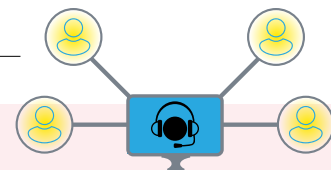# BUYER'S GUIDE TO CONTACT CENTER TECHNOLOGY: SCOPE AND SOURCING

*"Some of the key differences between cloud and premise are blurring as vendors offer (and downright encourage!) purchase models based on subscription pricing."*

Contact Center
**pipeline**

# BUYER'S GUIDE TO CONTACT CENTER TECHNOLOGY: SCOPE AND SOURCING

## Five key decisions will put you on the right path.

BY LORI BOCKLUND, STRATEGIC CONTACT

I n my last column, I provided a buyer's guide to cloud technology—focused on pricing, service level agreements (SLAs) and the statement of work (SOW) (see "Buyer's Guide to Cloud Solutions," *Pipeline*, July 2020). But let's back up a bit. What if you don't know if you are ready to go to the cloud? Or what if you are trying to figure out the project scope and which vendors to consider? Or what if you want to leverage what you've already got (e.g., Salesforce.com) or tie an upcoming investment into what you hope to pursue (e.g., Google Contact Center AI)? This broader guide may help you navigate the increasingly *interesting* waters of contact center technology.
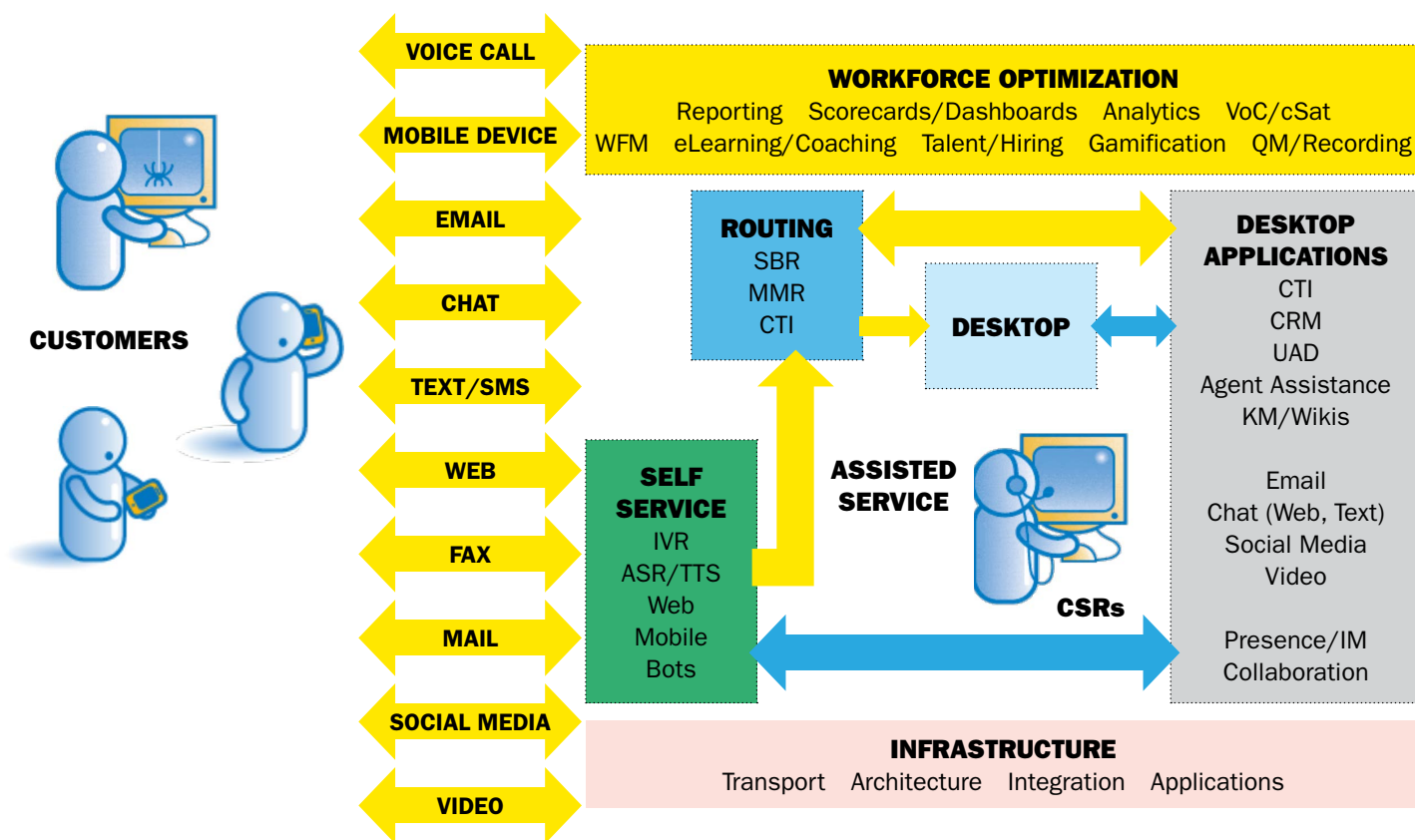
Five key decisions—two on Scope, three on Sourcing—will put you on the right path.

## SCOPE: Unified Communications or Not?

Often, buyers need to replace an aging PBX that also provides their contact center technology—perhaps from Avaya, Cisco or Mitel. Or, the company will keep the enterprise telephony platform but opt for a new contact center technology platform, often cloud-based. That all seems straightforward.

Now, broaden the view from "phone systems" into "Unified Communications" (UC) with voice, video, and collaboration and decisions can get a bit trickier. The world we've lived in with coronavirus and remote working has further transformed how people work, spending their day on Zoom, Microsoft Teams, Google Hangouts, Cisco Webex, GoToMeeting or other voice and video con-

## Does Size Matter?

It seems small centers and big centers have much in common in pursuing omnichannel service delivery and a great customer experience. Centers of any size may move to the cloud or seek artificial intelligence applications. But centers can have distinct differences when it comes to contact center technology—IT resources available, budget for CCT, support resources to use tools for workforce optimization or administer routing and reporting, etc. And they can have different experiences with who influences buying decisions.

As you look at the five key decisions in this article, make sure you factor in your center size in terms of how it impacts your resources and budgets. Here are a few examples:

- If you don't have many IT resources, put extra emphasis on the roles the vendor or VAR can play in administrative support for moves/adds/changes or advising your CC staff on how to apply technology.

- You might also put extra emphasis on the suite or hybrid/ecosystem approach and make sure the vendors work and play well together. The less reliance you have on IT for integrations the better.

- If your budget doesn't enable you to go as far as you might hope, probe the bundles the vendor offers, and make sure you get them into a competitive battle to win you over.

- If IT is bigger, more powerful and/or more involved, make sure IT and the business get on the same page about how scope and sourcing decisions will be made.

**FIGURE 1:** Overview of Contact Center Technology

ferencing platforms. So "traditional" cloud UC providers (aka UC as a Service or UCaaS) like 8x8, RingCentral and Vonage, have some interesting new competition, as do the traditional PBX vendors that evolved into UC players. These vendors may offer UC *and* CC but not every buyer wants or needs both! This important decision can be intertwined with other scope and sourcing decisions. The levels of integration can vary and some vendors will help you migrate with a hybrid premise/cloud approach.

**THE BOTTOM LINE:** Don't isolate your contact center technology decisions from your UC plans. Look at the whole picture and make informed decisions.

## SCOPE: Core CCT, WFO, the Desktop and More

I've used **FIGURE 1** in seminars and articles for years, and it keeps evolving with the market. The key message in this buyer's guide is to consider *many* technologies as you pursue new contact center solutions. Take inventory of what you have and define which elements you will keep and which you will replace. Do a gap analysis and prioritize your "wish list," even if that includes some phasing since you can't have it all day one.

Having set your plan, determine if you will seek everything from a single provider or be open to vendors providing subsets or certain elements. With powerful niche solutions (e.g., knowledge management, unified agent desktop, bots for self-service or agent assistance) as well as rich suites (e.g., for workforce optimization), you have a lot to consider!

A key caution: As you pursue omnichannel, define where the various channels will be managed and how they fit together—for routing, reporting, agent skills, and the variety of workforce optimization capabilities such as workforce management and quality monitoring. Consider what you do in your CRM (e.g., Salesforce or Microsoft Dynamics) or with niche channel solutions. It's easy for *sellers*
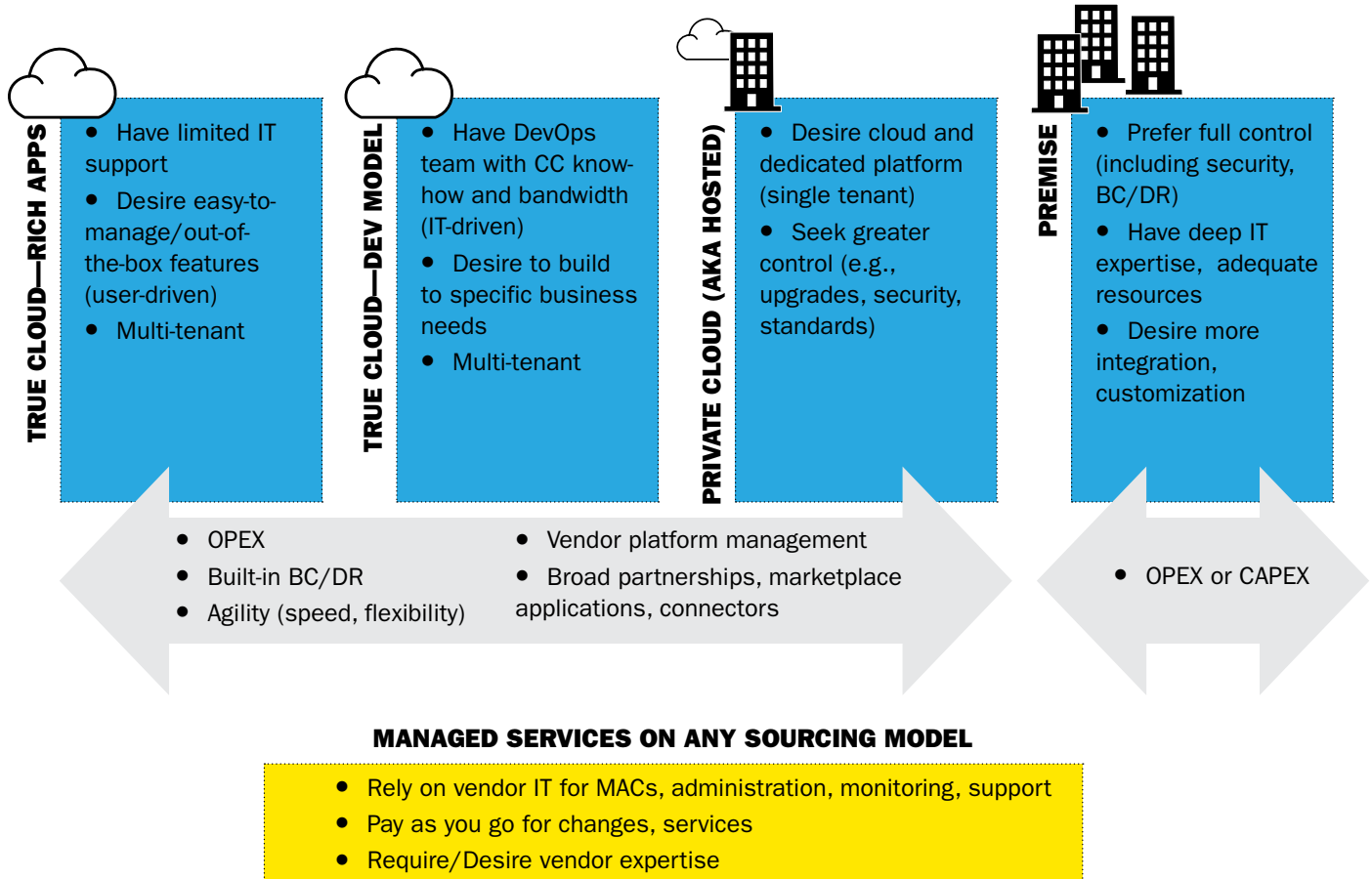
to convince *buyers* that various systems integrate easily, they have connectors and APIs, they've done it countless times... but how you use that variety of technologies and your business and operational expectations are unique.

**THE BOTTOM LINE:** Clearly define your scope for any contact center technology pursuit and make it clear what you expect of your *new* technology and how it will fit with your *existing* technology.

## SOURCING: Premise and the Variations on Cloud

**FIGURE 2** summarizes the key sourcing decision in the market today—variations on cloud, and where each fits, along with premise. Multi-tenant true cloud options can have highly developed applications, focus on the development platform, or both! In fact, many vendors are trying to straddle both these worlds so that buyers can have it all (e.g., use bought capabilities, extend them

**FIGURE 2: Premise and the Variations on the Cloud**

**TRUE CLOUD—RICH APPS**
- Have limited IT support
- Desire easy-to-manage/out-of-the-box features (user-driven)
- Multi-tenant

**TRUE CLOUD—DEV MODEL**
- Have DevOps team with CC know-how and bandwidth (IT-driven)
- Desire to build to specific business needs
- Multi-tenant

**PRIVATE CLOUD (AKA HOSTED)**
- Desire cloud and dedicated platform (single tenant)
- Seek greater control (e.g., upgrades, security, standards)

**PREMISE**
- Prefer full control (including security, BC/DR)
- Have deep IT expertise, adequate resources
- Desire more integration, customization

- OPEX
- Built-in BC/DR
- Agility (speed, flexibility)

- Vendor platform management
- Broad partnerships, marketplace applications, connectors

- OPEX or CAPEX

**MANAGED SERVICES ON ANY SOURCING MODEL**
- Rely on vendor IT for MACs, administration, monitoring, support
- Pay as you go for changes, services
- Require/Desire vendor expertise

through a marketplace, and/or build their own through use of the APIs). Amazon and Twilio are the disrupters in this space, and many entrenched cloud solution providers have responded.

Some "cloud" solutions are private, hosted versions of what a premise solution looks like. And traditional premise vendors are happy to help a customer make that transition. Some of the key differences between cloud and premise are blurring as vendors offer (and downright encourage!) purchase models based on subscription pricing, as outlined in FIGURE 3. Vendors want to help buyers in their transition to the cloud. They also want to leave behind the challenges of maintaining back versions of premise solutions.

**THE BOTTOM LINE:** Make thoughtful decisions about how and when to move to the cloud that match your environment, investments, resources and expectations.

## SOURCING: Best-of-Breed or Suite or Hybrid?

I have outlined the best-of-breed versus suite trade-off with countless clients and seminar attendees. That debate has now shifted into a world that I call the "hybrid/ecosystem" where buyers can hope to have the best of both worlds.
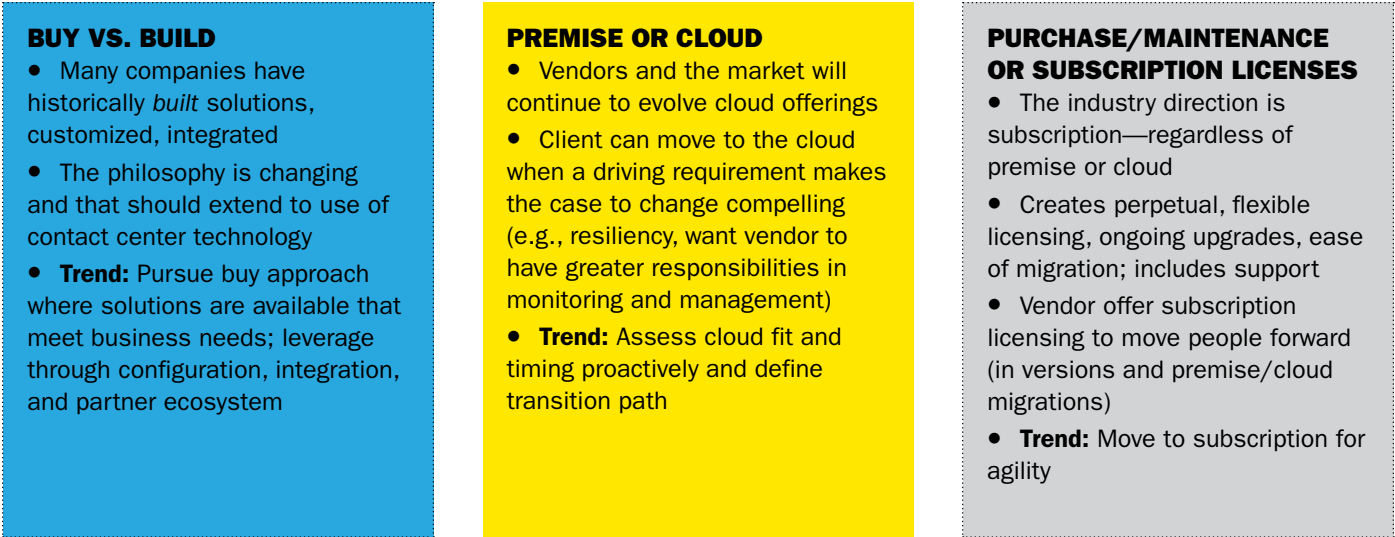
As FIGURE 4 shows, the hybrid is also driven by the market as cloud vendors offer an ecosystem of partners—with products and services—to be the "go-to" resource to help a contact center get everything they need and have it all work seamlessly together. (I'm being optimistic here!) The center of the ecosystem is an interesting consideration for contact centers. Is it the omnichannel routing platform like Genesys, Five9, Talkdesk or NICE inContact? Is it the CRM, like Salesforce.com or Microsoft Dynamics? Or, is it the innovation leaders, such as Amazon and Google?

As you look at the diversity of technologies in Figure 1 and consider your world, you may find a single "sun" or determine you have multiple "stars" in your ecosystem.

As most companies come from a best-of-breed (or just mixed breed!) environment, it's important again to assess the current state and define what stays and what goes, which vendors are a good partner to consider going forward, or which should be relegated into an ecosystem niche player. And, if you're looking at new vendors (or VARs), look for a broad ecosystem from someone that can be a strategic partner as your business and technology evolves.
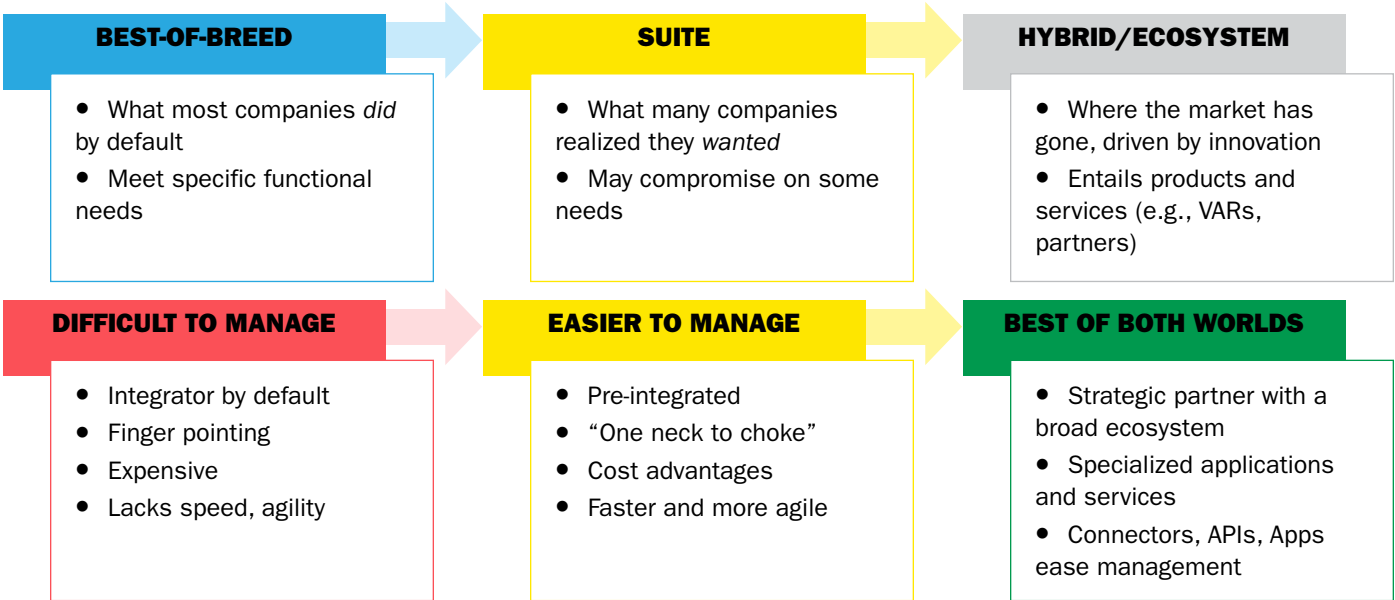
**THE BOTTOM LINE:** The market is moving to the hybrid/ecosystem approach. As you plan for your next technology, make sure you consider how a buying approach that takes advantage of that can help you go farther, faster, and continue to enhance your capabilities.

**FIGURE 3:** Additional Sourcing Considerations

**BUY VS. BUILD**
- Many companies have historically *built* solutions, customized, integrated
- The philosophy is changing and that should extend to use of contact center technology
- **Trend:** Pursue buy approach where solutions are available that meet business needs; leverage through configuration, integration, and partner ecosystem

**PREMISE OR CLOUD**
- Vendors and the market will continue to evolve cloud offerings
- Client can move to the cloud when a driving requirement makes the case to change compelling (e.g., resiliency, want vendor to have greater responsibilities in monitoring and management)
- **Trend:** Assess cloud fit and timing proactively and define transition path

**PURCHASE/MAINTENANCE OR SUBSCRIPTION LICENSES**
- The industry direction is subscription—regardless of premise or cloud
- Creates perpetual, flexible licensing, ongoing upgrades, ease of migration; includes support
- Vendor offer subscription licensing to move people forward (in versions and premise/cloud migrations)
- **Trend:** Move to subscription for agility

**FIGURE 4:** Evolution of the Market to a Hybrid Best-of-Breed/Suite Approach

**BEST-OF-BREED**
- What most companies *did* by default
- Meet specific functional needs

**SUITE**
- What many companies realized they *wanted*
- May compromise on some needs

**HYBRID/ECOSYSTEM**
- Where the market has gone, driven by innovation
- Entails products and services (e.g., VARs, partners)

**DIFFICULT TO MANAGE**
- Integrator by default
- Finger pointing
- Expensive
- Lacks speed, agility

**EASIER TO MANAGE**
- Pre-integrated
- "One neck to choke"
- Cost advantages
- Faster and more agile

**BEST OF BOTH WORLDS**
- Strategic partner with a broad ecosystem
- Specialized applications and services
- Connectors, APIs, Apps ease management

## SOURCING:
### Vendor Direct and Partners

One last sourcing decision to consider is whether to buy directly from a vendor or through one or their partners—variously called value-added resellers (VARs), system integrators (SIs), channel partners, etc. In some instances, this decision will be made for you based on the vendor's business model—some are direct only, some rely almost exclusively on partners (with occasional exceptions, for example for large strategic accounts). In other cases, you have options and should explore the trade-offs and fit for your environment.

On the surface, it may appear direct is better for access to development, engineering, product management, etc. However, partners may offer more extensive product suites, implementation resources and support services. If you like the ecosystem concept, consider that while vendors have an ecosystem their partners may create a broader one. If ongoing support is a key factor for you, explore the vendor and partner offers in this realm. Many are now seeing this as a differentiator and offering value-added services—

# Master Agents and Their Sub-Agents

One more thing to be aware of in the pursuit of contact center technology: Master Agents and Sub-Agents. These sellers operate as a *broker*, representing a broad range of vendors and helping buyers select, procure and implement among them. They may offer a wide range of telecommunications technologies (beyond contact center technology). Agents position as "independent" and may put pricing for multiple options in front of a buyer. They can act as "consultants" in the decision process and may even provide implementation services at no charge. They make their money on the backend based on percentages of licensing or usage costs.

If you are going to work with an Agent, it's important to understand how they differ from the other types of vendor partners. I think the VARs or SIs would argue they have a deeper relationship with the products and more in-depth knowledge and services than Agents. And as noted, many have value-added solutions that work with the vendor products.

Agents also differ from independent consultants (full disclosure—this is what I am!) who may help you define requirements, evaluate options and/or provide implementation services. Independent consultants do not get paid by the seller; they are paid by the buyer and represent the buyer's interests in all stages of the project.
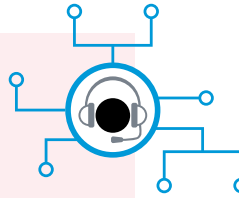
for free or at a cost—that help you get more out of the solution and continue to meet your business needs. Making buying even more interesting, partners may have a variety of vendor solutions to offer. They can look at a buyer's requirements and suggest the best option(s) to fit.

**THE BOTTOM LINE:** As you consider which solution options to consider, approach the direct versus partner question with an open mind and define the factors that are most important to you short-term and long-term. ◉

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