FROST & SULLIVAN

BEST PRACTICES

AWARDS

FROST & SULLIVAN

BEST
2020 PRACTICES
AWARD

AVAYA

ASIA-PACIFIC INBOUND CONTACT ROUTING SYSTEMS MARKET LEADERSHIP AWARD

Contents

Letter of Congratulations

I am proud to present you with this year's award for market leadership in the inbound contact routing systems industry.

Frost & Sullivan's global teams of analysts and consultants research a wide range of markets across multiple industries and regions. A core aspect of the research is to determine the leaders in each market, or, to be precise, the market share leaders. This is a rigorous exercise that involves analyzing revenue and shipments for each company, and cross-verifying this analysis through primary and secondary research, ultimately resulting in a clear determination of the market leader. As such, Frost & Sullivan is pleased to recognize Avaya as the market leader in the inbound contact routing systems industry.

Achieving market leadership is never an easy task, and is made even more difficult considering today's competitive intensity, customer volatility, and economic uncertainty—not to mention the difficulty of innovating in an environment of escalating challenges to intellectual property. In this context, your receipt of this award signifies an even greater accomplishment.

Frost & Sullivan recognizes that this accomplishment is the result of many employees, customers, and investors making daily choices to support your organization and contribute in a meaningful way to its future.

I enthusiastically acknowledge and celebrate these achievements, and wish you great success in the future. Frost & Sullivan is here to support you on any future endeavor.

Sincerely yours,

David Frigstad
Chairman
Frost & Sullivan

Background and Company Performance

Industry Challenges

Leading industry brands are aware that providing an outstanding customer experience will differentiate them from their competitors. Contact centers are fast becoming the first point of connection with customers and the industry has been trying to keep up with changing customer preferences. Contact centers aim to transform the customer journey through the deployment of a seamless omnichannel experience that leverages artificial intelligence (AI), machine learning (ML), self-service automation, chatbots, robotic process automation (RPA), and real-time analytics solutions.

While new digital channels such as virtual assistants, chatbots, messaging applications, and speech-enabled connected-home devices are rapidly being introduced, human interaction remains essential to the overall customer experience. Organizations are looking to augment the contact center workforce and balance their human and digital resources.

Contact centers are leveraging a suite of comprehensive customer experience solutions that allow them to increase customer satisfaction, customer loyalty, first-call resolution, and overall operational efficiency.

Application vendors want to resolve this overreaching issue for different contact centers with varying levels of maturity. Business leaders in the industry need to enhance product sets by combining best practices for solution development while thoughtfully moving their customers from traditional customer service methods to full-featured, modern omnichannel service delivery.

Market Leadership of Avaya

Avaya is well recognized as a leading global contact center solution vendor that delivers innovative, intelligent, and secure customer experiences. The company is headquartered in California, and provides contact center applications, unified communications and digital transformation products, and services to global businesses. Avaya differentiates itself with its Avaya Intelligent Xperiences (IX) product portfolio, which includes agent desktop, omnichannel engagement, and advanced workforce engagement for supervisors. It stands apart from its competitors with its digital transformation initiatives that infuse AI, automation, analytics, and real-time insights capabilities to provide unique and context-driven customer experiences.

Implementation Excellence

Avaya's channel partner program, Avaya Edge, provides growth opportunities to more than 4,200 partner channels globally. This comprehensive program focuses on channel partner needs to drive business opportunities and helped Avaya record notable partner growth in the last two years.

The company's professional services team that consists of planning, support, and management services helps clients to optimize solutions and simplify deployment and

installation processes. The team includes highly experienced business leaders who help clients with planning and consulting, while guiding them in their digital transformation journey.

Avaya is pushing its subscription license model by offering communication systems at subscription prices to allow businesses the freedom to decrease business risk, control upgrade cycles, better manage budgeting and purchasing processes, and increase flexibility when adding new services and users.

Avaya focuses on its four strategic pillars to invest in people and technology while staying committed to its customers. The 4 pillars are listed below:

1. Accelerate growth and achieve global leadership in enterprise cloud communications;

2. Define innovation by developing enterprise-grade AI, ML, security, and enhanced customer experience solutions;

3. Win in the contact center solutions market through differentiated global services capabilities that create long-term value for customers and support all consumption models;

4. Accelerate the monetization of its customer base by fostering innovation and best-of-breed partners for market access and scale.

1. Technology Leverage

Avaya's vision pivots on offering a robust portfolio of intelligent contact center solutions that cater to both the customer and the service executive. It provides customers with a great customer service experience and ensures that service executives have all the information and tools needed to efficiently assist customers. The solution provider's intelligent customer experience approach uses the best of both human and technology expertise, facilitating real people to provide personalized services augmented by advanced technologies such as AI, ML, and automation to drive effective collaboration, information sharing, and decision making. Avaya's key contact center solutions and recently enhanced features include the following:

- The Avaya OneCloud Intelligent Xperiences (IX) Contact Center is a solution designed for the customer experience needs of large, medium, and small enterprises, as well as business process outsourcing companies. It offers a comprehensive, integrated, and open contact center as a service (CCaaS) architecture with scalability, security, and in-depth analytics, while delivering a simplified and flexible delivery model.

- Avaya Oceana Solution enables organizations to deliver omnichannel customer engagement with complete integration and management of voice and digital channels. This enhances customer service by linking the customer to the right agent based on history, agent training, and required service levels

- The Avaya Agent Scripting solution guides agents in navigating both inbound and outbound queries using an intelligent scripting capability. Agents are empowered to handle interactions from collecting customer information to determine the next step during interaction and decision-making.

- Avaya Teamspace widget provides an open, rich media chat messaging capability that enables real-time communication and collaboration between service agents, customers, and back-office functions.

Product Differentiation

Avaya continues to enhance its inbound solutions' capability through substantial investments in leveraging AI. The company developed three key AI contact center applications: agent assistance and productivity, conversational self-service, and smart routing and behavioral pairing. One of Avaya's recent developments is the AI-based virtual agent Avaya Ava™, which provides immediate answers online.

Avaya's inbound speech recognition applications help contact centers automate repetitive tasks and offer personalized services to customers. These solutions monitor calls and analyze them to make sure interactions are managed correctly. The dashboards turn conversations to real-time insights, which help supervisors and agents make correct decisions.

Avaya acquired a CCaaS and customer experience management applications company called Spoken Communications and partnered with Afiniti, a contact center AI development vendor, in 2018. The company has integrated Google's Dialogflow for quick and easy deployment of conversational chatbots. The company also partnered with Cogito to leverage emotional intelligence within its solutions. Avaya is now focusing on building automation into natively integrated software instead of customizing its solutions for case-to-case scenarios. The company is targeting the Southeast Asian market with these automation platforms.

In 2018, the company launched Avaya Ava™ which is a cloud-based messaging solution built on AI architecture, including natural language processing (NLP), machine learning, and analytics. It easily integrates into social media, chat, and messaging channels to deliver immediate self-service support and redirects queries to an agent in case of complex situations. These new offerings from Avaya have generated significant interest in adoption with both existing and potential customers.

Customer Purchase Experience

Avaya's Edge Channel Partner Program focuses on the growth of its global partners. Avaya and its channel partners are offering hybrid and private cloud, managed services, and on-premise deployment options to customers. In Asia-Pacific, the company is experiencing massive migration from premise deployments to cloud infrastructure in Australia and New Zealand. The company relies highly on channel partners to deploy cloud-based solutions.

Through training, conferences, and workshops, the company is preparing its partners for this role.

Most contact centers want the availability of cloud features such as control, flexibility, and dynamics irrespective of whether it is on-premise, public, private, or hybrid cloud deployment. Many federal organizations want to bring cloud-like architectures to on-premise deployments and Avaya is enabling such flexibility features in its on-premise model while working hard on a multi-cloud model.

Customer Ownership Experience

In Asia-Pacific, there has been steady growth in the migration of Avaya's on-premise customers to cloud platforms. However, the COVID-19 pandemic in early 2020 has further increased the demand for cloud solutions that allow businesses to adopt the work-at-home-agent (WAHA) model. Frost and Sullivan predict that this migration is expected to grow in developed markets such as Japan, South Korea, Singapore, and Hong Kong.

Avaya partnered with Microsoft Azure to use its data center to launch its public cloud SaaS contact center model later in the year. This will give clients the power of the public cloud and help the company to expand its cloud coverage in other markets in Asia-Pacific. However, the launch is subject to potential delays due to restrictions caused by the pandemic.

The company regularly conducts workshops among business leaders, contact center managers, and even C-level leadership teams. This helps Avaya to understand its clients, while clients gain knowledge about the potential benefits of implementing the right solutions. Avaya employs a strong team of industry consultants to work with clients towards digital transformation. In this process, Avaya analyzes the client's operational effectiveness and benchmarks the company according to its maturity. It then suggests an upgrade of solutions, processes, or best practices accordingly.

Financial Performance

Over the years, Avaya has maintained a leading market position in the Asia-Pacific inbound contact routing market through its strong feature-based product portfolio. The company has also grown as a brand in the region with its growth strategy, robust product offerings, and investments in research and development. Its innovative solutions further enhance its reputation in the inbound contact routing market.

Registering over 5% year-on-year revenue growth in 2019, the company continued to enjoy a high market share in India, Indonesia, Malaysia, the Philippines, Singapore, and Vietnam.

Conclusion

Avaya has continued to maintain a leading position in the development of innovative, reliable, and scalable contact routing solutions. In recent years, the company has expanded its product portfolio of predominantly on-premise voice and hardware-based solutions to include automated, live agent omnichannel cloud solutions. The vendor holds one of the largest market shares in the Asia-Pacific inbound contact routing (ICR) systems market.

With its strong overall performance, Avaya is the recipient of the 2020 Frost & Sullivan APAC Market Leadership Award.

Significance of Market Leadership

Ultimately, growth in any organization depends on customers purchasing from a company, and then making the decision to return time and again. Loyal customers become brand advocates, brand advocates recruit new customers, and the company grows, and then attains market leadership. To achieve and maintain market leadership, an organization must strive to be best in class in 3 key areas: understanding demand, nurturing the brand, and differentiating from the competition.

- Increase renewal rates
- Increase upsell rates
- Generate awareness and interest
- Demonstrate customer value
- Grow the business

- Improve customer loyalty rates
- Establish strong brand identity
- Strengthen the brand's reputation
- Inspire customers
- Be recognized for value

DEMAND

BRAND

Market Leadership

COMPETITIVE POSITIONING

- Clarify positioning
- Focus on unique selling points
- Deliver superior value to customers
- Get ahead of the competition
- Implement growth strategy successfully

Understanding Market Leadership

Driving demand, strengthening the brand, and differentiating from the competition all play critical roles in a company's path to market leadership. This three-fold focus, however, is only the beginning of the journey and must be complemented by an equally rigorous focus on the customer experience. Organizations that demonstrate best practices, therefore, commit to the customer at each stage of the buying cycle and continue to nurture the relationship once the customer has made a purchase. In this way, they build a loyal, ever-growing customer base and methodically add to their market share.

Key Performance Criteria

For the Market Leadership Award, Frost & Sullivan Analysts focused on specific criteria to determine the areas of performance excellence that led to the company's leadership position. The criteria include (although are not limited to) the following:

Criterion	Requirement
Growth Strategy Excellence	There is a demonstrated ability to consistently identify, prioritize, and pursue emerging growth opportunities.
Implementation Excellence	Processes support the efficient and consistent implementation of tactics designed to support the strategy.
Brand Strength	The brand is respected, recognized, and remembered.
Product Quality	The product or service receives high marks for performance, functionality, and reliability at every stage of the life cycle.
Product Differentiation	The product or service has carved out a market niche, whether based on price, quality, or uniqueness of offering (or some combination of the three) that another company cannot easily duplicate.
Technology Leverage	There is a commitment to incorporating leading-edge technologies into product offerings for greater product performance and value.
Price/Performance Value	Products or services offer the best value for the price, compared to similar offerings in the market.
Customer Purchase Experience	Customers feel they are buying the optimal solution that addresses both their unique needs and their unique constraints.
Customer Ownership Experience	Customers are proud to own the company's product or service, and have a positive experience throughout the life of the product or service.
Customer Service Experience	Customer service is accessible, fast, stress-free, and of high quality.

Best Practices Recognition: 10 Steps to Researching, Identifying, and Recognizing Best Practices

Frost & Sullivan analysts follow a 10-step process to evaluate award candidates and assess their fit with best practices criteria. The reputation and integrity of the awards are based on close adherence to this process.

STEP	OBJECTIVE	KEY ACTIVITIES	OUTPUT
1 **Monitor, target, and screen**	Identify award recipient candidates from around the world	• Conduct in-depth industry research • Identify emerging industries • Scan multiple regions	Pipeline of candidates that potentially meet all best practices criteria
2 **Perform 360-degree research**	Perform comprehensive, 360-degree research on all candidates in the pipeline	• Interview thought leaders and industry practitioners • Assess candidates' fit with best practices criteria • Rank all candidates	Matrix positioning of all candidates' performance relative to one another
3 **Invite thought leadership in best practices**	Perform in-depth examination of all candidates	• Confirm best practices criteria • Examine eligibility of all candidates • Identify any information gaps	Detailed profiles of all ranked candidates
4 **Initiate research director review**	Conduct an unbiased evaluation of all candidate profiles	• Brainstorm ranking options • Invite multiple perspectives on candidates' performance • Update candidate profiles	Final prioritization of all eligible candidates and companion best practices positioning paper
5 **Assemble panel of industry experts**	Present findings to an expert panel of industry thought leaders	• Share findings • Strengthen cases for candidate eligibility • Prioritize candidates	Refined list of prioritized award candidates
6 **Conduct global industry review**	Build consensus on award candidates' eligibility	• Hold global team meeting to review all candidates • Pressure-test fit with criteria • Confirm inclusion of all eligible candidates	Final list of eligible award candidates, representing success stories worldwide
7 **Perform quality check**	Develop official award consideration materials	• Perform final performance benchmarking activities • Write nominations • Perform quality review	High-quality, accurate, and creative presentation of nominees' successes
8 **Reconnect with panel of industry experts**	Finalize the selection of the best practices award recipient	• Review analysis with panel • Build consensus • Select recipient	Decision on which company performs best against all best practices criteria
9 **Communicate recognition**	Inform award recipient of award recognition	• Announce award to the CEO • Inspire the organization for continued success • Celebrate the recipient's performance	Announcement of award and plan for how recipient can use the award to enhance the brand
10 **Take strategic action**	Upon licensing, company is able to share award news with stakeholders and customers	• Coordinate media outreach • Design a marketing plan • Assess award's role in strategic planning	Widespread awareness of recipient's award status among investors, media personnel, and employees

The Intersection between 360-Degree Research and Best Practices Awards

Research Methodology

Frost & Sullivan's 360-degree research methodology represents the analytical rigor of the research process. It offers a 360-degree-view of industry challenges, trends, and issues by integrating all 7 of Frost & Sullivan's research methodologies. Too often companies make important growth decisions based on a narrow understanding of their environment, resulting in errors of both omission and commission. Successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. The integration of these research disciplines into the 360-degree research methodology provides an evaluation platform for benchmarking industry participants and for identifying those performing at best-in-class levels.

360-DEGREE RESEARCH: SEEING ORDER IN THE CHAOS

About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, helps clients accelerate growth and achieve best-in-class positions in growth, innovation and leadership. The company's Growth Partnership Service provides the CEO and the CEO's growth team with disciplined research and best practices models to drive the generation, evaluation and implementation of powerful growth strategies. Frost & Sullivan leverages nearly 60 years of experience in partnering with Global 1000 companies, emerging businesses, and the investment community from 45 offices on 6 continents. To join Frost & Sullivan's Growth Partnership, visit http://www.frost.com.

Copyright