Avaya Technology Forum (ATF) 2015: Moving Toward the Era of Engagement

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IN THIS FLASH

This IDC Event Flash presents our review of the Avaya Technology Forum (ATF) held in Bangkok, Thailand, in May 2015, with subsequent research conducted through September 2015. This was the first time the ATF and the Avaya Executive Partner Forum (AEPF) were held concurrently to give both customers and business partners a whole new experience in engaging with Avaya. This flash discusses Avaya's recent business performance, relevant updates, live demonstrations, and the company's strategies in various areas including cloud, customer experience management (CEM), unified communications & collaboration (UC&C), and videoconferencing (VC) as well as midmarket and networking solutions. The paper also provides IDC's perspectives on the progress of Avaya's solutions, from both a current view and future outlook.

SITUATION OVERVIEW

Speaking at the event, Avaya executives focused on how true business value is derived not from simple collaboration but by enabling people to become more fully engaged in the communication process. They further showcased the trends supporting Avaya's innovations in moving from voice, unified communications (UC), and business collaboration to new engagement experiences.

Perhaps the most important update for us is how Avaya cohesively brings to the market its Avaya Team Engagement Solutions and Avaya Customer Engagement Solutions. Both communication-enabling solutions have strong impact on Avaya's two major "audiences" — internal staff and external customers.

In addition, both solution portfolios are supported by a single architecture consisting of two building blocks — Avaya fabric networking (SDN-Fx) and the Avaya Session Management architecture (Aura). This enhances the ability to merge UC and contact center functionality to deliver a more holistic and seamless customer and user experience companywide and on any device. New and enhanced capabilities of Avaya Team Engagement Solutions include:

- **Avaya IP Office platform.** It caters to the needs of enterprises and provides web collaboration features based on Avaya Aura Conferencing. User features include integrated IP Office audio conferencing, desktop/application collaboration, document sharing, and whiteboarding as well as a common roster for all collaboration methods with full participant controls and a common user interface to escalate from an audio call to web collaboration. Other capabilities of IP Office 9.1 include improvements on the application programming interface (API) and software development kit (SDK), simplified administration, security policies and encryption

enhancement as well as branch management. Avaya IP Office Select is capable of supporting up to 2,500 users with virtualized software while IP Office 9.1 can support up to 2,000 users.

- **Consistent user experience with Avaya Communicator.** This client application allows multimedia messaging to persist across time and devices. It brings together multimedia communication modes in a single client, giving users a common interface across platforms including Android, Windows, iPad, and iPhone. It also provides simultaneous connection up to 10 devices by integrating new secure mobile engagement solutions for the bring-your-own-device (BYOD) workforce. This new Avaya user experience has provided a migration path for Avaya one-X, Flare, and Scopia clients.

New and enhanced capabilities of Avaya Customer Engagement Solutions are summarized below:

- **Omni-channel enhancements.** It includes Avaya Aura Contact Center, Avaya Aura Call Center Elite, Avaya IP Office Contact Center, and Avaya Contact Center Select, with upgraded features such as mobile supervisor application for iPad, installed base migration utility, social media in the cloud (cloud-based solution for social media monitoring that funnels social conversations into a contact center operation for real-time response and engagement), and chat APIs for simplified deployment. Given that end customers are now dealing with the enterprise not just on one channel but across multiple channels, this focus on delivering an omni-channel experience is very timely.

- **Partnership with Google on Avaya Agent for Chrome.** This application provides remote- or office-based agents with access to Avaya Aura Call Center Elite, which can either be cloud- or premise-based. This joint solution combines Avaya's expertise in customer engagement technologies with Google's strengths in web applications and Chromebooks. It provides simplified and faster access to contact center technology and enable mobility and flexibility in staffing through an interface enabled by Web real-time communications (WebRTC).

The Avaya Engagement Development Platform supports the above solutions and provides an application development environment that helps companies integrate communications into applications or business processes easily and speedily. The intriguing part is the "snap-ins," which allow enterprises to add enhanced communications capabilities — such as mobile video, real-time speech, Avaya Engagement Designer, WebRTC, context store, and work assignment — into existing contact center operations. The AvayaLive Collaboratory is an execution and test environment for the development of Avaya Engagement Development Platform services. It enables partners, developers, and customers to quickly get started on development activities with minimal effort and at minimal cost.

Avaya Services

The Avaya Services Continuum provides a full range of services designed to consult on, enable, support, manage, optimize, and even outsource enterprise collaboration solutions, CEM, and networking solutions. Avaya's services include professional services, support services, and Avaya Private Cloud Services (APCS). The event centered on how Avaya's professional services will assist enterprises in their transformation roadmaps, focus on customer-stated outcomes, high-quality solution implementation, and continuous optimization for customers' solutions in the entire life cycle.

Avaya is improving its professional services to achieve its goal of becoming a software and services solution provider. These services are now more closely aligned to the sales segment in establishing a consultative approach at the point of sale via Avaya Professional Services (APS). Such pre-sales practice helps in identifying business needs before moving toward solution definition and solution deployment. It also gives Avaya an opportunity to engage with its customers as early as possible. At the same time, this helps Avaya to improve its proposal/pricing cycle time; increase customer and

partner satisfaction; revamp skill sets, processes, and workflows; and more importantly, align with business outcomes and technical requirements.

Another key development area in Avaya's services is APCS, which include managed services for UC, contact center, data networking, and video. According to Avaya, its APCS segment grew 37% year over year in 2014. The percentage represents three million voice ports with 500 customers and a US$2.4-billion funnel. Avaya is broadening its portfolio of cloud offerings with an impressive partner community — including HP, Google, StarHub, BT, TeleTech, SCSK, True IDC, PLDT, Optus, Telstra, NTT Docomo, Singtel, and so forth — to bring to small- and medium-sized businesses (SMBs) and high-end enterprises. Avaya's current cloud portfolio offerings are Avaya Private Cloud Services, Avaya Powered Cloud Services, and Avaya Branded Cloud Services.

Avaya Networking Solutions

Flexible and robust networking is imperative to accelerate the time to value for Team and Customer Engagement Solutions. Avaya showcased an innovative approach of a networkwide fabric, leveraging the Institute of Electrical and Electronics Engineers' (IEEE) Shortest Path Bridging (SPB) protocol as the basis for Fabric Connect. Fabric Connect is making headway within Avaya's installed base of communications and collaboration customer vis-à-vis networking status quo. With Avaya Fabric Connect, enterprises are able to run at business speed with only one logical tier, one protocol, one active-resiliency model, edge-only service configuration, simple security segmentation, and "fabric attach" of devices, users or servers.

The automation and customization of fabric networking solutions enable Avaya to provide a fabric-based software-defined networking (SDN) model for simplicity everywhere (Avaya SDN Fx) via an open ecosystem orchestrated by multipurpose, multireach, and common user interfaces that contribute to industry projects. Avaya SDN Fx also extends to the edge by using an Open Networking Adapter (ONA) and Fabric Extend. This removes the burden of installation from IT because end users can simply connect the adapters and allow the automated process to fully configure the device. The Avaya SDN Fx architecture can support a wide range of use cases such as supporting the security and mobility of devices connecting to the ever-growing Internet of Things (IoT).

Avaya Agent for Chrome

WebRTC now gets a new application in the contact center for agents with Avaya and Google collaborating on contact center solutions for businesses. Such a solution — powered by Google Cloud Platform — is leading customer engagement, particularly in contact center efficiency and customer experience (CX) enhancements, according to Google. At the same time, it also ensures top-line growth to enterprises by enabling the simple, rapid, and secure deployment of agents. This Avaya-Google solution comes with both a hardware and software bundle: a Chromebook with headset for the hardware bundle via Avaya Select Product Program (SPP) and Customer Engagement Solutions on Avaya client with Chrome device management software for the software and cloud service bundle. Features revealed include supervisor dashboard, WebRTC softphone integrated for voice, voice agent desktop, and a new clean user interface with simple look and feel. A new multichannel availability (chat and email) is planned for 4Q15.

Avaya also announced at the ATF its extended partnership with True IDC, a Bangkok-based Internet datacenter and cloud service provider, to launch Avaya Agent for Chrome in Thailand. The deal marks the first time the solution will be made available in Asia/Pacific. Thanasorn Jaidee, True IDC's Managing Director, expressed confidence in accelerating Thailand's digital economy by enabling

organizations to understand and leverage cloud solutions with faster deployment times and affordable investment level.

Avaya Smart Workplace

Smart Workplace solutions combine Avaya Networking Solutions with ecosystem partner Eutech iVivaCloud to create innovative customer experiences. Such solutions help Avaya deliver a superior service using a unique collaboration platform called "PG-Connect." Smart Workplace solutions were demonstrated in the form of "a day in the life of an employee and visitor/guest." The demo featured a number of use cases and included dashboard views of resources, systems, and processes; coordinated facility usage; and energy management. The system helps optimize security and life safety with a significant reduction in response time including tighter key performance indicators (KPIs) and service level agreements (SLAs) aligned with compliance standards. It also offer reduced costs of communication, coordination, and traveling due to centralized online management via the command center as well as efficient facility booking, which results in minimizing time and energy wastage.

IDC Opinion

At the event, Avaya spoke of a new era of engagement. The evolution of Avaya.com in showcasing engagement stories, brand stories, and new solution sections — together with the introduction of its brand avatar, "Ava," in 2015 — is helping to drive awareness and affinity. The rich content of the presentation topics, the focus on engagement, and all the demonstrations impressed the audience. The event is definitely needed as Avaya challenges Microsoft and Cisco in the UC&C space. Compared with Microsoft and Cisco, Avaya's forte still lies in its contact center solutions and its growing UC product portfolio offerings. Its current engagement solutions have proven its commitment in "Engage the Power of We," and its execution of strong commensurate sales and marketing strategy would inevitably put Avaya at the center of the "new era of engagement" picture. IDC also views that Avaya is late in cloud strategy and offerings; this, however, may not be a bad thing considering the overall delay in market adoption in Asia/Pacific, which allows Avaya to redefine its cloud strategy.

Avaya's collaboration with Google also proves that it is seeking innovative solutions, as it eliminates the need for thick clients on individual agent endpoints to provide cost-effective and quick access to the full suite of technologies needed for real-time customer responsiveness. The intriguing point is the relationship between Avaya and Google and the possibilities for the future. IDC opines the competition on the ICT 3rd Platform will be about working with innovative ecosystem partners. Avaya's partnerships with Google, Salesforce, HP, and VMware at this end have certainly paved a better roadmap for the company, where Avaya clearly understand the need to move beyond a product sales approach.

The Avaya Engagement Development Platform will allow enterprises to be creative in their channels and modes of engagement. The profusion of "applications," however, will require a tool to manage these applications to ensure that functions and efforts are not duplicated. Companies also need to ensure that they manage the obsolescence of these applications. This is imperative as technology changes and end users' migration from obsolete proprietary to modern "commercial-off-the-shelf" has tremendous implications on people, process, and technology. In addition, maintaining proprietary and migration to "commercial-off-the-shell" applications as well as the skill sets required represent key considerations when planning for the future. The Avaya Engagement Development Platform, together with its focus on professional services approach, would be valuable for a complex migration and in assisting enterprises in utilizing their legacy applications up to an optimum level.

With a majority of users accessing UC applications through a smart device, mobility will continue to play a central role in UC&C. The Avaya Engagement Development Platform supporting enhanced mobility features in both Team and Customer Engagement Solutions is moving in the right direction. Avaya's mobile channel engagement has also strengthened its security features, which were revealed during the event. These differentiators are crucial as IDC's recent survey has shown that the major concern of enterprises moving into UC&C is security. The security features will provide peace of mind to enterprises in adopting Avaya's engagement solutions.

While cloud solutions are one of the key development areas in Avaya's services, notably in its private cloud services, it is imperative for Avaya to look into inhibitors of cloud-based UC or Unified Communications as a Service (UCaaS) in the region. Aside from security concerns, the survey revealed that concern about bandwidth demand over cloud-based UC gripped the second highest percentage. The combination of the increased number of wireless devices and high-bandwidth multimedia and collaboration workloads may cause performance bottlenecks and contention, which can reduce employee' productivity, particularly in widespread UC video deployments. There remained an open question on whether vendors' or service providers' UC cloud datacenters could receive and transmit truly enormous amounts of data, which could create network congestion issues. In addition, many local enterprises express strong preferences for cloud-based UC providers that have local hosting capabilities. In-country hosting gives enterprises the assurance of minimizing the potential challenges involved in offshore hosting such as non-compliance with local regulations.

In terms of midmarket segments, Avaya has continued to strengthen the position of IP Office as a market leader in SME, midmarket, and branch office market segments as well as augment the key differentiating competitive attributes of IP Office product lines. It also added Web collaboration, enhanced security, and branch and management support in its latest IP Office platform. As many midmarket organizations still cling to legacy systems, new business requirements driven by the need for global collaboration and supply chain visibility are prompting them to seek a new way forward. Avaya's IP Office solutions fit nicely into this. Avaya is also encouraging channel partners to focus on business outcomes rather than functions, features, and price in building the value case for customers. Avaya's strong product portfolios that have assisted a diverse set of industry participants are exactly what midmarket firms are pursuing.

FUTURE OUTLOOK

Moving forward, Avaya's era of engagement will continue to proliferate across the region via collaboration and organic and inorganic (acquisition) growth. This includes its earlier announcement of expansion and extension of its video solutions portfolio to increase productivity and team engagement (Scopia Videoconferencing platform, the introduction of H175 video collaboration station and E159/ E169 media stations, and so forth); its acquisition of Esna to accelerate the adoption of communication-enabled applications for both enterprises and midmarket companies; as well as its recent partnership with AGC Networks to deliver fully hosted cloud-based engagement solutions across India. The acquisitions and partnerships will mark another milestone for Avaya, bridging the enterprise's infrastructure with the cloud and linking on-premises communications technology and cloud applications for hybrid approaches.

Considering the implications of investing in UC&C technologies, enterprises today have to consider increased cooperation and information-sharing across organizations, end users, and locations. The workplace transformation with devices of choice, increased employee mobility, unified access, and

business integration over multi-deployment selections will further push the 3rd Platform UC&C model to pervasive management and awareness. The Avaya engagement strategy correctly goes beyond point products to what customers care about: meeting challenges and providing business benefits. ATF has also proven that Avaya is making efforts to transition from a product-centric approach to a strategy shaped by business outcomes in the 3rd Platform.

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