Contact Centers at Mid-Year

Don Van Doren, Vanguard Communications
in the June 2007 edition of *VON Magazine*

Halfway through 2007, the shape of the contact center industry developments for this year are becoming clearer. We've seen major announcements from many of the leading suppliers at VoiceCon Orlando, Call Center Demo, VON, and others. And many of the groundbreaking announcements in the last half of 2006 are starting to produce real product capabilities. Many of these capabilities are enabled or enhanced by IPT functionality. What are some of the key trends?

Consolidation and Partnerships. There has been a flurry of mergers and acquisitions, including Nuasis into Intervoice, Telephony@Work into Oracle, WebEx into Cisco, TellMe into Microsoft to name just a few. I anticipate that this trend will continue to accelerate with some perhaps startling companies in play the rest of this year. This is also the year of partnerships, certainly within the unified communications space and spilling over into contact centers. While everyone seems to be partnering with everyone else, at least on some level, some partnerships are more equal than others: Microsoft and Nortel's Innovative Communications Alliance, or Aspect and Asterisk for example.

Linking Technology and Business Processes. This is the year that business processes become a key focal point for vendors and enterprises. IP consolidation is an enabler, vendors' desire for professional service revenues is a motivator, and companies' needs to get more value from their technology investments is a driver of this trend, A number of vendors are announcing professional services capabilities in this area: "Communications Enabled Business Processes" is now one of Avaya's four area of business focus. Genesys's "Business Process Routing" offers a family of solutions designed to improve contact center workflows. Cisco, Siemens, and others are also developing formal programs to tie technology and processes more closely together.

Extending Contact Center Capabilities. For years contact centers have done a great job of harnessing people, processes, and technology to create efficient workflows – getting callers' needs for sales or service met. Now companies are starting to look at opportunities to extend these well-honed processes beyond the contact center. Many of the queuing, skills-based routing, and reporting capabilities enjoyed by the contact centers have great applicability in the enterprise itself.

Unified communications functionality, such as presence, is being combined with IP-enabled collaboration capabilities to allow agents to improve first call resolution in insurance, health care, investment management, and other industries. In real-time, agents can set up conference calls between customers who need access to a specialist and an appropriately skilled and available staff member who isn't part of the contact center. Mitel, Genesys, and others have demonstrated the ability to create such solutions, including linking to specialists across a corporate network or even in partner firms whose presence and collaboration capabilities are federated with the contact center company.

I anticipate that this will be a very important trend in the future. Vendors are creating new terms for this capability and for the teams that help implement it. Genesys speaks of the customer service chain, Cisco the customer interaction network, and Avaya its customer service applications division.

Not Just a "Center." Another accelerating trend is the disaggregation of the centralized "center" and dramatically more flexibility in configurations of where agents are located and where equipment resides. There are several factors, both enhanced by IPT. First is the fact that home, remote, or satellite centers tap into new or more qualified labor pools, and can help with business continuity planning and disaster recovery activities. Vendors are developing increasingly sophisticated and flexible ways to support these functions.

Another trend is the sharp growth of hosted solutions in the market. Avaya OnDemand, Cosmocom Universe, Aastra OnDemand, Intertel, Sprint, AT&T, Verizon, and many others are stepping up to this market, which is already strong in Europe and Asia, and is poised for growth in North America.

Standards and Protocols. Another key trend is the vendor's increasing use of protocols and standards as a foundation for software development. Several years ago, VXML began to change the service creation environment for IVRs. A VXML script could be used for a variety of self-service applications and presentation formats. Now, we are seeing similar trends with the increasing adoption of service oriented architectures (SOA and Cisco's SONA), web services, and Eclipse. As these capabilities are incorporated into more suppliers' solutions, deployment will become easier. This does not mean that the costs of professional services development will automatically decrease, at least initially. I believe that we will see better functionality designed into solutions for similar price tags.

The most noise is being generated about SIP, with all the suppliers pledging to adhere to an open SIP standard. The reality, certainly for contact centers, is that we are likely to be relying on SIP extensions (some of which will likely be proprietary) to handle many of the specialized functions that agent phones require. This will limit the amount of true interoperability and flexibility we will see in the near term.

Summary. We are entering an era of important, fundamental change in the contact center industry. The insular center, focused only on external contacts, and those mostly by phone, is changing. The wave of unified communications on top of the earlier IP wave has provided some of the impetus. The communications changes stemming from social networking will provide another push. Contact centers, as we have known them, certainly aren't going to disappear. But we will have a much richer set of capabilities that businesses can use to really change how customer interactions are accomplished, and ultimately, how corporate goals can be achieved.

Don Van Doren is president of Vanguard Communications, an independent consulting firm that helps clients achieve their business goals through better customer contact solutions. Contact Don at dvandoren@vanguard.net or visit Vanguard at www.vanguard.net.