



Verizon Recognized for

2021

Product Leadership

North American Small to Mid-Sized
Contact Center Industry

Excellence in Best Practices

Strategic Imperatives

Frost & Sullivan identifies three key strategic imperatives that impact the customer experience industry: innovative business models, disruptive technologies, and internal challenges. Every company that is competing in the customer experience space is obligated to address these imperatives proactively; failing to do so will almost certainly lead to stagnation or decline. Successful companies overcome the challenges posed by these imperatives and leverage them to drive innovation and growth. Frost & Sullivan’s recognition of Verizon Business Group is a reflection of how well it is performing against the backdrop of these imperatives.



Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated companies. Verizon Business excels in many of the criteria in the Small to Mid-Sized Contact Center space.

AWARD CRITERIA	
<i>Product Portfolio Attributes</i>	<i>Business Impact</i>
Match to Needs	Financial Performance
Reliability and Quality	Customer Acquisition
Product/Service Value	Operational Efficiency
Positioning	Growth Potential
Design	Human Capital

Product Family Attributes and Business Impact

Verizon Communications Inc. (NYSE: VZ), headquartered in New York City with a presence worldwide, generated revenue of \$128.3 billion in 2020. The company offers voice, data, and video services and solutions on its award-winning networks and platforms, and delivers on customers' demand for mobility, reliable network connectivity, security, and control.

Contact center is a crucial component of the Verizon family. It includes a robust portfolio of contact center platform solutions (cloud contact center, intelligent routing, voice callback, and managed services), along with CX design and consulting services that assist enterprises in transforming their CX.

Positioning

The contact center industry's handling of a broad swatch of competing development priorities has left some market segments unattended. Specifically, the small-to medium-sized business (SMB) segment has been largely left to struggle with less feature-rich and affordable contact center solutions. With the added burden of COVID and a distressed economic environment, these businesses have suffered considerably in connecting with customers and maintaining relationship.

The competitive advantage of the SMB business has traditionally been in-person contact with a personalized touch. Seeing a customer face-to-face and developing a one-on-one relationship that can then be followed up by phone, text or email is what has set smaller businesses apart from their larger counterparts.

As more companies of all sizes developed an online presence in the past decade, the pressure to do the same by small businesses has intensified. Customers continue to demand mobile access to those resources and more self-service options, further distancing them from that in-person experience. Those with limited digital resources are less likely to compete with larger companies that have more digital and online assets.

The challenge for the SMB market is how to provide personalized CX with the same level of attention as an in-person experience with limited monetary and IT resources. These businesses need to get customers to the right help, with the correct information to create better CX and cement brand loyalty, and prevent customers from seeking relationships elsewhere with better online and mobile experiences.

In October 2020, Verizon Business launched Contact Center Hub, an SMB offering that directly answers the needs of elevating customer experience in the SMB market. Contact Center Hub enables SMB businesses to directly and seamlessly connect with their customers the way that much larger enterprises can.

Solutions Matched to Needs

With the launch of Contact Center Hub, Verizon Business scored a big win in addressing the SMB market's unmet needs. This multichannel cloud solution has a feature set with the mobile experience in mind and can accommodate the smallest contact center as well as larger ones (from 3-5000 employees). It is simple to set up, with no need for an IT department.

Contact Center Hub was designed for ease of use from purchase to deployment, featuring an online portal that is easy to access and user-friendly. Most notable is the ability to add both voice and digital communication channels and seamless, native integration with other business applications. It provides support for voice and SMS text messaging and has plug-ins to over 70 customer relationship management (CRM) solutions and help desk applications. If a business is already using third-party applications, such as Zendesk or Salesforce, it can quickly integrate with these or easily add new ones in minutes. Easy to build interactive voice response menus and smart routing rules are also included.

Product/Service Value

Verizon has bundled its Contact Center Hub offering to be almost effortless compared to other offerings on the market. It is easy to set up and use; typically it takes 24 hours or less from purchase to deployment results, with no number porting. This includes the simplicity of adding new phone

“Verizon Business has provided the SMB market with an elegant contact solution that enables businesses to rapidly modernize at an affordable price point, and scale as needed.”

- Nancy Jamison, Industry Director

numbers if required as the customer can simply choose new ones off of a screen (for 800 or local 10-digit dialing). The product also was designed as a transactional sale, so the bundles that the customer sees on the customer portal are what they get, and pricing is a flat rate, bundled with usage, with no set-up charges.

Contact Center Hub also provides any time, any place set-up for agents, which directly addresses the SMB market's needs in normal times and in challenging times, such as what has happened with the fast movement to remote work. Agents can be set up anywhere – in an office, a work-at-home-agent (WAHA) environment, or in a nomadic fashion enabling them to work anywhere consistently. In particular, this is a boon to non-traditional contact center agents, such as field service workers.

Further increasing the attractiveness of this offer is pricing. The minimum requirements include the purchase of at least one phone number, at least three agent seats with usage included in the seat price, and:

- First toll-free or 10 digit local number is free with \$10 charge for each extra
- Included inbound and outbound calling for 10 digit numbers within the US and Canada
- Free calling between agents
- Free outbound call, and 2000 minutes if inbound calling for Toll Free numbers for each agent, per month, with a penny per minute above the 2K
- Free set up and installation
- Free remote guided support over the phone, including the integrations, with no additional costs for adding more during the year.

Also, there is the option to provide agents with their own direct phone number for specialized groups such as Sales. Verizon further provides two seat types delineating basic versus professional editions. The essential package offers the majority of contact center features, including call recording and analytics. The professional edition adds features such as integration with Salesforce, callback, and call whisper. The fully loaded option's average price is attractive at less than \$100 per month per agent.

Perhaps best of all is that there are no fixed contracts. A business can buy it for a month and then cancel any time. They can purchase seats on a monthly or annual basis with an approximate 20% discount for an annual pre-paid purchase, with the caveat that they don't get their money back if they cancel annual during the year of purchase. Overall, Contact Center Hub provides significant value to the SMB business as it allows for affordable flexibility in how a company runs operations.

Customer Acquisition

Verizon is one of the most experienced contact center providers in the industry. As such, it offers a portfolio that spans from the network to contact center and unified communications and collaboration (UCC) solutions. While Verizon's contact center portfolio was adopted by many SMBs, in

"Fit to market, the launch of Contact Center Hub has rapidly attracted interest across the Verizon ecosystem of customers because of its ease of use and rapid implementation."

- Nancy Jamison, Industry Director

2020, Verizon Business aimed its considerable expertise at addressing the challenges and needs of the lower end of the SMB market by introducing Contact Center Hub. Verizon Business sets itself apart from its competitors, now poised as a full-service provider, spanning from the smallest to the largest contact centers.

Further, while it answers the needs of existing Verizon customers, it can also be provided as a standalone offering, giving Verizon access to more businesses with the attractive monthly recurring pricing per agent of less than \$100.

Growth Potential

Verizon Business has shown impressive growth over its contact center tenure. For instance, the company has more than 30 years in toll-free and hosted IVR services, and at its peak, it supported 14,000 agents in hosted inbound contact routing and 35,000 agents on its Virtual Contact Center platform.

Since 2016, it has had a notable track record of contact center success. For instance, in 2017, it had an enviable 27% growth in its contact center solutions and currently has more than 1,000 customers leveraging strategic products. The company generated more than 200 million calls per month with 2.8 billion minutes a month that are carried over Verizon's hosted IVR platform. By 2018, the company also supported 6 million callbacks on its voice callback product. As of January 2019, Verizon had routing for approximately 35.8 million of the 55.7 million toll-free numbers (65%) and carried over 78 billion minutes of IPCC traffic in 2020.

Frost & Sullivan believes that by executing in all customer contact areas, Verizon Business can competitively advance the SMB market for customer contact. As early proof points, in the 90 days post-launch of Contact Center Hub, the company's sales activity has exceeded expectations with numerous customer briefing and demos, customer proposals, and a solid pipeline of orders. In fact, customer opportunities (funnel) were 34% over target with the vast majority of opportunities coming from Verizon's wireless channel as net-new CCaaS customers, which is a market that Verizon had not tapped prior to the launch of Contact Center Hub. Although it can support over 1000 agents, the introduction has particularly resonated well with the sweet spot of businesses having < 300 employees and seat sizes from 3 – 100, yet has also included many over the 1000 seat range.

Conclusion

The introduction of Contact Center Hub into the Verizon Business product family has further strengthened an already robust set of product offerings, enabling Verizon Business to address the smallest company's needs to the largest enterprise. By filling the gaps with a feature-rich yet affordable solution that targets an oft-overlooked business segment, the company can give SMB companies a solid set of customer care functionality, which will serve their immediate needs, yet easily allow them to expand in the future. For these reasons, Verizon Business has earned Frost & Sullivan's 2021 Product Leadership Award for the SMB contact center market.

What You Need to Know about the Product Leadership Recognition

Frost & Sullivan's Product Leadership Award recognizes the company that offers a product or solution with attributes that deliver the best quality, reliability, and performance in the industry.

Best Practices Award Analysis

For the Product Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Product Portfolio Attributes

Match to Needs: Customer needs directly influence and inspire the product portfolio's design and positioning

Reliability and Quality: Products consistently meet or exceed customer expectations for performance and length of service

Product/Service Value: Products or services offer the best value for the price compared to similar market offerings

Positioning: Products serve a unique, unmet need that competitors cannot easily replicate

Design: Products feature innovative designs, enhancing both visual appeal and ease of use

Business Impact

Financial Performance: Strong overall financial performance is achieved in terms of revenues, revenue growth, operating margin, and other key financial metrics

Customer Acquisition: Customer-facing processes support efficient and consistent new customer acquisition while enhancing customer retention

Operational Efficiency: Company staff performs assigned tasks productively, quickly, and to a high-quality standard

Growth Potential: Growth is fostered by a strong customer focus that strengthens the brand and reinforces customer loyalty

Human Capital: Commitment to quality and to customers characterize the company culture, which in turn enhances employee morale and retention

