companies must be prepared to have at least some of their employees working from home and continue with their enterprise's digital transformation.

The WFO market is evolving and adapting to the needs of digitally transformed organizations. Vendors have invested in enhancing many of the components of their solutions with artificial intelligence (AI), machine learning (ML) and automation. Automation and AI are being used to improve contact center efficiency, quality and accuracy while reducing costs and enhancing agent engagement. These technologies are also enhancing self-service activities, which help improve the customer experience (CX), a primary goal for all service organizations, by meeting the needs of customers who increasingly prefer to help themselves.

The CCaaS market is growing at a rapid rate, a trend that is expected to continue for the next few years. Technology leaders in enterprises are looking to the CCaaS

vendors to act as general contractors and provide most of the applications they need to manage their departments. This is on its way to becoming the predominant acquisition model for WFO solutions in the future, as businesses prefer to use a single source for their technology needs. Another opportunity for sales of WFO solutions are the back-office and branch sectors. The addressable market for these essential business functions is substantially larger than for contact centers, and these departments can certainly benefit from the contributions of WFO suites. The challenge for the vendors, however, is to tailor these solutions to address the unique needs of these verticals and to convince leaders of their benefits.

Despite the economic recession brought about by the COVID-19 health crisis around the world, contact center WFO solutions have sold well during the past year. Although many segments of the contact center WFO suite market are mature, DMG expects the vendors to continue to execute well in the future. Contact center and enterprise managers need these solutions to provide insight into what is happening in their departments, throughout the company, as well as with customers. And as long as businesses continue to purchase these solutions, the WFO vendors will continue to innovate and enhance their offerings.

The 2020 – 2021 edition of the Workforce Optimization Product and Market Report features 8 leading and contending vendors: Aspect, Calabrio, DVSAAnalytics, Eleveo, Five9, NICE, OnviSource, and Verint. Authority Software is covered at a high level. The Report presents an in-depth analysis of the contact center WFO market, trends, competitive landscape, product suites, technology and innovation. This edition of the Report includes insightful discussions about the short- and long-term impacts of the COVID-19 pandemic, and analyzes how WFO solutions are helping contact centers and enterprises navigate in the "new normal." This Report is intended to help contact center, IT and enterprise leaders and managers in companies of all sizes select the right solution, technology, functionality and partner to meet their organization's current and future WFO needs.

Key Reasons to Buy this Report

- ⇒ WFO suites defined: an overview of the functional components of a WFO solution, including core and optional modules offered in the 8 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
- ⇒ Timely discussion of the critical role of artificial intelligence (AI), automation and analytics in keeping contact centers and service organizations up and running during the COVID-19 pandemic, including their ability to support a work-at-home (WAH) model
- ⇒ DMG's predictions for the future of WFO
- ⇒ A look at the relationship and changing dynamics between the WFO and cloud-based contact center infrastructure (CBCCI) market and how and from whom end-users want to acquire their technology
- ⇒ In-depth examination of the 12 key WFO suite components, including a comparative analysis of the functional capabilities in the 8 featured solutions for each application
- ⇒ Detailed revenue and market share analyses featuring first-half 2020 vs. first-half 2019 revenue comparisons, by vendor, based on GAAP revenue for total company, the contact center WFO segment, the recording (WFO) sector and QM
- ⇒ Review of the WFO competitive landscape and vendor competitive positioning, including company snapshots of the 8 featured WFO competitors
- ⇒ Comprehensive customer satisfaction survey results that measure and rank ratings across 13 WFO components, 7 product features, 7 product effectiveness categories and 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 analytics-enabled quality management (AQM), WFM, gamification, surveying, KM, and interaction analytics
- ⇒ Detailed company reports for the 9 WFO vendors covered in detail or at a high level, analyzing their products, functionality and future product development plans
- ⇒ Comprehensive WFO Vendor Directory



Report Highlights

- **Contact center WFO solutions have proven their value during the pandemic:** Even during a recession, such as the one that resulted from the pandemic, various components of WFO solutions sell well. These applications provide a variety of benefits, among the most important being their ability to help companies achieve oversight of employees who have moved out of the office and into remote, work-at-home workspaces. They are also excellent at providing visibility into customer needs and concerns, which was important before and even more so now.
- **The digital transformation and the pandemic are driving accelerated change in contact centers:** The pandemic has underscored technical and operational opportunities for companies, but many of these changes would have occurred eventually as a component of their digital transformations. However, the need to adapt to a rapidly changing business world during the coronavirus crisis has accelerated the necessary changes to contact centers by as much as 2 – 4 years.
- **The WFO vendors are investing in their solutions:** There has been a significant amount of R&D investment in the WFO market during the past 12 months. The vendors have enhanced their solutions with AI and ML and deepened integrations with third-party applications, enhanced and simplified administration environments, updated and improved user interfaces for agents and supervisors, built out use cases for real-time speech analytics, and introduced or revamped workforce management (WFM) solutions, and much more.
- **WFO solutions will likely be sold predominantly through CCaaS vendors in the future:** Contact centers of all sizes have migrated or are in the process of moving to CCaaS solutions. As these cloud solutions continue to improve, contact center and IT managers will look to their CCaaS vendors to be “general contractors” from whom they procure all the applications they need.
- **Although the WFO market is mature, it will likely continue to thrive:** Contact centers and enterprises need WFO solutions to identify and understand what is happening in their departments, throughout the company and with their agents and customers. Back offices and branches represent an untapped opportunity for WFO solutions, as long as the vendors tailor their offerings to suit the unique needs of these environments.



Contact Center Workforce Optimization Suite



Source: DMG Consulting LLC, December 2020

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