



8x8: Streamlining Collaboration and Customer Care

A Frost & Sullivan Buyers Guide Excerpt

Contact Center Buyers Guide, North America, 2019

THE STUDY

This buyers guide examines the North American contact center market, and covers the contact center on-premise systems and hosted/cloud markets. This study is based on extensive primary and secondary research and is divided into 2 sections.

Section 1 provides analyst commentary on the most important forces affecting the North American hosted/cloud contact center market. A number of key trends, including movement to the cloud, have been gaining steam for a decade. Others, such as creative pricing strategies or the creation of app stores for customers to more easily add new capabilities from third-party suppliers, are growing in strength. Frost & Sullivan expects that these trends will extend well into 2022.



Section 2 highlights and assesses the capabilities of one top-performing North American cloud contact center provider. For the broader buyers guide, Frost & Sullivan chose vendors based on the strength of vision and ability to execute. Some offer complete contact center solutions while others offer compelling suites focused in areas such as agent performance optimization.



EXECUTIVE SUMMARY: THE COMPETITIVE LANDSCAPE AT A GLANCE

Key Trends

In the 2018 Cloud Contact Center Buyers Guide, Frost & Sullivan noted 3 primary trends driving the customer care industry: the adoption of cloud as standard; the continuing move toward omnichannel delivery within the context of digital transformation; and a focus by providers on developing solutions that address the needs of a changing workforce. These trends continue unabated in 2019, with further refinement. Of particular note are the following:

Hybrid Cloud. Cloud is still a given, but hybrid is a hot topic as outlined below. Companies are using the cloud not just to host contact center services but also to get a head start on innovation when rip and elevate isn't yet an option. As such, providers have adapted by:

- Continuing to bolster on-premise offerings so customers can get additional value out of their existing operations.
- Creating and stocking app stores for third-party cloud applications to deliver innovation for cloud customers and to supplement on-premise systems.
- Ensuring tight integration between cloud and on-premise applications.

WEM. Workforce engagement management made its debut as one of the key trends driving the industry in 2018 and 2019. Listen, Free, Motivate, Empower, Protect, and Enable are all descriptors of design considerations for workforce engagement.

AI. The industry has finally reached the edge of the hype cycle for the umbrella term artificial intelligence (AI) and is actively harnessing a set of AI technologies to infuse intelligence across the customer contact landscape. Just as important, key providers in this guide are learning how to properly market and position their AI wares in addition to building professional services and consulting resources to assist customers with strategic AI plans.

Frost & Sullivan found that these trends are continuing to drive deep change in the industry; for buyers, that means the competitive landscape remains as complex and difficult to navigate as ever.

INTRODUCTION

In 2017, hosted and cloud contact center revenue in North America continued on its healthy growth path in all application segments. Total market revenue grew 12.7%. In particular, automatic call distribution sported 23.3% year-over-year growth and agent performance optimization increased 39.2%. Frost & Sullivan forecasts the overall market revenue to increase at a compound annual growth rate of 11.4% through 2022. In addition to the common benefits that the cloud brings, such as scalability, ease of integration, and flexible payment plans, numerous broader industry trends discussed later in this guide are contributing to growth in the market.



SECTION 1: MARKET TRENDS

After decades of focusing on cost-cutting and isolating performance issues in the contact center, the industry turned its attention toward improving the experience of customers, and then to the workforce that serves them. In this decade, the key trends have revolved around the concept of people being facilitated by technology. Omnichannel customer care addresses the functional silos and breakpoints in context continuity of the customer journey. Digital transformation—the process of using digital technologies, including advanced communications, to remove cumbersome obstacles to growth that have built up in an organization over time—is now at the core of strategic planning. Intriguingly, the use of AI in the contact center has moved front and center as the industry has matured past using AI as point solutions, such as virtual assistants and bots, to infusing AI across the customer contact landscape in a variety of ways and methods. Finally, WEM has emerged as a familiar term and essential concept, and is at the heart of the development and application of solutions geared toward improving EX in the same way as improving the CX.

These and other themes are driving innovation and growth across core technologies in the contact center systems industry, and driving change across areas outside the contact center as well.

The Competitive Landscape Continues to Shift

There has been an interesting shift in segmentation in the cloud contact center market. Premise-based systems once were king, but cloud has since taken over as the preferred method of deployment. Alternatives to on-premise systems began to emerge 20 years ago with cloud-native suppliers such as LiveOps (now Serenova) and Five9. Telecom and networking providers, such as Verizon, Bell Canada, TTEC, and Vonage, added hosted cloud offerings for enterprises in addition to their own BPO offerings. Starting in 2009, a rapid acceleration in new cloud market entrants occurred with companies such as 8x8, an example of a company which also brought with it a strong UC offering.

The race to the cloud was on, and it forced system providers to answer in turn. Many added cloud solutions, such as interactive intelligence, with a CCaaS offer, which was separate from premise-based equipment with no integration between the two. Other established contact center providers added cloud assets through multiple acquisitions, including Genesys with Soundbite, Utopy, and Echopass; Mitel with Prairiefyre and ShoreTel; Verint with Contact Solutions; and NICE with inContact. Still others added cloud functionality through OEM

relationships, such as Aspect utilizing Bright Pattern's technology. A few, such as Noble Systems, added cloud options by developing them off of the same code base as their systems, enabling customers to more easily move between on-premise and cloud.

The next shifts occurred as the industry reimagined and designed agent desktops to streamline UIs and allow the integration of an increasing array of interaction channels. The concept of omnichannel customer care was born in 2013, promoting the goal of a seamless flow of information along a customer journey. This furthered the acceleration of integrated platforms, and a new generation of cloud platforms emerged either through the deeper integrations of acquired company technologies or the complete rewrite of existing software by providers.

The drive to deliver on the promise of omnichannel service along with the increase in interaction channels and the infusion of new technologies such as process automation, analytics, and AI brought in a wave of third-party application integration and app marketplace offerings, along with a new generation of platform suppliers including Sharpen and Talkdesk. Shortly thereafter CPaaS cloud providers emerged with API-first platforms and a more "build-your-own" mentality, such as those from Amazon with Connect and Twilio with Flex. These providers, which offer a full range of communication services, often are hosting other contact center providers' solutions, even as they now provide contact center services of their own.

In the meantime, the industry continues to change, most recently with the emergence of new providers that took advantage of all of the above shifts to build platforms that have truly integrated functionality from the contact center and UC to the infusion of AI and third-party applications. Notably, Thrio and Edify formally announced such platforms in the spring of 2018.

This has all made for a very interesting and capability-rich landscape that, for the buyer, can be confusing. Yet, as the massive installed base of contact centers matures and needs to be updated, this also means there is something for everyone.

Flexible Consumption Models

The complexity of the contact center market is also characterized by some fairly interesting go-to-market strategies that include new license models, packages, and pricing. For instance, Genesys's Cloud First initiative, as noted in the Genesys profile later in the guide, takes the principles of the cloud, such as pay-as-you-go, and the ability to burst capacity, to provide customers with the flexibility to shift agent seat licenses around as needed. For example, if a customer wants to add chat functionality, which might lessen the use of its voice channels, it can shift license usage from voice to chat, rather than simply adding chat licenses and continuing to pay for unneeded voice channels. Verint provides flexible licensing that takes into account seasonal and random burst usage both on-premise and in the cloud. For example, with its Named Employee Metric-Based Licensing, a customer can start with any

solution and only purchase the capabilities needed for each agent, such as CTI, messaging, email, or knowledge management.

Other suppliers attractively bundle solution options, such as 8x8's X Series bundles that cost-effectively tie its business communication and contact center solutions together.

And then there is consumption-based pricing, which upstarts Twilio and Amazon Connect are offering. This pay-for-what-you-consume model enables companies to more finely tune budgets and make better decisions about what applications to use and when to use them. An interesting example of this model is the one Inference Solutions uses with its intelligent virtual assistants. Inference's virtual agents are paid like human agents, with pricing based on their skill sets: customers pay for the capabilities, not by the number of minutes consumed by the virtual agent. This enables companies to adopt Inference Solutions in a mix-and-match fashion according to their specific needs: if a company wants to simply replace an aging IVR system that greets and routes callers or holds a customer's place in a call queue, the cost to do so is much lower than deploying a virtual assistant that has the full range of capabilities to replace and offload live resources.

If Cloud is King, Hybrid is Queen

Frost & Sullivan forecasts continued rapid cloud adoption with growth of 11.4% CAGR during the 2017–2022 study period. In particular, the area of APO, which includes WEM capabilities and analytics, is forecast to grow 18.9%, and core routing platforms, 16.8%.

Much to the dismay of many industry pundits, the on-premise market did not show a precipitous decline; instead, it showed modest growth of 2.7% in 2017. In fact, a few providers witnessed a fair increase in on-premise systems sales. Overall, the on-premise market is forecast to have a CAGR of 1.7% during the study period.

However, the on-premise and cloud markets are deeply entwined as the majority of legacy vendors reported that 2017 and 2018 were big years for hybrid deployments across the solution landscape. The rip-and-replace mentality of the early cloud years has become a more measured approach for numerous reasons. One often-repeated example is that of a company moving to the cloud, but for security or other business reasons wanting to keep its call recordings on-premise. Another is that of a company with a contact center that is working fine and is not that old, yet wanting to expand with newer applications and planning an eventual cloud migration; it will start by adding those new solutions in the cloud, integrated with its existing premise-based systems.

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Guiding Customers through the AI Revolution

AI, as it applies to the contact center, is an umbrella term that encompasses AI, ML, NLU, deep learning, and other related technologies to improve the CX. The overarching theme in customer contact this year was the shift from companies talking about AI in a narrow way (focused on point solutions such as speech-enabled IVR or virtual assistants) to the matter of how to effectively plan for and deploy AI-enriched solutions across the customer contact landscape in a way that improves both the CX and the EX.

A few years ago, just a handful of vendors spoke of AI in this way. Aspect, Genesys, NICE, Nuance, TTEC, and Verizon are among solution providers that spoke of AI as an umbrella term, under which fell both solution creation and the development of AI-based best practices and professional services. Key to this idea was the ability to guide customers through what is possible with these technologies and develop solid roadmaps of where they need to be now and in the future with AI.

Now the number of companies doing so has mushroomed. Many have business units that focus solely on AI, and some have developed CoEs with a focus on integrating AI-infused solutions into customer environments. Now we have a vast array of applications including virtual assistants, predictive routing, process automation, voice biometrics, assisted and unassisted RPA, and automated forecasting and QA.

Frost & Sullivan finds that this trend should only gain strength over the next 5 years as companies drive toward improving both the CX and the EX. Developing better self-service tools so that customers only need to reach out to agents for the more complex interactions or those requiring judgement and empathy, and tools that help agents quickly and accurately assist customers, are fertile development areas for taking advantage of the benefits that AI can bring. To reflect some of the work being done in this area, many of the provider profiles in this guide include a section on infusing AI across customer care.

Conclusion

The contact center is in the midst of the most interesting and promising time in its history. With basic feature development behind us, solution providers are working on what might be termed the more humanistic aspects of customer care so as to differentiate product portfolios. To encompass a broad swath of requirements, providers are also offering a wide array of deployment and pricing options.

Choosing a contact center provider is an important decision that must be based on a robust evaluation methodology that includes a thorough check of customer references. The following provider profiles offer detailed company and solution portfolio information as a way to start this process.



SECTION 2: COMPANY PROFILE

8x8

COMPANY BACKGROUND AND CURRENT PERFORMANCE

8x8 was a pioneer in the hosted IP telephony and UCC services market, but got its start in 1987 as a semiconductor vendor. It became a publicly traded company in 1997 (NASDAQ:EGHT) and is now traded on the New York Stock Exchange (NYSE:EGHT). In 2002, 8x8 became a VoIP services provider under the Packet8 brand, and by 2008, it had become one of the largest US residential VoIP providers with a small share in business VoIP services as well. Since then, the company has completely shifted its focus from the residential to the business market to become one of the top hosted cloud communications providers in North America. 8x8 further expanded this focus to encompass a broader business landscape with the introduction of robust UCC applications in 2009.

The company added contact center functionality with the 2007 launch of the VCC, now the 8x8 Contact Center. The acquisition of Contactual (formerly White Pajama) in September 2011, further enhanced this offering. Since then, the company has continually enhanced its service offerings, which allows it to provide customers with a broad set of solutions from telephony and UCC all the way through sophisticated omnichannel contact center. Today, 50% of its engineering resources are dedicated to contact center, and 8x8 is one of the frontrunners for tight integration of UC and contact center, enabling companies to seamlessly flow communication capabilities between customer contact and the broader enterprise. This is a strong differentiator for the company, and it has shown significant traction in joint customer adoption of these capabilities. In fact, more than 50% of the company's top customers have a UC/contact center combination which was the genesis of the X-Series bundles detailed below under Sales and Service Model. Additionally, bookings from stand-alone contact center customers have more than doubled year-over-year, gaining significant traction with mid-market and enterprise businesses.

By the end of 2018, 8x8 had 1,500 employees in 5 countries, and was supporting over 1 million business users in 157 countries. The company now has 8 support centers, 15 data centers, and 16 sales offices in a total of 20 locations worldwide.

Highlights of 8x8's success are reflected in its FY19 earnings report (ended March 31, 2019):

- Total revenue increased 19% year-over-year to \$352.6 million.
- Service revenue increased 19% year-over-year to \$334.4 million.
- Service revenue from mid-market and enterprise customers billing greater than \$1,000 in MRR increased 30% year-over-year and represents 62% of total service revenue.
- Revenue from mid-market customers (defined as companies whose revenue is between \$50 million and \$1 billion) comprised 23% of ending ARR and grew 34% year-over-year.
- Revenue from enterprise customers (defined as companies whose revenue is more than \$1 billion) comprised 13% of ending ARR and grew 54% year-over-year.

PORTFOLIO DESCRIPTION AND ANALYSIS

Unlike many providers, 8x8 leverages a patented, purpose-built platform that has enabled it to rapidly and economically innovate. It offers one of the most advanced cloud contact center solutions in the market today. With more than 180 patents, 8x8 has developed an extensive set of hosted communications and collaboration applications that rivals the capabilities provided by on-premise UCC solutions and ranks among the most compelling hosted communications offerings in the world.

The 8x8 platform provides one system of engagement and intelligence, with a truly integrated suite of products that span UCaaS, collaboration, and CCaaS business communication offerings to include IP telephony, meetings, team messaging, and omnichannel contact center solutions on a single cloud platform. This platform also provides centralized administration, aggregated reporting, core services, advanced AI-driven analytics, and a common navigation and user experience. 8x8 has also developed its Dynamic Integration Framework to enable companies to rapidly integrate communications into other business applications with minimal effort.

8x8's comprehensive PBX functionality is enhanced by voicemail and unified messaging, online fax, IM and presence, conferencing, soft clients, mobility, SMS, Web collaboration, video conferencing, and analytics in its bundled offerings. Other important features—especially for multisite businesses—include the ability to integrate distributed customer locations onto a single virtual PBX while allowing each to operate autonomously and make overall system administration and disaster preparedness/recovery simple and easy to manage.

All of 8x8's products are delivered through the cloud and are managed on the company's own highly reliable and secure cloud-based platform. 8x8's redundant architecture allows for media servers to be hosted in different regions of the world to enable organizations to deliver around-the-clock, follow-the-sun support from anywhere in the world. It runs 15 fully mirrored and geographically redundant Tier 3+ global data centers and provides guaranteed

SLAs of 99.99% uptime. It is also the first cloud communications provider to offer an end-to-end SLA for both uptime and quality of voice over the public Internet, guaranteeing a minimum voice-quality MOS of 3.5; 8x8 has delivered a MOS of 4+ for more than 93% of calls worldwide. To execute these SLAs, 8x8 uses all endpoint devices as probes that continually send information about the quality of all connections to its Big Data infrastructure and analytics tools. This enables 8x8 to remotely monitor and proactively troubleshoot certain network issues.

8X8 CLOUD PLATFORM

In 2018, the company launched 8x8 Cloud Platform, which is an open platform that unifies communications, team collaboration, contact center, and analytics, and integrates various third-party clouds and applications. The platform enables businesses to embed communications into line-of-business applications and workflows and thus optimize work processes to gain productivity and efficiency benefits. 8x8 is the only vendor able to offer a single platform for all customer and employee interactions for enterprise voice, video, contact center, team messaging, and collaboration across mobile and desktop devices.

8X8 CONTACT CENTER (8X8 CONTACT CENTER)

8x8 Contact Center is an omnichannel customer care solution for organizations looking for advanced contact center features. Highlights:

- **Customer Experience Analytics** provides advanced interaction search, a graphical view of customer call flow, graphical depiction of the most popular IVR paths, and dynamic view of call traffic in an IVR.
- **Post-call Survey** offers surveys to customers via voice channels (not email/chat), is easily configured in the IVR script tool, and provides graphical analytics on survey results.
- **Native Quality Management and Speech Analytics** were developed as a single integrated solution but can be sold separately. Quality Management and Speech Analytics include advanced features to foster collaboration, teamwork, and more productive coaching and training. For example, rather than supporting one-way coaching, these enhancements encourage agents and supervisors to share knowledge via @mentions, annotations, and file sharing.
- The ability to make use of the **public cloud** by migrating 8x8 solutions such as speech analytics.
- **The Dynamic Integration Framework** is powered by microservices and industry-standard APIs that make it easier and faster to embed communications into CRM, ERP, helpdesk, and productivity applications. It provides a common integration framework for all channels, and dynamic deployment of new capabilities without downtime. ContactNow

capabilities, such as blended dialer, continue to be migrated to 8x8 Contact Center with every release, ensuring that ContactNow customers can transition to 8x8 Contact Center with no feature loss.

- **Outbound Dialing** includes auto-dial after preview, giving an agent a set amount of time to preview a customer's record before the call is made, then auto-dials when the countdown time has elapsed. 8x8 provides a persistent connection mode from the agent's endpoint to 8x8 Contact Center, removing the need to connect an agent's phone for every call handled. A filter ensures that any contacts that have been marked as DNC will not be re-contacted to support compliance with the National Do-Not-Call Registry.
- **8x8 Intelligent IVR** enables conversational speech recognition and intelligent response, data dips into third-party systems, and interfaces into 8x8 AI solutions.

INFUSION OF AI ACROSS THE 8X8 PORTFOLIO

Keenly aware of the potential to use AI and related technologies to enhance the CX and operational efficiencies, 8x8 set out in 2017 to do just that. By May 2018, it had acquired MarianiQ as part of the strategic investments it has been making in AI and ML. MarianiQ provides deep learning capabilities to the portfolio to help transform the EX and the CX. It also infused AI and related technologies in other key areas.

SPEECH ANALYTICS AND QUALITY MANAGEMENT

The company went on to announce the addition of several AI-powered solutions to its portfolio in early 2019. In March, it announced 8x8 Speech Analytics and Quality Management to reach beyond the traditional boundaries of the contact center to span the enterprise, enabling companies to analyze conversations inside and outside of the contact center and extract VoC insights. This enables enterprise-wide performance management, coaching, knowledge sharing, and collaboration that will result in more engaged employees and increased operational efficiency. With 8x8 Speech Analytics, predefined topics and categories enable out-of-the-box operation, eliminating significant installation and customization charges incurred by other vendors' solutions.

INTEGRATION WITH GOOGLE CLOUD CONTACT CENTER AI (CCAI)

8x8 also announced the integration of its contact center solution with Google Cloud's new Contact Center AI to improve CX and contact center productivity. CCAI is a simple, secure, and flexible solution that allows enterprises with limited machine learning expertise to deploy AI in their contact centers. Key features of 8x8's contact center integration with CCAI:

- **Intelligent Call Deflection (through the use of 8x8 Virtual Agent)** combines 8x8 topic modeling and STT with Google Dialogflow and Agent Assist.

- **Intelligent Call Handling (through 8x8 Agent Assist)** uses 8x8 dual call routing to the agent and Google Agent Assist to automatically supply knowledge articles to the agent based on the live conversations and displays relevant content.

COLLABORATION AND AI TOOLS

In 2018, 8x8 added 8x8 Team Messaging, which supports persistent public and private team messaging rooms for easy collaboration across the organization. With out-of-the-box integrations to 24 team messaging providers including Slack, Google Hangouts, and Cisco Webex Teams, companies can aggregate all channels into a single interface.

Delivered in 2019, 8x8 Expert Finder helps agents drive first contact resolution by giving them access to the collective wisdom of the enterprise. Expert Finder builds upon the 8x8 messaging platform (based on the Sameroom acquisition) to help companies connect seamlessly across collaboration apps. 8x8 does this by layering on AI/ML capabilities in Expert Finder; agents simply call the Expert Finder bot in any public team messaging room and are presented with meeting rooms and experts relevant to the specific inquiry. That means experts across the business are able to assist with immediate resolution to the customer's question or issue.

COMMON DATA FORMAT AND DASHBOARD

8x8 also announced a new common data format and dashboard for X Series. The new data format tracks all interactions throughout the company, enabling end-to-end customer journey management, no matter where a customer starts to engage with a business or where he or she finishes. Other solutions can only track this interaction inside or outside the contact center and cannot span both segments of the conversation.

The new X Series dashboards aggregate interaction data to allow companies to see reports in a single view. Companies also can easily create their own customized dashboards, reports, and alerts, and can project dashboards as wallboards.

GLOBAL TENANT

8x8's Contact Center Global Tenant is the first cloud-based contact center solution that seamlessly connects an organization's international agents over a single platform with integrated presence, multilingual chat with automatic translation, call routing, reporting, and management. The solution enables follow-the-sun operations that use local connectivity and natural language translation to provide personalized CX worldwide.

DATA SECURITY

8x8 is committed to data security as shown through third-party validated compliance with key security standards including FISMA and HIPAA in the United States; and ATO

(Authority to Operate) in the United Kingdom, which is among the country's highest levels of security and compliance certifications. Other certifications include ISO/IEC 27001:2013, ISO/IEC 9001:2015 and Cyber Essentials plus, SAE 16 SOC 1 and SOC II, SOX, GDPR, PCI-DSS, CPNI and NIST/SIPS 140-2 encryption. 8x8 conducts gap analysis based on security requirements to ensure compliance with various industry regulations.

SALES AND SERVICES MODEL

8x8 offers a convenient one-stop shop for multiple business communications and collaboration tools. Businesses can easily purchase 8x8 solutions online or they can use the assistance of dedicated service reps. 8x8 offers prepackaged solutions that enable automated purchasing and provisioning, as well as the flexibility to customize solutions through optional features such as additional auto attendants, virtual numbers and extensions, virtual attendants, toll-free numbers, and contact center. The provider ensures a superior customer purchase and deployment experience through its Elite Touch service that includes initial customer needs assessment, project management, site surveys, onboarding assistance, training, and other professional services.

Building upon its initial success among businesses of less than 100 employees, 8x8 has launched an aggressive pursuit of mid-market and enterprise distributed companies with several thousand employees. In the past year, the company has also made significant investment in channel sales, tripling the size of its team and increasing its partner community by 45% year-over-year. Enterprise contact center revenue is up 41% year-over-year and in recent quarters, mid-market and channel sales represented more than 50% of new business—a substantial increase compared with previous years. 8x8's channel consisted of more than 600 partners worldwide, including 14 master agents, at the end of March, 2019. Key North American partners include AVANT, CDW, Ingram Micro, Intelisys, Scansource, TBI, and Telarus. 8x8 also is expanding channel relationships internationally, including partnerships with CSG and Entrust in Australia and with Itancia and Workair in Europe.

In addition to investing heavily in R&D for contact centers, 8x8 recently added an entire contact center overlay team to support sales and implementation for UC and contact center.

PRODUCT BUNDLES

The company's portfolio initially was structured to provide distinct PBX/UC and contact center bundles, but starting in 2017 it introduced its Virtual Office (VO) Editions bundles that streamlined the adoption of UC with contact center because a high percentage of its customers were adopting the entire suite of capabilities, including telephony. In March, 2018, it further refined its packaging strategy, giving customers more options by introducing its X Series integrated UC and contact center platform.

Including a lobby seat license, as well as a range of seat licenses from X1 to X8, the new mix-and-match packages combine different telephony, UC, and customer care features

on one platform to address varying needs in an organization. The X1 to X4 packages provide a gradually expanding array of VO (i.e., telephony and UC) features. The X2 to X8 packages also support a growing number (from 5 to 50) of users for 8x8 Audio and Video Conferencing with Meetings.

The previous VCC and VO Editions bundles will still be supported; customers can choose to keep those or migrate to the new series. The X Series expands the 8x8 industry-leading offer for UCaaS and CCaaS by integrating features on a single platform to address each level of a company's communications needs. Each X Series package provides incremental feature sets; X1-X4 provide UCaaS capabilities and allow companies to mix and match to best meet individual employee needs. Packages with contact center functionality, X5-X8, are priced per concurrent seat, ranging from \$55 to \$170 per agent seat per month.

The X Series contact center packages range from voice-only to complete omnichannel communication options with quality management and advanced analytics. The X5 package offers basic contact center functionality for voice agents, integration with leading CRM solutions, and best-in-market call quality. All packages include integrated cloud phone, meetings, team messaging, presence, and user collaboration. X Series provides a contact center solution that addresses the inherent problems in corporate silos, incorporating feature sets to ensure team communications and customer service.

For enterprise users, this service bundle offers valuable contact center functionality that enables even non-agents to perform customer care functions. For contact center agents, X8 adds the value of UCaaS features, including advanced conferencing and collaboration, to enable better customer service and more effective issue resolution. Most service providers offer distinct UCaaS and contact center service bundles whereby additional license costs could result in a total price of well above \$100 per user per month for similar functionality, which makes 8x8's offering compelling. Also, many of 8x8's UCaaS competitors resell third-party contact center solutions, which make both solution integration and sales and marketing more challenging. Relatively unique in the industry is the inclusion of international calling minutes in UCaaS or contact center service bundles, which positions 8x8's X8 package very competitively in the market.

8x8 now provides the option to purchase an 8x8 stand-alone contact center solution, providing added flexibility for companies that may choose to use another vendor's solution for their UCaaS needs. 8x8 does this by packaging the contact center components of X Series X5-8 as a stand-alone contact center. 8x8 offers 3 options: 8x8 Contact Center Voice, 8x8 Contact Center Omnichannel, and 8x8 Contact Center Advanced, which includes all the functionality of the Omnichannel option and adds speech analytics and quality management.

In May 2019, based on customer demand, 8x8 launched a Service Management offering for small to large contact centers that would prefer 8x8 to manage their systems for them. It provides hands-on administration and management to ensure that 8x8 customers get the most value from their contact center investment.

STRENGTHS	CONCERNS
<p>Strong, consistent growth ensures financial stability. In addition, improving financial performance metrics—customer churn, average revenue per user, and services per user, for example—demonstrate market success.</p>	<p>8x8’s ability to integrate cloud communications with premise-based solutions in seamless hybrid architecture (common endpoints and interfaces, centralized management) is relatively limited. This could affect new sales, as recently shown by customer preference for hybrid deployments.</p>
<p>8x8 has a high uptake of the combination of VO and Contact Center. As of fiscal 2019 ended March 31, 2019, 52% of new MRR from mid-market/enterprise were a combination UC/contact center deals, including 5 of the top 10 deals.</p>	<p>Historically, traction has tended to be gained in the cost-conscious small business market, which may impact future churn rates and overall company performance.</p>
<p>Competitively priced bundles with flexible a-la-carte service options address diverse customer needs. The addition of new X Series bundles and the new services management platform help to streamline the purchasing cycle.</p>	
<p>Advanced contact center capabilities provide value to businesses looking for a complete telephony+UCC+customer care solution. 8x8 also now offers a stand-alone contact center solution for greater flexibility. The infusion of AI into solutions, such as QM, also provides better depth of analysis across the contact center and larger enterprise, increasing operational efficiencies.</p>	

STRENGTHS	CONCERNS
<p>Geo-redundant data centers and a track record of strong service availability demonstrate 8X8's commitment to service quality and reliability.</p> <p>A homegrown, proprietary platform enables rapid innovation and more economical scalability.</p>	

CUSTOMER RECOMMENDATIONS

Best Fit

Broad Feature Set & Comprehensive Cloud Solution. A broad feature set provides a compelling offering to businesses looking for a comprehensive cloud communications solution. This includes more advanced capabilities such as QM, out-of-the-box speech analytics, sophisticated routing capabilities, native CRM, and powerful third-party CRM integrations through open APIs, including those with SFDC, Zendesk, NetSuite, and Microsoft Dynamics. The new Dynamic Integration Framework facilitates quickly adding new integrations, including 5 more by the end of June 2019. 8x8 Contact Center also includes an easy-to-use customer contact and case management tool as part of its contact center package.

Single System of Intelligence. 8x8 can pull data from everywhere in the organization and look at call patterns, providing a single system of intelligence. For example, it can see how often people are using video across an organization, or transferring calls outside of the contact center.

Hosted Contact Center Solution. 8x8's advanced hosted contact center solution makes it an appealing option for businesses looking to move both telephony and customer care capabilities to the cloud. The tighter integration in its X Series, which combines communications, collaboration, and customer care in a single platform, presents an advantage over the alternative of outsourcing the telephony and contact center capabilities from different providers.

Phone & UC Services. In addition to being a contact center provider, 8x8 provides phone and UC services on a global basis. 8x8 offers all the local number support required by multinational organizations. Local numbers in 83 countries, toll-free numbers in 122

countries, and local number porting in 42 countries are all connected to more than 200 Tier 1 carriers to deliver calls worldwide.

Supports Existing Services. 8x8 Contact Center supports customers that want to use their existing services. While there are a variety of advantages to 8x8 providing a full suite of capabilities, 8x8 Contact Center fits well behind any customer PBX or SIP environment.

Global Coverage. 8x8's ability to serve customers on a global basis is attractive to companies that want to expand globally. In addition to providing a large and growing network of data centers around the world, ensuring that calls are routed to the nearest data center and the nearest agent, 8x8 provides global capabilities that allow supervisors and system administrators to manage global contact centers as a single unit.

QoS. 8x8 Contact Center Global has the highest rated independently verified QoS (Tolly Group). It allows customers to connect locally, providing the best call quality, and allows contact center managers and supervisors to manage a team as a single organization for follow-the-sun customer support with an agent team distributed around the world.

Caution

Phones & Integrations. 8x8 supports full end-to-end encryption on its network to ensure that customer data is safe and to protect against man-in-the-middle attacks in which hackers use a system for free phone calls. This high level of security requires that the phones 8x8 certifies provide encryption support and requires 8x8 to test phones prior to inclusion in the 8x8 network. Therefore, businesses switching to 8x8's cloud solutions will most likely have to replace existing phone terminals or go to softphones. Similarly, customers looking to preserve investments in premise-based solutions at some business sites while deploying cloud communications at other sites may not be able to integrate those for a seamless experience and more consolidated infrastructure management as well as they could with multi-instance platforms.

Geographic Reach. In prior guides, Frost & Sullivan noted limited international exposure for 8x8; however, 8x8 is continuing to invest and grow its international presence, most notably with its large European expansion of sales, development, implementation, and support functions across the United Kingdom and mainland Europe (Romania). 8x8 now has 15 live data centers and 8 support centers around the world to provide distributed organizations with reliable service and support 24/7. This growth has enabled 8x8 to win and deploy multiple large enterprise deals across EMEA and APAC.

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