

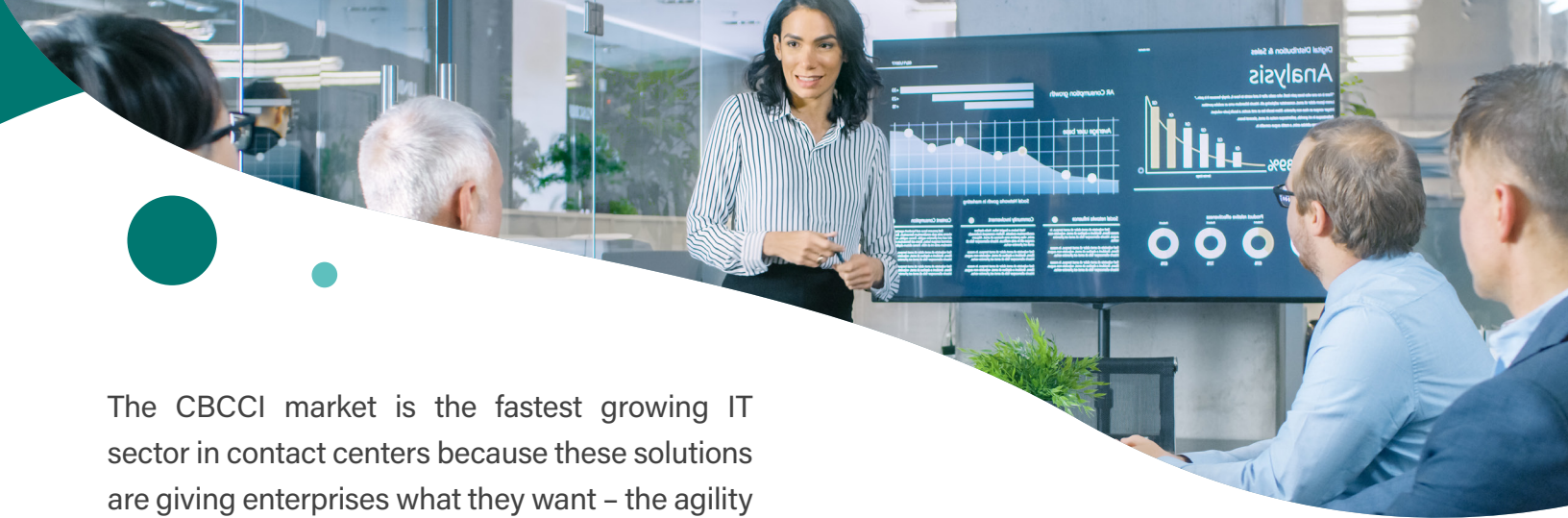


Abstract

2021 – 2022 Cloud-Based Contact Center Infrastructure Product and Market Report

This is the 14th annual edition of DMG Consulting LLC's *Cloud-Based Contact Center Infrastructure Product and Market Report*. The 2021-2022 edition continues DMG's comprehensive analysis of all aspects of the dynamic cloud-based contact center infrastructure (CBCCI) sector. The Report examines the competitive landscape and the business, market and technology trends driving this fast-growing and increasingly vital IT segment. This edition also looks ahead to the strategic and tactical requirements for contact centers to thrive in a post-pandemic world.





The CBCCI market is the fastest growing IT sector in contact centers because these solutions are giving enterprises what they want – the agility to meet their customers’ evolving inbound and outbound needs, in voice and digital channels. These vendors are investing heavily in research and development (R&D) to enable their clients to deliver an outstanding and differentiated customer experience, cost effectively. While the vast majority of contact center seats are still on-premise, the innovation is focused on cloud-based solutions. The adoption rate of CBCCI seats was only an estimated 17% as of the end of calendar year 2020, evidencing the substantial opportunities these vendors have to open up the rest of the contact center market. But this is just a small piece of the addressable market for these valuable customer-facing solutions. DMG Consulting predicts that CBCCI functionality will become a standard productivity tool across enterprises in the next 10 years. This means that CBCCI capabilities will be used by a large percentage of knowledge workers far beyond the contact center.

The new generation of CBCCI solutions feature robust architectural, processing and functional innovations that surpass the capabilities and flexibility of many of the older offerings. The solutions that were introduced to the market in the last few years leverage the newest technology and design principles. They can run in private and public cloud facilities and can also be deployed on-premise or in a hybrid mode.

Convenience is important to end users. Enterprises want to be able to adapt their customer-facing solutions quickly and easily. They expect their CBCCI solution to come with workforce optimization (WFO)/workforce engagement management (WEM) modules (quality management (QM), workforce management (WFM), surveying, etc.). Enterprises need robust out-of-the-box capabilities, as well as full integration with leading third-party customer relationship management (CRM) systems. A majority of the CBCCI solutions deliver this “all-in-one” functionality. However, organizations that want to build their own CBCCI solution can purchase an open contact center platform with programmable application programming interfaces (APIs) that allow full customization. Enterprises have over 200 CBCCI solutions from which to select, making this a highly competitive sector and a buyer’s market.

A significant focus of CBCCI innovation in 2021 has been the user interface (UI). Vendors have made major investments to simplify and enhance the agent experience by making it easier for agents to meet customers in their preferred digital or voice channel. The vendors are also introducing a variety of productivity and empowerment tools into their agent interfaces, including access to knowledge



bases, speech-to-text functionality, contextual search capabilities, and more. Advanced agent UIs now employ automation to reduce the amount of repetitive work required of agents and to deliver artificial intelligence (AI)-enabled next-best-action recommendations and real-time guidance. These features make it more efficient for agents, regardless of where they are located, to do their jobs by giving them a single “pane of glass” with visibility into their customers’ prior interactions and the ability to pivot effortlessly from one channel to another. This improves the agent experience and also makes it easier for customers to conduct their business – everyone wins.

Strengthening demand for CBCCI solutions during the past 18 months has driven a surge of activity in this market, including a substantial number of mergers and acquisitions. Enterprise software vendors from outside the contact center market are purchasing contact center vendors; CBCCI vendors are acquiring complementary applications, such as WFO/WEM capabilities; and CRM vendors are building and/or buying CBCCI capabilities. Given the large number of CBCCI competitors, it’s logical to expect this market to consolidate, as this may be the best way for some of the vendors to upgrade their platforms

and quickly grow their customer base. DMG expects the CBCCI market to continue to pick up momentum over the next 5 years, and likely for at least the following 10, as there are many premise-based contact center seats to replace and even more enterprise-wide opportunities opening up. It’s not a question of whether or not the CBCCI market grows rapidly, but rather what the growth rate will be.

The 2021 – 2022 Cloud-Based Contact Center Infrastructure Product and Market Report covers 11 leading and contending vendors: 8x8, Alvaria (formed by the merger of Aspect Software and Noble Systems), Bright Pattern, Cisco, Five9, NICE CXone, Puzzel, Salesforce, Twilio, UJET and Vonage. Salesforce is covered at a high level. The Report provides a detailed analysis of the vendors, products, functional capabilities and pricing. It also includes satisfaction survey results for each of the featured vendors. 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, functionality and partner to meet their organization’s current and future cloud-based contact center infrastructure needs.

Report Highlights

- **The future of contact center technology is in the cloud:** Innovation in the contact center market is focused on cloud-based solutions. Vendors that offer both on-premise and cloud-based solutions are delivering new and improved features first to the cloud and then retrofitting enhancements to their premise-based models.
- **Cloud-based contact center functionality is expected to become a standard productivity tool in many enterprises in the next 10 years:** DMG Consulting expects that contact center functionality, including CBCCI solutions, will be consumed by a majority of enterprise personnel, greatly expanding the total addressable market for these capabilities.
- **2021 is the year of the UI:** A new generation of AI-enabled agent desktop applications make it easier for employees – whether on-site, working from home or hybrid – to do their job, while enhancing the customer experience and reducing the time and cost of servicing.
- **The CBCCI market is active, and the future looks very bright:** Enterprise software vendors are purchasing CBCCI solutions and other complementary contact center applications and capabilities to enhance their offerings. DMG also expects to see more like-to-like acquisitions of CBCCI solutions during the next few years as this market continues to grow rapidly.



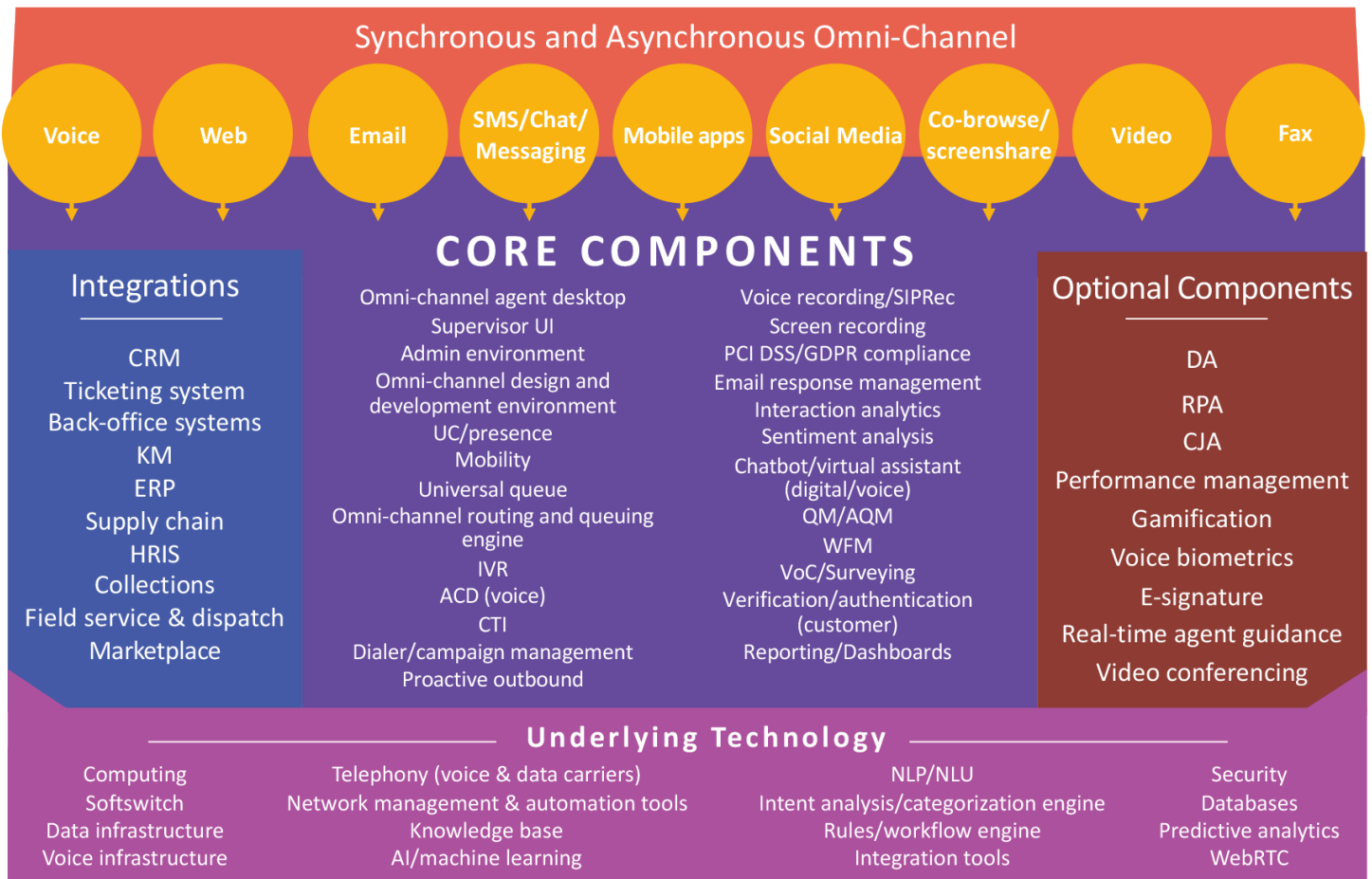
Key Reasons to Buy This Report

- ▶ Overview of the core and optional functional building block components of CBCCI solutions
- ▶ Business and market trends and challenges that are influencing investments and accelerating innovation and adoption
- ▶ CBCCI market innovation, including a review of capabilities and functionality that have been recently introduced or are planned to be delivered in the next 12 – 18 months
- ▶ How COVID-19 became a catalyst for change in the world of customer service and contact centers, accelerating digital transformation and other enhancements and innovations
- ▶ How AI is going to alter and improve contact center technology and operations during the next 5 – 20 years
- ▶ How customer expectations for a great service experience have been altered by the pandemic, and what delivering an outstanding customer experience (CX) means today and post-pandemic
- ▶ Timely discussion of the pivotal role of CBCCI solutions in the contact center's ability to support a work-at-home (WAH) and hybrid staffing model
- ▶ Review and assessment of the CBCCI competitive landscape, including a high-level company overview and key functional capabilities of the CBCCI solutions, with a high-level overview of the WFO/WEM components in the featured CBCCI solutions
- ▶ High-level technical components overview, including administration and provisioning, recording, security and compliance, business intelligence (BI) analytics and reporting, and data center, backup, disaster recovery (DR) and business continuity (BC) capabilities
- ▶ Implementation analysis; vendor implementation methodology and best practices, professional services, training and workshops, return on investment (ROI) time frame and service level agreements (SLAs)
- ▶ Customer satisfaction survey results that measure and rank the vendors across 12 vendor categories, 10 product features, 7 platform features and 5 WFO/WEM applications
- ▶ Vendor pricing structure and a breakdown of one-time and ongoing costs for a 250-seat CBCCI implementation for a voice only, omni-channel and digital-channel-only implementation for the 10 solutions featured in this Report
- ▶ Detailed company reports for the CBCCI solution providers covered in the report, analyzing their products, functionality and future R&D plans
- ▶ CBCCI Vendor Directory



Sample Figure:

CBCCI Building Blocks



Source: DMG Consulting LLC, October 2021

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