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Insight on the Public Cloud Contact Centre Market

Driving Operational Agility through Public Cloud Based Contact Centres

A
White Paper by
Frost & Sullivan

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TELSTRA

CONTENTS

OVERVIEW

On-premise continues to be the predominant deployment model for contact centre solutions across the APAC region, and accounts for the majority of market revenues for contact centre solutions. However, this model is struggling to meet rapidly changing market demands in a cost effective and flexible manner.

Customers now expect an organisation to be available and contactable through multiple channels such as web chat, self-service sites and social media – all through multiple devices and at a time that suits them. They no longer think about their service relationships in terms of siloed channels and expect businesses to have a seamless view of their interactions across these different channels. If they do not receive the service experience they want then the new world of connected technology gives them the opportunity to change brands in minutes.

One of the biggest impacts on the customer service experience is the mobile device. The proliferation of smartphones and tablets is causing a change in the way customers are interacting with organisations, and the increasing advances in hardware and software in smart devices are making them capable of increasingly complex interactions and functions.

Customers are now expecting the apps on their smart devices to be as capable of handling their queries as a traditional voice based channel. Many organisations are beginning to use the quality of apps as a differentiating factor in providing superior customer service, and are dedicating efforts towards further improving the functionality of these apps. A number of apps already provide call back or virtual queuing functions, enabling the customer to reach the organisation from any location.

As organisations look for greater flexibility and agility in responding to customer needs, the demand for a public cloud technology model for customer service is increasing. While the cost advantages of the public cloud based model are well understood, it is the ability to gain greater control over the technology, and in doing so, respond faster than the competition to rapidly changing customer and business demands, which are becoming key driving factors for adoption.

Most of today's leading contact centre technologies are evenly matched in terms of multi-channel capabilities and features. The differentiating factor is shifting to how easily and quickly technology can be deployed and customised to deliver the right service experience.

For example, the process of scaling (adding licenses or seats), making real time changes or customising the solution in a traditional on-premise model often cannot keep pace with customer demands. In addition, such tasks often require significant investment in dedicated IT resources or in employing professional services from a third party. This is because employees who manage the customer experience are not given the access to manage the technology that facilitates it.

In contrast, by giving organisations direct access to the software (e.g. through a self-service web portal), public cloud based contact centre solutions enable contact centre managers to dynamically adjust their architecture accordingly to market or customers' demand.

Over the next few years, businesses that have not adopted public cloud based solutions risk losing out to more agile and responsive competitors. Overall, the shift from an on-premise to a public cloud based model will be the major vehicle for growth in the contact centre market over the next few years.

In this white paper we examine the benefits and challenges of adopting public cloud based contact centre solutions, as well as the increasingly sophisticated approach used by organisations when selecting cloud service providers. Data in this white paper is based on Frost & Sullivan's research and leverages data from the Asia Pacific and Australian Infrastructure as a Service (IaaS) Market and Cloud Computing reports.

Control, Agility and Scalability Driving the Demand for Public Cloud Contact Centres

Contact centre operators are increasingly attracted by the agility and scalability benefits offered by public cloud solutions. The usage-based payment option allows organisations to avoid upfront investment in licenses, while allowing for real time flexibility in adjusting to peaks and troughs in contact and call volumes. Organisations also have direct control of technology changes which enables greater flexibility and speed when responding to external market changes.

Whilst these generic needs apply to all sizes of organisations, there are differentiated drivers for small-to-medium enterprises (SME) and large organisations.

In the SME market, the main drivers for adoption are price and flexibility. In the traditional on-premise environment, the cost of procuring the latest technologies in speech, voice portals, workforce management, Computer Telephony Integration (CTI), analytics, outbound and other contact centre technologies requires sizable budgets and resources. As a result, only large organisations have the necessary budgets and IT resources to deploy and manage such solutions. In contrast public cloud contact centre solutions allow organisations to procure these technologies on a pay-per-use model whilst reducing professional service and maintenance costs. Over the next few years, public cloud based contact centres will make the solutions more affordable and will enable greater flexibility in contact centre operations. This will also help to drive adoption with SME organisations, which have previously found the cost of deploying such advanced solutions prohibitively expensive.

In contrast, the adoption of public cloud based contact centre solutions in large organisations is often driven by a need for greater agility and scalability. Whilst large scale deployments are generally not moving to public cloud solutions, there is strong uptake from new or smaller teams within such organisations benefiting from rapid deployment and real time control of the software. These solutions can exist in parallel with traditional solutions and give large organisations the agility to remain competitive whilst leveraging existing technology assets.

Although the adoption of cloud computing is increasing, many organisations remain concerned about factors such as security, latency and inconsistency with existing business processes and systems. To mitigate such concerns, organisations often begin with a private cloud deployment, retaining most of the physical control over the infrastructure. However, private cloud models lack some of the key defining

attributes of a public cloud model, as they do not allow real time access to all elements of the application without significant investment. This limits an organisation's ability to rapidly adjust to customer demands. Scaling up or down to meet demand in a private cloud model still involves dealing with licensing complexities and managing compute resources. In addition, a private cloud model also requires up-front capital investment (CAPEX) in enabling services such as telecommunications.

On the other hand, in a public cloud model, the following benefits can be realised:

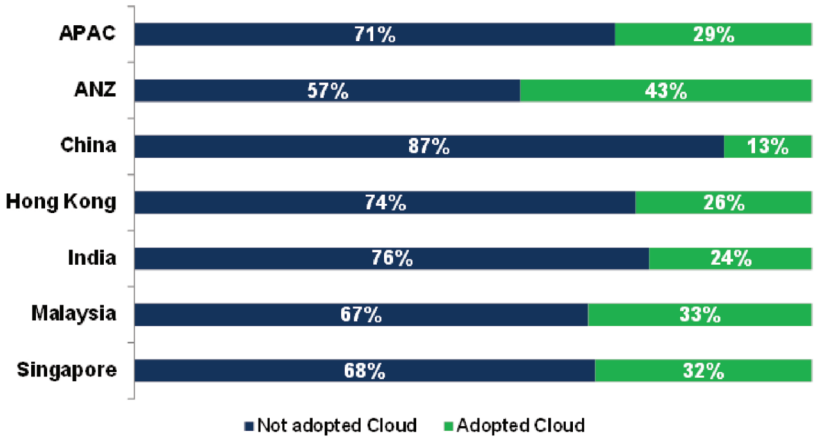
- Additional capacity is readily available, enabling dynamic scalability for the organisation;
- Direct, real time changes can be made to all elements of the technology or solution, enabling greater agility;
- Upgrading the software and making it readily available to all users is also greatly simplified in a public cloud model due to the centralised location of the application;
- Handing over maintenance and managed services to a cloud service provider enables cost savings and reduced IT overheads; and
- The public cloud architecture delivers Disaster Recovery (DR) as part of its standard solution, without adding on any extra cost for this feature. If a contact centre becomes inaccessible, agents simply log into the same system from a separate or remote location.

To aid their migration to the public cloud, many organisations are looking to utilise trusted public cloud service providers who can adequately address their main concerns. As the public cloud services market matures, an increasing number of specialist cloud services providers offer services with the highest levels of security and reliability.

Adoption Trends for Cloud Solutions in APAC

Australia and New Zealand lead adoption of cloud computing in the Asia Pacific region, with well over 40% of organisations now accessing IT services via the cloud. This places Australia and New Zealand as the countries in the region with the highest adoption of cloud computing, well ahead of other developed markets such as Hong Kong and Singapore

Figure 1: Cloud Adoption by Country, 2011



Source: Frost & Sullivan research, 2012, n = 100 per country

Whilst there is a common perception that cloud computing is more appropriate for smaller organisations, in Australia it is larger organisations (300+ employees) that are leading the adoption of cloud services. The ANZ market is comparatively very mature in terms of cloud services adoption, and is expected to experience continued growth over the next few years. A number of government departments have indicated an appetite for cloud services and are at varying stages of adoption. Local cloud service providers are generally preferred over global providers due to concerns over data sovereignty, and are therefore well positioned to capitalise on this demand.

Overall Australia has been at the forefront of cloud adoption in Asia Pacific as a result of several factors including:

1 A relatively high level of server virtualisation which has created the right foundation for delivering cloud services;

2 A high propensity for IT outsourcing;

3 A shortage of IT labour and the need to complement in-house IT teams; and

4 Challenging economic conditions which have led to a distinct shift from a capital expenditure (CAPEX) based to an operational expenditure (OPEX) based model of IT spending among an increasing number of organisations.

Cloud computing has already started to become disruptive, to both the supply side and demand side of the IT industry. A wide variety of infrastructure support jobs in areas such as server support, desktop support, network maintenance, messaging administration, and storage administration are likely to be automated as these infrastructures continue to migrate to the cloud.

Adoption Trends in Other APAC Markets [1]

Singapore: Within the ASEAN market, Singapore is the largest market for infrastructure as a service (IaaS). Its strategic location and preference as a regional headquarters for many multinational companies is a key factor for the high level of adoption. Government departments in Singapore are also becoming more receptive to deploying cloud based solutions.

Malaysia: In Malaysia, the government is the major adopter of cloud based solutions. The government is supporting a number of initiatives to make Malaysia an attractive destination for data centres. This is expected to be a key factor driving adoption in the next few years. Malaysia is also becoming an attractive location for outsourced contact centre services due to its proximity to major APAC markets and this is likely to drive an increase in the demand for public cloud solutions.

Thailand: In Thailand, adoption is mainly driven by the public sector with a number of initiatives focused on leveraging the benefits of cloud solutions. For instance, the Electronic Government Agency (EGA) is driving a pilot cloud project. The EGA has partnered with two state owned telcos (TOT and CAT) to build its own cloud facility in 2012.

Philippines: Within the wider Philippines market, the Business Process Outsourcing (BPO) sector continues to grow strongly and is emerging as a major adopter of cloud services. Philippines-based BPO companies are looking to deploy public cloud solutions to reduce cost, manage fluctuations in demand and to access advanced solutions. In addition, public cloud is seen as a way of developing a competitive advantage over other regions through the ability to offer added services, which would not be commercially viable through an on-premise platform.

China: The IaaS market in mainland China is at a nascent stage of development. However, over the next few years the market is expected to experience very high growth rates. In 2010, the Chinese government announced its 12th Five Year Development Plan outlining the plans for social and economic development for 2011 - 2015. Cloud Computing was highlighted as one of the key investment areas within next generation IT for the development of new digital technology and infrastructure. This announcement has generated significant interest in the cloud computing market in China and will be a major factor for future growth.

Hong Kong: Hong Kong has been the main revenue generator for cloud services in the Greater China region, due to its position as a regional headquarters location for many multinational organisations. Many of the multinational organisations are looking to deploy cloud based services in Hong Kong to rationalise their IT infrastructure and to reduce maintenance overheads. In addition, Hong Kong is increasingly becoming the data centre hub for Greater China as well as the APAC region. Recognising this trend, many global players have established a local data centre presence to tap into the growing regional demand opportunities.

India: In India, the adoption of cloud computing is largely driven by the enterprise segment which has access to robust network and hosting facilities which underpin any successful cloud deployment. Government departments in India have been reluctant to adopt cloud based solutions, which has significantly impacted overall growth in the market. However, over the next few years, government departments are expected to become more receptive towards cloud based solutions driven by cost and efficiency factors.

[1] **Asia Pacific Infrastructure as a Service (IaaS) Market, Frost & Sullivan, 2011**

Japan: Economic readiness for cloud technologies was impacted by a dip in the Japanese economy, as a result of the 2011 earthquake and tsunami. However, enterprise willingness to spend on IT and cloud technologies is projected to increase steadily due to a general willingness to adopt cloud technologies. Organisations are also more open to allowing third party IaaS vendors to manage their data due to strong privacy protection policies and a robust IT infrastructure.

The Benefits of the Public Cloud Contact Centre Model

Beyond the well documented cost advantages and usage based pricing models, public cloud based contact centres enable organisations to build greater operational agility into their business processes. Organisations are beginning to recognise that the cloud based model involves more than just a shift in the IT delivery model, and are deploying it in response to changing customer demands and market conditions. The following section discusses some of the key benefits of deploying public cloud based contact centres:

- Agility;
- Speed to Market;
- Scalability; and
- Resiliency and Disaster Recovery

Agility

One of the key benefits of using public cloud-based contact centre solutions is the significant upfront savings that can be achieved in terms of hardware, software, telecommunications and associated maintenance costs. Organisations no longer need to purchase, configure and deploy their own machines or servers on-premise because that process can now be done in minutes over the web. In addition, there is typically no long-term contract or minimum contractual obligation between providers and end users. Most services are based on monthly terms where demands can be scaled up or down without incurring any penalty costs. This in turn offers greater flexibility and agility to organisations. With such low barriers to entry, the commercial case for a business of any size to adopt public cloud based contact centre solutions is strong.

The on-demand model associated with public cloud solutions, combined with real time access to the technology, also means that contact centres can avoid the complex and time consuming process of licensing when scaling to meet market demands. With the organisation being able to control and manage the resource allocation process (through a secure self-service web portal), it is better positioned to rapidly adapt to changing market conditions and deliver greater operational agility.

Speed to Market

The ability to significantly reduce the time taken to bring a new concept, product or campaign to market is among the most valued benefits of cloud based solutions. Organisations often spend a considerable amount of time negotiating the barriers of their internal IT systems and business processes when coordinating work across multiple teams. Such challenges are further amplified when the teams are spread across geographies or in the case of using third party service providers, across organisations.

For instance, to support a marketing campaign, the contact centre manager typically needs to work with multiple systems and with internal and external stakeholders. If the business cannot afford to have dedicated internal and external IT teams supporting the contact centre, this process can take days if not weeks. In contrast, the public cloud environment enables the manager to take control of the new campaign development via the self-service web portal. As a result, the launch of a new product/ service campaign can be rolled out within days. New applications can be utilised almost immediately, without the lengthy periods of procurement, testing, installation and training typically needed for on-premise applications, bringing about faster response to the market.

Scalability

One of the biggest challenges faced by IT departments is anticipating call volumes (workload) when designing the contact centre infrastructure and purchasing software licenses. Underestimating the workload can result in increased wait times and severely hamper customer service levels. On the other hand, over over-estimation of workload results in under-utilisation of resources and significantly increases the associated cost. This challenge is particularly pronounced in organisations that experience cyclical demand in their contact centres. Additionally, the process of scaling up the number of seats or licenses is often time consuming and complex, typically requiring at least a few days to take effect.

With economic conditions increasingly tightening the budgets of organisations, accurate allocation of resources is becoming an increasingly important factor in the technology decision making process. As businesses begin to operate with fewer resources, the ability to dynamically scale up or scale down operations without infrastructure or investment concerns becomes ever more critical. Public cloud based contact centres offer the ability to scale seamlessly across hardware, software and telecommunications and to pay only for resources when they are used. The process of adding additional capacity (or seats) is immediate and therefore significantly faster than private cloud or on-premise models. As a result, contact centre managers can adjust much faster to cyclical call volumes and sudden spikes in demand.

Resiliency and Disaster Recovery

Following the natural disasters across the APAC region over the past few years, including floods in Philippines, Thailand and Australia (Queensland) and earthquakes in Japan and New Zealand, many organisations are seriously re-evaluating their Business Continuity Plan (BCP) and Disaster Recovery (DR) plans. Many

organisations found their contact centre infrastructures incapable of responding to major disruptions, which in turn have a significant impact on customer experience. Traditional on-premise infrastructures can only provide limited resiliency when faced with a major disruption. The only way to bypass a disruption to the central server/database is to mirror critical applications to another site, which, while effective, is very resource intensive (in cost and maintenance) and can take hours to activate in a DR situation.

The increasing importance of highly flexible BCP/DRP solutions, combined with challenges of cost and capital expense, will result in a greater demand for public cloud based DR solutions. This demand will be driven by the fact that the architecture of the public cloud enables a highly resilient DR solution at no extra cost to the core solution.

In a public cloud deployment scenario, if the physical contact centre site is not accessible, agents can simply log into the same system, with access to the same functionality from a different or remote internet enabled location. Agents will have seamless access to all customer data and other necessary information. Enabling such capabilities in a traditional on-premise DR system requires mirroring of the primary site to another location– i.e. duplication of all hardware, software and telecommunications. Public cloud infrastructure is also highly resilient within the core architecture, with vendors building in multiple layers of resiliency and DR capabilities across software, hardware and telecommunications.

Additionally, the size that these vendors gain through serving multiple customers allows them to make significantly higher investments to ensure maximum up-times, resulting in superior resiliency, security and DR capabilities. This benefit is passed on to customers who have access to built-in BCP and DRP capabilities as a part of their subscription, without incurring additional costs. This combination of cost advantages with the elimination of maintenance overheads makes public cloud DR a viable option for smaller companies, which typically do not have allocated budgets for DR. Organisations of any size can now gain access to the most advanced contingency processes and technologies, previously affordable only to large enterprises.

Main Selection Criteria for Evaluating Public Cloud Based Solutions

When evaluating a public cloud based solution, factors such as security, reliability, data sovereignty, local service operations and cost are identified by organisations as critical. As adoption of cloud computing continues to grow in the APAC region, specialised cloud service providers offering the highest levels of security and reliability, coupled with local hosting capability, will be advantageously positioned.

- **Security:** The perceived loss of control in handing over the management of data and infrastructure to a third party results in security being the top concern for organisations when evaluating a cloud based solution. Organisations are also concerned about the lack of visibility when migrating data to a third party managed location. Recognising these concerns, cloud service providers are focusing on providing greater control and visibility to improve customers' view of security. Control is offered through high levels of availability, greater recovery speed, comprehensive access control and data usage guidelines that define the lifecycle of data being moved into the cloud. Visibility is provided into the cloud's risk management framework, with policies and procedures put in place to ensure compliance to relevant regulations and governance measures.

- **Reliability:** Hosting cloud based solutions in data centres that meet the highest standards in terms of redundancy and infrastructure ensures maximum uptime and reliability. Data centres with very high levels of reliability are sometimes referred to as tier 3 or tier 4 facilities.[2] Additionally many customers are looking for service providers that can offer both hosting and network capabilities. Vendors capable of addressing both the requirements often hold a strong reputation and are perceived to be offering greater flexibility and scalability than pure hosting providers.[3] Going forward, a number of vendors offering public cloud based contact centre solutions are expected to invest in improving their data centre capabilities to offer greater reliability levels.

- **Locally hosted facilities:** Many contact centre operators express a strong preference for service providers with local hosting capabilities, i.e. with data centres located in the same country. This gives customers greater confidence in the security levels and reliability of their service provider, and minimises the potential challenges involved in offshore hosting such as non-compliance with local regulations (especially those pertaining to the handling of customer data). Cloud providers with no hosting capabilities in local markets will find it hard to secure large client wins, especially in the public sector and financial services industry. For example, the majority of state governments in Australia have their own set of guidelines and frameworks around data sovereignty and cloud providers in general. As a result, a number of global cloud service providers are strengthening their presence in local markets by building data centres specifically in each country.

- **Local Service and Support teams:** The virtual nature of the public cloud solution reinforces the importance of local 24-7 service and support. Organisations need to be able to solve any technical issues quickly within the local time zone.

- **Competitive pricing:** As cost saving is one of the prime reasons for adopting cloud computing, organisations are seeking service providers that can offer competitive and flexible pricing plans. This tends to favour the larger public cloud service providers, which are able to achieve greater economies of scale through their multi-tenant model, thereby passing the savings back to customers through lower prices.

[2]Tiers are defined in terms of the maximum permitted annual downtime of a facility (source; Uptime Institute)

[3]Three of the top five rated local cloud service vendors in Australia offer both hosting and network capability (Macquarie Telecom, Telstra, Optus).

Source: The State of Cloud Computing in Australia, Frost & Sullivan, July 2012

Case Studies

A number of organisations have successfully adopted public cloud hosting for their contact centres. Four examples from the Australian market are given below:

Case Study #1: Peakbound

Headquartered in Sydney, Peakbound delivers specialist outsourcing services for financial institutions. Peakbound's experience in the financial services industry has seen them grow to be one of the leading service providers in this sector.

As a contact centre outsourcer, the ongoing cost of the technology per agent needs to be as low as possible with no unnecessary technology overheads. In addition, Peakbound's focus on the financial service sector means they needed rich functionality, high levels of security and the ability to make real time changes to customer campaigns. As a start-up two years ago, the company was initially uncertain about future call volumes, and was concerned about the complexities of scaling up since it operated with a small IT team.

Another key main requirement for Peakbound to secure business in the financial services segment was to offer locally hosted solutions. IPscape's Australian based hosting and support services enabled Peakbound to address this critical requirement and increase its customer base rapidly in the financial services segment. The solution also provided the scalability to grow from a few agents initially to 250 agents currently, with minimal demands on Peakbound's internal IT staff.

Case Study #2: Lifeline

The Lifeline organisation provides access to crisis support, suicide prevention and mental health support services to people in Australia. The organisation receives 1400 to 1900 calls each day, therefore, ensuring its national helpline continues to function despite disruptions such as technology outages and natural disasters is a critical requirement. The organisation had a traditional on-premise solution at one site, but found replicating the solution to a secondary DR site very expensive. Being a not for profit organisation, cost of the solution was a very important factor in the decision.

Lifeline also has a number of agents who would benefit from the ability to volunteer and work from home. As a result, the company needed a solution that offered the same level of functionality from any internet enabled location. IPscape's cloud DR platform now allows volunteers/agents to take calls from any location in Australia as long as they have a phone line and a broadband connection. The solution also enables the organisation to update its Interactive Voice Response (IVR) technology with new messages in minutes.

Case Study #3: AAPT

AAPT is Australia's third largest land line telecommunications company and is a wholly owned subsidiary of Telecom New Zealand. The deployment of IPscape's solution was part of a major transformation towards a cloud based model to maximise IT cost efficiency and business agility. As a part of this wider strategy, AAPT has also deployed Google Apps and Salesforce.com's cloud based solutions.

In 2011 AAPT replaced its on-premise solution with IPscape's cloud based solution to provide 250 seats across its seven contact centre sites. One of the main benefits realised by AAPT following the deployment of IPscape's solution was a significant reduction in technology and support costs. The cloud based solution also enabled AAPT to drive improvements in operational efficiency.

Case Study #4: BMS Telecorp

BMS Telecorp is one of Australia's leading contact centre outsourcers based in Richmond, Victoria. BMS Telecorp has developed a contact centre facility with a strong focus on high quality agents and multi-channel campaign execution including outbound, inbound, web chat, SMS, MMS, database services, data analytics, mobile marketing, email marketing services. Two years ago the company had ambitious growth plans for the Australian market, and needed a technology platform which would scale with their business while also providing feature rich functionality.

Following a competitive market tender process, IPscape was selected to support the 80 seat BMS operation, and this was subsequently scaled to deliver more than 500 seats. Among the main benefits realised by BMS Telecorp were the ability to scale the size of its contact centre seamlessly with market demand and the ability to pay according to usage. This is a key benefit in an industry which typically experiences significant fluctuations in call volumes. With IPscape BMS Telecorp is now able to increase or decrease the number of seats without the involvement of the vendor.

FROST & SULLIVAN'S LAST WORD

Changing customer demands are driving a shift towards multi-channel contact centres. As customers expect a richer, more personal service and support experience from organisations, traditional on-premise contact centres often struggle to keep pace with this change, and are also increasingly expensive to operate. Public cloud based contact centre solutions offer greater operational agility and flexibility, enabling an organisation to dynamically adapt to changing customer needs. This ability to quickly adapt and to provide superior customer service will serve as a competitive advantage for many organisations.

Public cloud based contact centres offer greater agility as business owners have direct control of the technology. This means that employees responsible for managing the customer service experience can also manage the enabling technology platform. A public cloud based contact centre may not be the best solution for every organisation. For a number of organisations in sectors such as emergency services and government, tight control over data and infrastructure is critical. Such organisations are likely to be the last to migrate to a public cloud model. However, for organisations that are facing the need to support customers through multiple communication channels and which require flexibility and scalability of operations, a public cloud based model offers significant advantages over other models. Hence, market changes are likely to drive rapid adoption in industries such as outsourcing, retail, media, insurance, card services and new online brands in financial services.

Frost & Sullivan believes that telecommunications service providers are in the best position to deliver cloud based contact centre solutions from their data centres, supported by their network and communications expertise. Telstra has worked with Australia's public cloud provider IPscape to design and implement a new cloud based Virtual Contact Centre (VCC) solution. This solution uses IPscape's cloud software, which is deployed from Telstra's advanced data centres and supported by tier one global networks. This blend of cloud innovation, supported by the security of a global telecommunications provider, will serve as a vehicle for driving greater business adoption of cloud based solutions and for improving organisations' customer service offering. By taking the infrastructure challenge out of the equation, the focus for an organisation's contact centre shifts to deploying the actual processes and activities to serve the customerbetter. One of the key benefits is that limitations commonly found in on-premise infrastructure, such as workload limits, storage/back-up demands or other infrastructure factors are mitigated. There is no need to compromise the design of the new contact centre solution due to infrastructure limits.

Security is widely seen as the most important criteria for companies when selecting a cloud vendor. Customers are looking for best practices from their cloud providers as a means of ensuring trust and service assurance. With security and privacy at the forefront of the cloud argument, there exists a strong onus on service providers to offer solutions that can mitigate the security issue. Reliability of services and support, local hosting capabilities, well documented SLA's and value added services are also seen as very important considerations when selecting a cloud contact centre provider.

The natural disasters in the APAC region in 2011 and 2012 caused many contact centres to revisit their business continuity and disaster recovery strategies. A fully cloud-based or hosted model gives businesses greater contingency and resiliency in the event of major disruptions, at no extra cost to the standard solution. By their very nature, public cloud contact centre solutions offer a native DR capability. As a result, a growing number of medium and large enterprises are beginning to evaluate cloud-based contact centre models before upgrading and deploying new infrastructure.

Cloud computing is one of the key revenue pillars identified by Telstra for future growth. Telstra offers a full suite of cloud offerings, ranging from utility public type of cloud offerings to fully secured single tenanted private cloud architecture, to its broad base of customers running on top of its Global Network. Telstra is aggressively strengthening its strategic alliances with key integrators, partners and software providers to offer a broad range of cloud solutions across multiple platforms. The IPscape and Telstra partnership provide an attractive option for customers looking to adopt a cloud based contact centre solution.

Flexibility and the ability to adapt to changing business needs are becoming critical factors for organisations. The public cloud based contact centre model is expected to serve as the enabling factor for organisations looking to achieve greater agility and adaptability in a fast changing market. Frost & Sullivan anticipates that the increasing momentum towards public cloud based solutions will challenge the traditional on-premise models for market share. Vendors that fail to adapt to the changing demands will quickly become irrelevant in a market where agility and flexibility are critically important.

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