

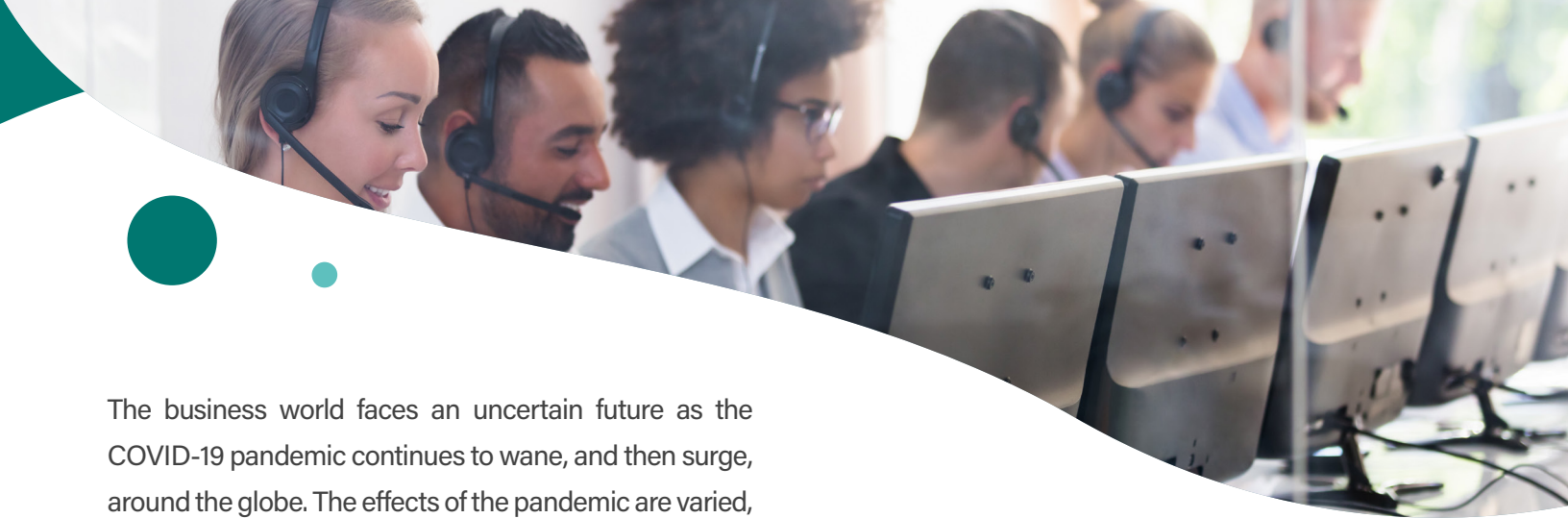


Abstract

Contact Center Workforce Optimization/Workforce Engagement Management Mid-Year Market Share Report

DMG Consulting's 17th annual *Contact Center Workforce Optimization/ Workforce Engagement Management Mid-Year Market Share Report* provides a thorough review of this vital technology sector. The Report delivers a detailed analysis of the revenue, market share and performance of this market and its competitors. In the past, DMG referred to this sector by its traditional name, workforce optimization (WFO). Although the term WFO is still used in the market, the title has been adjusted to include workforce engagement management (WEM), as this has become an accepted name for this sector. Neither name fully captures the essence of these solutions, however, as they are as valuable for enhancing the customer experience (CX) as they are for improving employee engagement and productivity.





The business world faces an uncertain future as the COVID-19 pandemic continues to wane, and then surge, around the globe. The effects of the pandemic are varied, with business thriving for some companies while others have closed their doors. The international economy has changed greatly over the last 18 months, and many of the changes are positive and lasting. Due to the tremendous value of WFO/WEM suites, this market has performed well in the first six months of 2021.

The WFO suite vendors earned total company GAAP revenue of \$1,895.9 million in the first half of 2021. (This includes sales of related products and services such as contact center infrastructure (on-premise and cloud-based automatic call distributors (ACDs) and dialers), intelligent virtual agents (IVAs), outsourcing, and more.) Of this total 2021 first-half revenue, \$1,121.1 million is attributable to sales of contact center WFO suite products and services. This is a healthy 8.1% increase in revenue over the same period in 2020.

The contact center WFO/WEM market has shown great resiliency for decades, performing well in both strong and weak economies. These suites enhance the CX, improve employee engagement, and increase productivity – goals that are important in flourishing economies and are even more essential when the economy is challenged. The pandemic highlighted the value of WFO/WEM solutions. At the outset of the health crisis, companies sent their employees home to work. Work-at-home (WAH) proved to be a viable staffing option, and WFO/WEM solutions, particularly cloud-based applications, were essential contributors

to employers' ability to oversee and manage agents' performance remotely.

There is great opportunity to use WFO/WEM solutions in many enterprise departments to improve quality, employee engagement, productivity and the company's bottom line. Today's WFO/WEM solutions provide the oversight, analytics, automation and intelligence enterprises need to deliver the outstanding experience that customers want. DMG expects that over the next few years, WFO/WEM capabilities will become standard employee productivity tools throughout the enterprise. To achieve this goal, however, the vendors need to rethink and retool their salesforce and marketing to address the challenge of enterprise sales.

The 2021 Contact Center Workforce Optimization/Workforce Engagement Management Mid-Year Market Share Report provides a detailed breakdown and analysis of revenue for the following 20 named vendors: 8x8, Alvaria, ASC, Avaya (high-level revenue only), Calabrio, DVSA Analytics, Eleveo, Enghouse, Envision, Five9, Genesys, HigherGround, Lifesize, Mitel, NICE, OnviSource, OpenText, Playvox, Verint and Xarios. The named vendors comprise 99.4% of the total company revenue for the WFO suite market; the remaining 0.6% (16 vendors) is addressed in the "Other" category.

Report Highlights

- **The WFO/WEM sector showed strong results in the first half of 2021:** Total company GAAP revenue for first-half 2021 was \$1,895.9 million, \$1,121.1 million of which was attributable to sales of contact center WFO suites and services. This increase of \$84.4 million, 8.1%, over the prior year is a very robust rate of growth for this mature market.
- **WFO/WEM solutions are invaluable for oversight of remote employees:** When the pandemic drove most workers home for their health and safety, their productivity remained high, as managers and supervisors could oversee their performance remotely with WFO/WEM solutions. As the world emerges into a “new normal” that includes work-at-home and hybrid staffing, these applications will remain essential for visibility into employee performance, both inside and outside of the office.
- **Migration to the cloud is the future for WFO/WEM solutions:** The rate of migration to the cloud has picked up momentum over the last few years. DMG expects more than 50% of contact center WFO/WEM revenue to come from cloud-based or hybrid implementations by the end of fiscal 2022.
- **It's time for WFO/WEM solutions to become standard employee productivity tools:** The WFO/WEM applications can contribute greatly to many enterprise departments, improving quality, employee engagement and productivity. These solutions also provide the data and intelligence needed to help companies deliver a consistently outstanding CX.

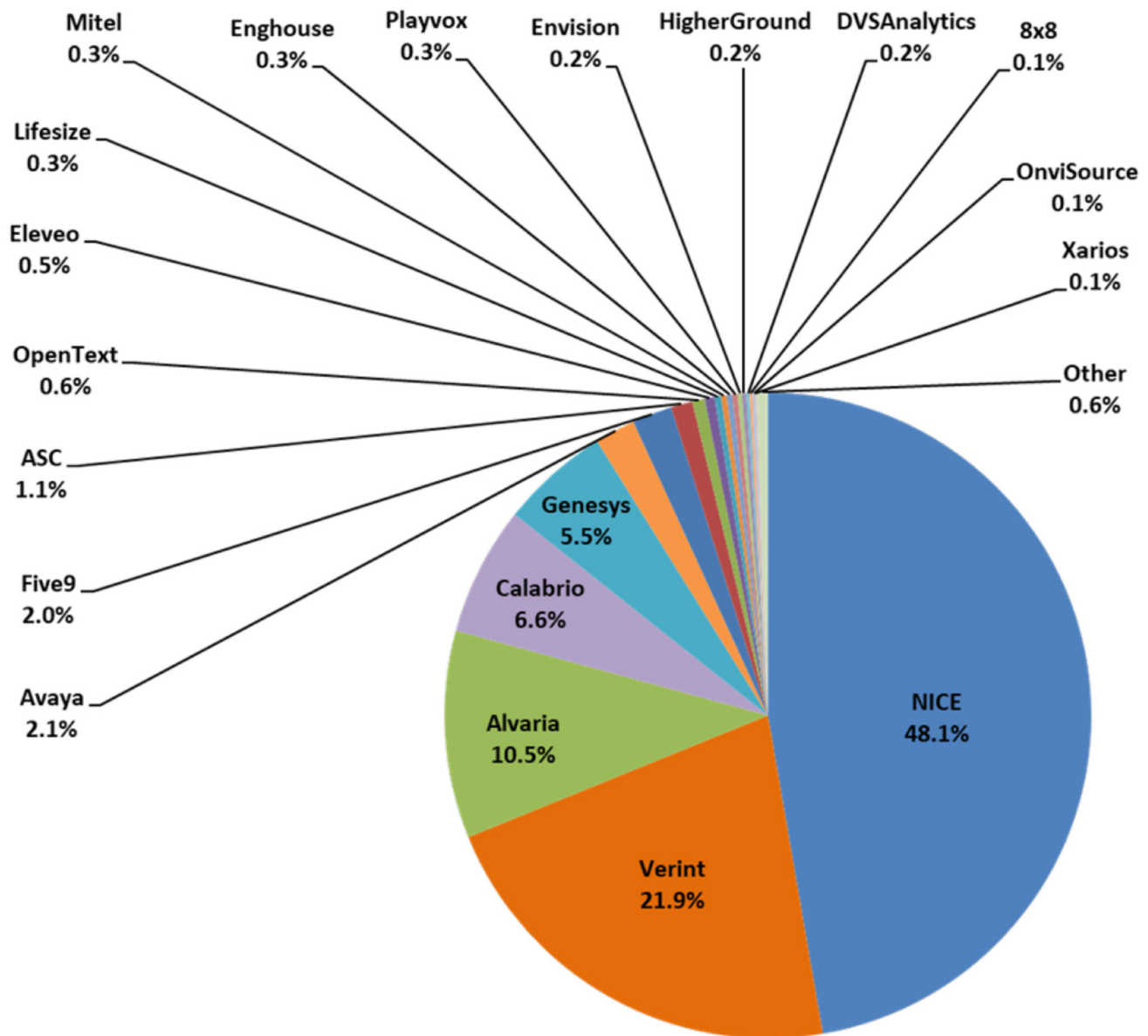


Key Reasons to Buy This Report

- ▶ Market projections by WFO/WEM application segment for the 5-year period from 2021 – 2025, for recording, QM, WFM, CCPM, gamification, surveying/VoC, IA, desktop analytics, RPA, KM and customer journey analytics
- ▶ Total company GAAP revenue and market share analysis for all vendors who sell workforce optimization suites for contact centers and other uses
- ▶ Detailed revenue and market share analyses by vendor, broken down by the contact center WFO segment, total WFO solutions, recording (including contact center and non-contact-center recording), QM, IA and contact center WFM
- ▶ Growth-rate comparisons by vendor for the fiscal first half of 2021 vs. the same period in 2020
- ▶ Detailed analyses of the 20 leading and contending vendors in the various WFO sectors



First-Half 2021 Total Company GAAP Revenue Market Share for WFO Competitor



Source: DMG Consulting LLC, October 2021

Table of Contents

1. Executive Summary
2. Introduction
3. Financial Information Sources
4. Debates about Methodology
5. DMG's Methodology
6. WFO/WEM Revenue Projections, 2021 – 2025
7. Total GAAP Revenue and Market Share, First-Half 2021 vs. First-Half 2020 (all WFO-related vendors)
8. Total Contact Center WFO Revenue and Market Share, First-Half 2021 vs. First-Half 2020
9. Total WFO Revenue and Market Share, First-Half 2021 vs. First-Half 2020 Comparison
10. Total Recording Revenue and Market Share, First-Half 2021 vs. First-Half 2020 Comparison
11. Total Contact Center Recording Revenue and Market Share, First-Half 2021 vs. First-Half 2020 Comparison
12. Total Non-Contact-Center Recording Revenue and Market Share, First-Half 2021 vs. First-Half 2020 Comparison
13. Quality Management Revenue and Market Share, First-Half 2021 vs. First-Half 2020 Comparison
14. Interaction Analytics Revenue and Market Share, First-Half 2021 vs. First-Half 2020 Comparison
15. Contact Center Workforce Management Revenue and Market Share, First-Half 2021 vs. First-Half 2020 Comparison

Table of Figures

- Figure 1: The New Employee Productivity Bundle
- Figure 2: WFO Revenue Projections, 2021 – 2025
- Figure 3: Total Company GAAP Revenue and Market Share, First-Half 2021 vs. First-Half 2020 Comparison
- Figure 4: Total Company GAAP Revenue, First-Half 2021 vs. First-Half 2020 Comparison
- Figure 5: First-Half 2021 Total Company GAAP Revenue Market Share for WFO Competitors
- Figure 6: Contact Center WFO Revenue and Market Share, First-Half 2021 vs. First-Half 2020 Comparison
- Figure 7: Total Contact Center WFO Revenue, First-Half 2021 vs. First-Half 2020 Comparison
- Figure 8: Total Contact Center WFO Market Share, First-Half 2021
- Figure 9: Total WFO Revenue, First-Half 2021 vs. First-Half 2020 Comparison
- Figure 10: Total WFO Revenue, First-Half 2021 vs. First-Half 2020 Comparison
- Figure 11: First-Half 2021 Total WFO Market Share
- Figure 12: Total Recording, First-Half 2021 vs. First-Half 2020 Comparison
- Figure 13: Total Recording Revenue, First-Half 2021 vs. First-Half 2020 Comparison
- Figure 14: Total Recording Market Share, First-Half 2021
- Figure 15: Contact Center Recording Revenue and Market Share, First-Half 2021 vs. First-Half 2020 Comparison
- Figure 16: Total Contact Center Recording Revenue, First-Half 2021 vs. First-Half 2020 Comparison
- Figure 17: Total Contact Center Recording Market Share for First-Half 2021
- Figure 18: Non-Contact-Center Recording, First-Half 2021 vs. First-Half 2020 Comparison
- Figure 19: QM Revenue and Market Share, First-Half 2021 vs. First-Half 2020 Comparison
- Figure 20: QM Revenue, First-Half 2021 vs. First-Half 2020 Comparison
- Figure 21: QM Market Share, First-Half 2021
- Figure 22: Interaction Analytics Revenue and Market Share, First-Half 2021 vs. First-Half 2020 Comparison
- Figure 23: Interaction Analytics Revenue, First-Half 2021 vs. First-Half 2020 Comparison
- Figure 24: Interaction Analytics Market Share, First-Half 2021
- Figure 25: Contact Center WFM Revenue and Market Share, First-Half 2021 vs. First-Half 2020 Comparison
- Figure 26: Contact Center WFM Revenue, First-Half 2021 vs. First-Half 2020 Comparison
- Figure 27: Contact Center WFM Market Share, First-Half 2021



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