FROST & SULLIVAN

2014

CaféX
communications

2014 North American Mobile and Web Customer Engagement Solutions New Product Innovation Award

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50 Years of Growth, Innovation & Leadership

New Product Innovation Award
Mobile and Web Customer Engagement Solutions
North America, 2014

Frost & Sullivan's Global Research Platform

Frost & Sullivan is in its 50th year in business with a global research organization of 1,800 analysts and consultants who monitor more than 300 industries and 250,000 companies. The company's research philosophy originates with the CEO's 360-Degree Perspective™, which serves as the foundation of its TEAM Research™ methodology. This unique approach enables us to determine how best-in-class companies worldwide manage growth, innovation and leadership. Based on the findings of this Best Practices research, Frost & Sullivan is proud to present the 2014 North American New Product Innovation Award in Mobile and Web Customer Engagement Solutions to CaféX Communications.

Key Industry Challenges

Today's evolving consumer and worker communications demands are closely related. Pervasive access to wired and wireless high-speed Internet has dramatically changed the nature of how professionals and consumers communicate as well as what outcomes they expect from their interactions. Just as unified communications (UC) solutions functionality provides for professionals in the workplace, consumers expect to communicate using the device and modality that best fit their current needs and preferences.

Pervasive connectivity means that smart consumers expect to browse and connect with companies from web, mobile and traditional endpoints. Frost & Sullivan finds that regardless of their chosen endpoint they demand prompt, engaging and accurate service, or else they quickly turn to alternative companies to do business with. On the other end of the interaction, workers must also have quick access to appropriate information in order to help prospective customers or to keep business processes efficiently moving forward. Workers are tasked with continually maintaining or improving productivity levels no matter how fast customer or business demands change. Workers, however, can only do as much as their business communications and other tools allow them to. Frost & Sullivan's research shows that companies must provide their workforce with the tools needed to be flexible, agile, and accurate in terms of how and when they access, consume, process and deliver information.

Key challenges of this dynamic revolve around a company's ability to support employees and customers wherever they want to go for information precisely when they need it, regardless of the user's endpoint. For the business, attaining agility and efficiency requires that communications among employees take place within workflows. Whether internal or external, interactions must be timely and productive for all parties. Latency and inaccuracy in response times and business processes contribute to degraded customer confidence and loyalty, drain employee productivity, increase company costs and equate

to lost revenue opportunities for the business. Context—infusing interactions with the right information and resources and the right time—is critical.

Businesses are not looking to start over in order to keep up with evolving requirements. Due to budgets, potential for disruption, risk avoidance and other factors they must evolve their current technology investments to support contextual and more productive communications sessions. They need new product innovations that add value to what they already have. Innovative vendors are meeting these demands with solutions that tightly integrate with existing assets and into established business processes. As such, businesses can leverage current investments and processes to achieve the flexibility and responsiveness they desire. With this less disruptive approach workers are more likely to adopt, utilize and scale innovative new capabilities for the greatest impact in terms of productivity, business efficiency and customer satisfaction.

## Key Benchmarking Criteria for New Product Innovation Award

For the New Product Innovation Award, the following criteria were used to benchmark CaféX's performance against key competitors:

- Innovative Element of the Product

- Leverage of Leading-Edge Technologies in Product

- Value Added Features/Benefits

- Increased Customer ROI

- Customer Acquisition/Penetration Potential

Decision Support Matrix and Measurement Criteria

To support its evaluation of best practices across multiple business performance categories, Frost & Sullivan employs a customized Decision Support Matrix (DSM). The DSM is an analytical tool that compares companies' performance relative to each other with an integration of quantitative and qualitative metrics. The DSM features criteria unique to each Award category and ranks importance by assigning weights to each criterion. The relative weighting reflects current market conditions and illustrates the associated importance of each criterion according to Frost & Sullivan. Fundamentally, each DSM is distinct for each market and Award category. The DSM allows our research and consulting teams to objectively analyze each company's performance on each criterion relative to its top competitors and assign performance ratings on that basis. The DSM follows a 10-point scale that allows for nuances in performance evaluation; ratings guidelines are shown in Chart 1.

Chart 1: Performance-Based Ratings for Decision Support Matrix
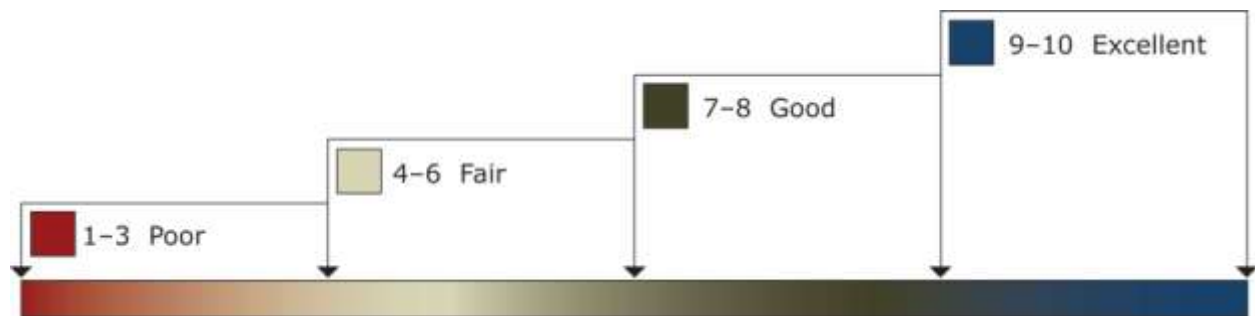
This exercise encompasses all criteria, leading to a weighted average ranking of each company. Researchers can then easily identify the company with the highest ranking. As a final step, the research team confirms the veracity of the model by ensuring that small changes to the ratings for a specific criterion do not lead to a significant change in the overall relative rankings of the companies.

Chart 2: Frost & Sullivan's 10-Step Process for Identifying Award Recipients

Best Practice Award Analysis for CaféX

The Decision Support Matrix, shown in Chart 3, illustrates the relative importance of each criterion for the New Product Innovation Award and the ratings for each company under evaluation. To remain unbiased while also protecting the interests of the other organizations reviewed, we have chosen to refer to the other key players as Competitor 1 and Competitor 2.

**Chart 3: Decision Support Matrix for
New Product Innovation Award**

Measurement of 1–10 (1 = lowest; 10 = highest)	Award Criteria					
	Innovative Element of the Product	Leverage of Leading-Edge Technologies in Product	Value-added Features/Benefits	Increased Customer ROI	Customer Acquisition/Penetration Potential	Weighted Rating
Relative Weight (%)	**20%**	**20%**	**20%**	**20%**	**20%**	**100%**
CaféX	10	9.5	10	10	9	9.7
Competitor 1	8.5	8	9	9	8.5	8.6
Competitor 2	8.5	8	9	8.25	7.5	8.15

Criterion 1: Innovative Element of the Product

CaféX is enabling contextual communications through a full portfolio of solutions which is designed to bridge the gaps in communications that traditionally occur at the moment when customers and enterprise workers need actionable information. It is when a customer needs to launch an interaction or transaction with a company that the background, context and primary reason for initiating the communications session is commonly lost. Likewise, professionals must often leave the application they are working in to launch a communications session when the need arises. As a result, communications often begin with revisiting the context or cause of the interaction, making it frustrating and inefficient for customers and employees alike.

CaféX Fusion Live Assist connects customers to enterprise workers and contact centers agents over-the-web or mobile apps to enable rich interactions via single-click voice and video call initiation, screen sharing, co-browsing, document push, and annotation functionality. Static and dynamic information about the customer, such as profile data, browsing activity and geo-location, can also be relayed to the enterprise to enable context-based routing, call back, analytics and other advanced call treatment scenarios. Both parties have immediate access to a full set of capabilities in real-time at the point when more information needs to be shared or a decision is to be made.

CaféX In-App Communications does just as its name implies—it adds rich communications capabilities to mobile apps and web pages. Both external-facing and internal company web pages and mobile apps are embedded with voice, video, instant messaging, and presence functionality to give workers the ability to communicate with colleagues or customers

directly from within the applications they are using, thus providing real-time context for their interactions. For WebRTC compliant web browsers, namely Google Chrome and Mozilla FireFox, no plugin is required to add voice and video communications to web pages.

CaféX Mobile Self-Service is an answer to streamlining what is often a broken self-service experience for mobile device users. The solution transforms traditional audio-based and telephony user interface-driven (TUI) interactive voice response (IVR) by transferring all menu options to an interactive visual layout. The visual IVR is easy for customers to understand, navigate and escalate into chat or voice sessions on their smart phones and tablets. The solution attends to the increasing mobile device preferences of consumers, allowing them to shift the interaction from static traditional voice and TUI transactions to the context of a more engaging and modern mobile experience. Frost & Sullivan's research shows that for the contact center and broader enterprise, this equates to fewer customers opting out of the IVR in order to engage in more resource-intensive agent-assisted interactions.

Criterion 2: Leverage of Leading-edge Technologies in Product

As standalone applications each of the respective CaféX solutions offers impressive and differentiated capabilities compared to traditional communications sessions. These solutions are built on the CaféX Fusion product portfolio, which extends existing enterprise collaboration assets to mobile and web applications.

The CaféX Fusion Client Software Developer Kit (SDK) provides application programming interfaces (APIs) that help developers to quickly infuse communications capabilities into business applications. The Fusion Client SDK solution leverages fast-maturing WebRTC technology to instill rich multi-media communication experiences without requiring client downloads or browser plug-ins. Further, Fusion Client SDK facilitates calls between web or mobile applications users and the enterprise through the Fusion Web Gateway and Fusion Media Broker. The Web Gateway converts HTTP to SIP, and normalizes SIP variations employed by WebRTC applications, enterprise infrastructures and devices for seamless interoperability. The Fusion Media Broker adapts media streams between external clients and enterprise devices, including VP8 and H.264 video transcoding, to provide interoperability and enterprise media interworking, as well as security functionality for rich-media communications sessions. The components are designed to ensure a seamless transition for enterprises and contact centers that want to move their capabilities forward without a forklift of existing assets.

CaféX Fusion Palettes is an applications platform that enables secure, contextual conversations for external users with enterprise employees and contact center agents. Fusion Palettes utilizes REST APIs to draw upon as well as deliver contextual information to mobile devices. A range of Palettes applications is available. The Palettes Visual IVR Renderer leverages existing VXML programming in traditional IVRs to graphically render information on mobile devices. Palettes has the ability to expose contact center information

to mobile devices, such as call queue length and wait time, as well as push content to users such as promotional and product information. Another compelling Palettes application is the ability to capture user context and relay this information to the contact center. Activity details such as user state, current location and length of stay on certain mobile apps sections or web pages, click-through sequences and other contextual details enable more intelligent and accurate call routing for enhanced call resolution and sales opportunities for agents.

Frost & Sullivan's analysis confirms that CaféX is delivering solutions that meet the changing demands of how end user customers, contact center agents and enterprise workers want and need to communicate. The company is empowering parties on both sides of the call with more timely access to a richer set of tools and information than they have had in the past.

Criterion 3: Value-added Features/Benefits

The overarching benefit to contact centers and enterprises is that they can implement any CaféX solution as a value-add to their current investments. CaféX solutions can be deployed in appliance or virtual-server form factor and integrated into existing SIP-based and even legacy environments. As noted earlier, Fusion Web Gateway converts HTTP to SIP, and normalizes differing SIP implementations, while Fusion Media Broker performs VP8 and H.264 video transcoding. These capabilities enable CaféX solutions to seamlessly integrate into single- or multi-vendor as well as mixed-protocol environments.

In addition, Frost & Sullivan notes that CaféX designs its solutions to be easy to configure and deploy, thereby reducing the overall cost and time resources for the contact center or enterprise. Live Assist can be implemented in only two lines of code and most CaféX software can be integrated into web pages or mobile apps in just 20 lines of code or fewer, allowing for quick deployment and easy modification as demand and business cases shift.

Criterion 4: Increased Customer ROI

CaféX's ROI value proposition is intuitive. Making communications easier to use and more contextual drives user adoption and utilization thereby helping companies to more readily reap the benefits of increased efficiency and productivity.

CaféX sells its solutions to enterprises and contact centers across industries and reports particularly notable traction in certain verticals, such as financial services. The company has proven the value of its solutions in a number of live deployments and provides a number of case studies to validate its ROI propositions. Examples of Fusion Palettes benefits outlined in case studies include significantly reduced 800 number charges, equating to savings in the tens of thousands of dollars per year, depending on call volume. Frost & Sullivan's analysis indicates that improved first-call resolution is saving CaféX customers from repeatedly applying resources to address the same non-revenue generating issues. Steering customers

toward self-service options is reducing the number of expensive agent or employee assisted calls. Improved first-call resolution rates and more effective self-service also drive increased customer satisfaction and loyalty, thus reducing churn and the urgency of costly new customer acquisition activities.

Furthermore, CaféX solutions eliminate the need for organizations to deploy additional infrastructure of certain capabilities. For example, Fusion Gateway enables companies to integrate video with current infrastructure. It provides video conference transcoding, management, control, and other capabilities that are alternatively performed by much more costly multi-point control units (MCU).

Criterion 5: Customer Acquisition/Penetration Potential

In its approach CaféX is well positioned to tap into a diverse and broad market opportunity.

CaféX technology has attracted top-tier partners. Cisco has taken certain CaféX solutions into its portfolio under an OEM relationship. The arrangement provides CaféX solutions exposure to a broad range of opportunities through Cisco's channel and technology partner ecosystem.

However, the CaféX opportunity also extends beyond Cisco contact center and UC accounts. While the Cisco OEM relationship primarily targets contact centers, many CaféX solutions do not need to be associated with formal contact centers. For example, Live Assist is clearly applicable for IT helpdesk, human resources contact, and live-event help during webinars, webcasts and virtual events. In addition, WebRTC and In-App Communications have broad appeal for both internal collaboration and external communications in vertical as well as horizontal use cases.

Further, the company's solutions are qualified for deployment alongside products and infrastructure environments produced by many leading contact center and UC vendors. Finally, Frost & Sullivan research confirms that support for iOS and Android tablets and smart phones make CaféX a desirable partner for any company seeking to strengthen their mobile capabilities.

Conclusion

CaféX is solving the legacy communications issues that pervade today's business landscape. Frost & Sullivan's independent analysis of the Customer Engagement Solutions market clearly shows that CaféX solutions extend unified communications into all modalities of interaction, thus providing the necessary context to address inefficiencies in communications and workflows. Frost & Sullivan is pleased to recognize CaféX with the 2014 New Product Innovation Award for Mobile and Web Customer Engagement Solutions.

Critical Importance of TEAM Research

Frost & Sullivan's TEAM Research methodology represents the analytical rigor of our research process. It offers a 360-degree view of industry challenges, trends, and issues by integrating all seven of Frost & Sullivan's research methodologies. Our experience has shown over the years that companies too often make important growth decisions based on a narrow understanding of their environment, leading to errors of both omission and commission. Frost & Sullivan contends that successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. In that vein, the letters T, E, A and M reflect our core technical, economic, applied (financial and best practices) and market analyses. The integration of these research disciplines into the TEAM Research methodology provides an evaluation platform for benchmarking industry players and for creating high-potential growth strategies for our clients.

Chart 4: Benchmarking Performance with TEAM Research
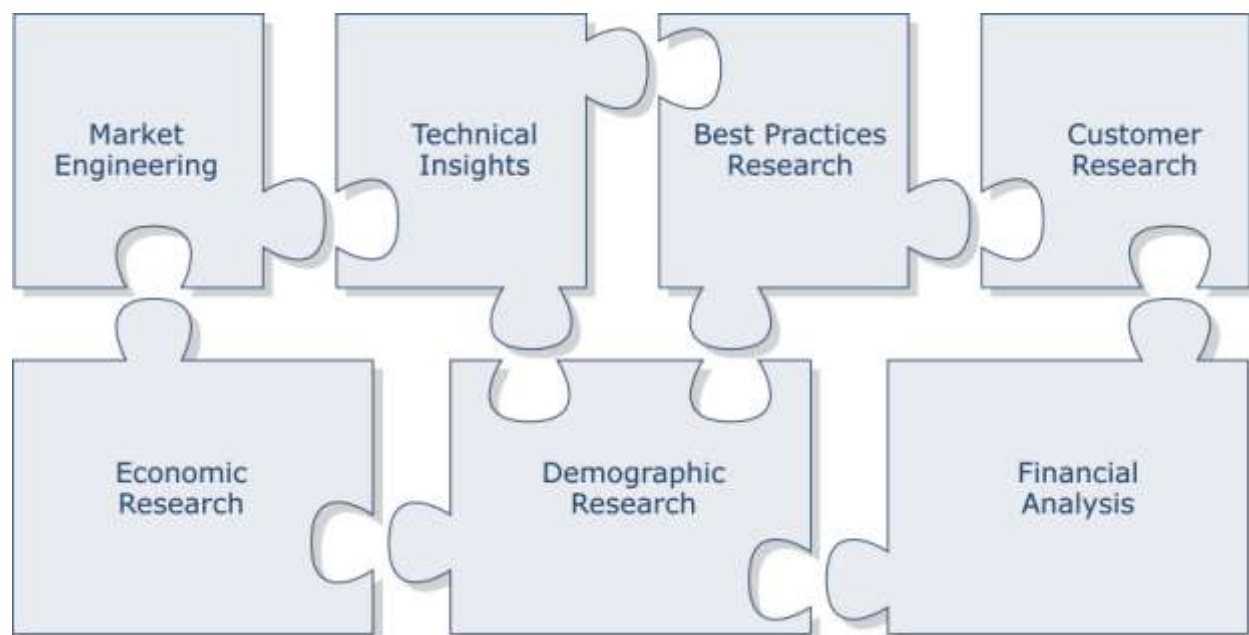
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