



Communications Transformation as a Competitive Advantage

A Frost & Sullivan White Paper

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Every business, regardless of size or industry, is seeking more effective ways to compete in an increasingly global marketplace. Many are turning to digital transformation efforts to gain a competitive advantage. Digital transformation is defined as the process of using digital technologies, including advanced communications, to remove cumbersome obstacles to growth that have built up in an organization over time. One of the most prominent obstacles is the often-manual process of communicating with customers, suppliers, partners, and colleagues. As such, the way businesses communicate is ripe for transformation.

Organizations embarking on a digital transformation effort must consider changes in customer attitude regarding the means of interacting with each other and the companies with which they do business. It is clear that consumers are embracing personal communications technologies in their daily lives. Along with traditional calling, most of us rely on a wide range of consumer-friendly applications and technologies, including SMS text messaging, third-party messaging apps, and social media and video chat apps, to connect with friends, family, and work colleagues.

Consumers, particularly the Millennial generation, have become increasingly comfortable being “on camera” and engaging in virtual face-to-face interactions. In this context, it is not surprising to find that customers and prospects are increasingly gravitating toward businesses that connect and communicate with them in ways that are most comfortable and convenient for them.

No longer content with calling into a contact center or emailing, customers are seeking rich and contextual interactions via corporate websites, online chat (with audio or video capabilities), as well as social media and messaging platforms. Most business customers are using myriad technologies to interact with companies, including smartphones, tablets, and social media, as well as more traditional telephony, desktop hardware and web browsers. Increasingly, technology-savvy customers, rather than the business, are dictating the modality in which they engage. Businesses seeking to improve customer loyalty and satisfaction are beginning to acknowledge the shortcomings in their current UC solutions and business processes.





Businesses that continue to rely on legacy PBX and traditional telecommunications services are at a disadvantage in an increasingly competitive and global marketplace. These companies are missing out on opportunities to create richer, more personalized and more meaningful connections with customers and partners. On-premises unified communications platforms and legacy PBX systems were never designed to support today's highly dynamic business landscape, which will only continue to evolve. With dedicated network interfaces and infrastructure, hardware PBX are often static solutions, deployed to the exact requirements at that moment and will eventually only address “lowest common denominator” needs. While often highly reliable, these platforms are rarely updated and left with little room for expanding beyond their core capabilities. Similarly, on-premises UC platforms, despite being largely software-driven, follow a traditional application model focused on internal vendor roadmaps and priorities, making innovation a constant challenge.

Many businesses, service providers, and on-premises UC vendors were caught off guard as customers gravitated toward new modalities, such as Facebook Messenger, WhatsApp and iMessage. Service providers that offer CPaaS solutions, however, quickly added messaging capabilities from these sources, enabling their business customers to become first movers in terms of expanded customer engagement. It is clear that a communications cloud that delivers CPaaS-driven APIs alongside UCaaS applications offers tight integrations to business applications and customer interactions, thus addressing specific business needs today while laying the foundation for the future.

Ultimately, advanced communications technologies, driven by the near-constant innovation that only cloud-based services can deliver, will be a distinct competitive advantage for businesses, setting them apart from other players in their market on the thing that often matters most to customers: timely and responsive communications, delivered in the way they are most comfortable.

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