



Communications Transformation Drives Business Productivity

A Frost & Sullivan White Paper

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50 Years of Growth, Innovation and Leadership

Technology is at the core of nearly every business today, and the best companies leverage technological innovation to create new opportunities and even new markets for themselves. To compete, organizations of all sizes and in all industries are undertaking digital transformation efforts to streamline business processes and improve business agility. Digital transformation is the process of using digital technologies, including advanced communications, to remove cumbersome obstacles to growth that have built up in an organization over time.

Digital transformation initiatives aim to position businesses to not only better serve their existing customers, but also to develop the capacity and capabilities to capitalize on new opportunities and markets. By rethinking and reimagining every step in the customer journey, from initial engagement through customer lifecycle management, businesses across the board are finding ways to leverage technology to improve or speed up the work they do.

The invention of the telephone was, in many ways, the first digital transformation for businesses, as it fundamentally reimagined how organizations conducted business. For decades, the phone was the preferred means of communicating with internal teams, suppliers, vendors, and, most importantly, customers. However, the evolution of the business phone system has been relatively slow. On-premises communication infrastructure, from the PBX system itself to the phones on users' desks, has remained isolated and independently supported from the rest of the mission-critical business applications and services. Enterprise voice communications were driven by a relatively simple deployment model: telecommunications services connecting to private branch exchange (PBX) platforms, audio conferencing bridges and other premises-based solutions.

It has only been in recent years that data-centric communications services, such as instant messaging and presence, as well as video and web conferencing, coalesced with voice communications to form the unified communications (UC) applications stack with the goal of delivering a common set of communications tools to business users. When an organization deploys UC solutions, business users see almost immediate benefits. By connecting all business locations and users on a common platform, UC solutions foster more seamless communication among employees by enabling communication in the modality in which users are most comfortable. Users can chat over instant messaging or team collaboration tools, or escalate to real-time voice, video or web as needed. UC, as a set of integrated tools, has been proven to foster greater collaboration and faster decision making within organizations.





While businesses have already seen the benefits of deploying UC applications and platforms, the nature of on-premises UC platform deployments can still represent a challenge in digital transformation efforts. Developed under traditional software deployment models, most on-premises platforms receive quarterly or annual updates published by the software vendor and deployed by the organization's IT staff, creating a significant backlog and slowing innovation.

Cloud-based UC services, or unified communications as a service (UCaaS), can offer a compelling alternative to on-premises platforms and are often well-positioned to be the best fit for organizations undertaking digital transformation. With a cloud service, software and application updates are managed by a service provider that can deliver a nearly continuous stream of innovation to business customers. Through agile development processes, these updates occur every couple of weeks, rather than every quarter, typically without the involvement of the business's IT staff, allowing the team to focus on other transformational projects. An organization gains the best of all worlds by leveraging UCaaS: an enhanced communications and collaboration experience for users, a service provider that is committed to continuous innovation, and an IT staff with time to work on other digital transformation projects.

UCaaS also delivers significant benefits compared to on-premises UC platforms in terms of integration. To assist businesses that struggle with integrating UC applications into business software and end-user workflows, cloud UC providers offer simplified processes to plug their communications services into the most popular business applications for a given market vertical. With UCaaS, businesses can quickly and easily enable click-to-call features, capture detailed call records and customer interactions, and ultimately make communications part of a user's daily workflow, rather than an activity that occurs outside of it.

For deeper business application integrations, forward-thinking service providers have launched communications platform as a service (CPaaS) solutions alongside their UCaaS offerings. Frost & Sullivan defines CPaaS as any cloud-based platform that enables developers to programmatically embed voice, video, chat and messaging services within their business or consumer applications. In the case of cloud UC service providers, CPaaS

provides application programming interfaces (API) for the provider's core communications services, including, but not limited to, voice calling and short message service (SMS) messaging. Understanding the need for even tighter integration, a few service providers are unifying their UCaaS and CPaaS offerings to enable, for example, CPaaS-level application access to UCaaS resources, such as the user's business number, predefined call groups, location-specific details, and key integrations with third-party systems for enhanced productivity, delivering contextual information across applications and helping to drive deeper customer relationships and better business outcomes.

As businesses undertake digital transformation efforts, many will see the value in leveraging a wholly formed communications cloud that incorporates both UCaaS and CPaaS capabilities. Frost & Sullivan defines a communications cloud as a purpose-built, high-quality network, married to a full suite of unified communications applications and communications APIs. Ultimately, Frost & Sullivan believes that communications services that include all three elements of the communications cloud will be well positioned to best improve employee productivity and collaboration, accelerate decision making, and automate business workflows.

Understanding how businesses communicate internally, as well as with customers, suppliers and partners, is a critical, but often overlooked element when planning productivity improvements or seeking new growth opportunities. It is for this reason that Frost & Sullivan suggests that businesses embark on a communications transformation as part of broader digital transformation efforts by partnering with best-in-class providers who have embraced game-changing technologies across UCaaS and CPaaS. The evaluation and selection process is critically important for communications transformation success, as few providers can deliver robust UCaaS capabilities and innovative CPaaS solutions to drive greater value for the business and, ultimately, better business outcomes. Finding the right communications cloud provider that can deliver the desired benefits in terms of communication, collaboration and support is the first step in realizing the value of digital transformation.



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