Collaboration and Customer Contact Solutions (Global): Competitive Landscape Assessment

December 13, 2024

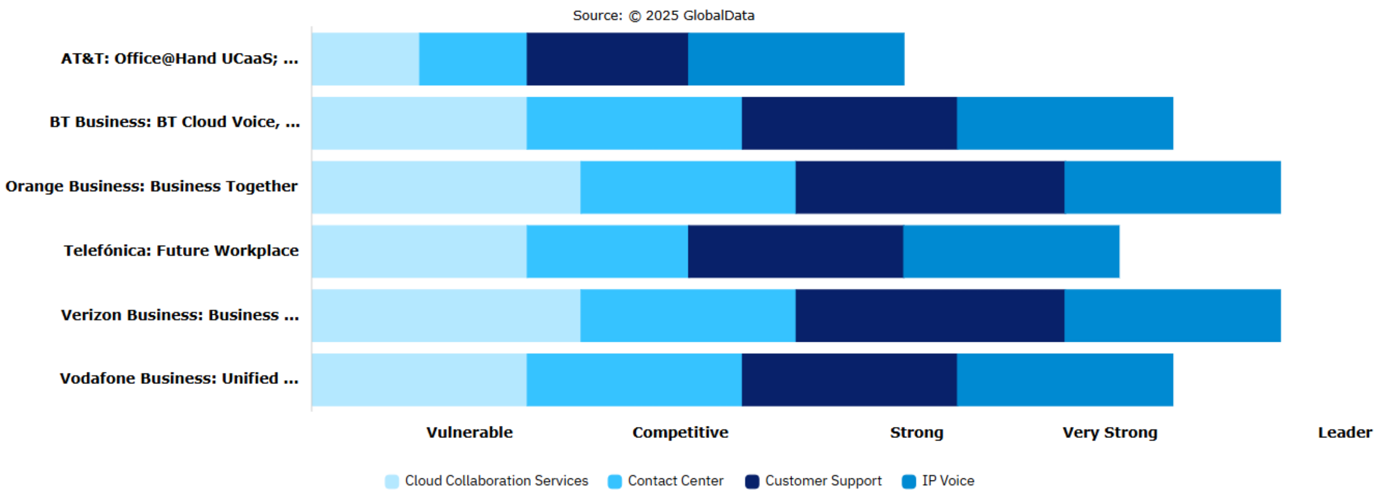
Gary Barton

COMPETITIVE LANDSCAPE ASSESSMENT - COLLABORATION AND COMMUNICATIONS (GLOBAL)

REPORT SUMMARY:

The collaboration market is challenging for service providers with strong competition and continuing voice decline. However, technologies such as AI an CPaaS offer hope for new momentum.

PRODUCT CLASS SCORECARD



MARKET OVERVIEW

Product Class	Collaboration and Customer Contact (Global)
Market Definition	This product class covers the market for internet protocol (IP) voice, collaboration, and customer contact solutions as provided by global service providers, primarily for large corporate and multinational corporation (MNC) customers. This report class looks primarily at cloud hosted solutions, although on-premises capabilities are considered, particularly for customer contact. The report also examines how service providers supply additional support services for enterprises (e.g., user adoption).
Rated Competitors	• AT&T: Office@Hand UCaaS; AT&T Cloud Voice • BT Business: BT Cloud Voice, BT Cloud Work, MS Teams, Zoom and Cisco collaboration portfolio. • Orange Business: Business Together • Telefónica: Future Workplace • Verizon Business: Business Communications • Vodafone Business: Unified Communications
Additional Competitors	• Colt • Deutsche Telekom • Tata Communications
Changes Since Last Update	• December 2025: The UK's Competition and Markets Authority approved the merger of Vodafone UK and Three UK. • November 2024: Orange Business launched Live Intelligence a suite of solutions designed to simplify the deployment and management of (generative AI) GenAI technology for businesses of all sizes and local authorities in France and Europe. • October 2024: BT officially 'switched on' the BT Global Fabric NaaS platform, which will act as its delivery mechanism for network and IP voice services. • April 2024: Telefonica Tech launched Cisco Webex Calling in Spain, Peru, and Chile. • March 2024: AT&T announced AT&T Cloud Voice with Microsoft Teams Phone Mobile. The solution went live during mid-2024 and includes IMS integration features. • January 2024: Verizon partnered with Jobber to launch Verizon Business Field Management Tablet Plus, a collaboration and field workforce management solution. The solution delivers a tablet preloaded with the Jobber app and a version of Verizon's mobile device management solution.

MARKET ASSESSMENT

The global market for collaboration services is a challenging environment for communications service providers (CSPs). Growth has slowed for most CSPs as a result of multiple market factors. The dominance of Microsoft Teams/365 and Microsoft's bundling of Microsoft Teams with it's the Microsoft 365 suite continues to make differentiation difficult to achieve as service providers seek to re-establish their value propositions. CSPs are also experiencing strong competition from systems integrators (SIs) that are offering collaboration solutions as part of wider business application-centric future of work propositions.

Meanwhile, IP voice revenues are under pressure as users turn toward using either voice and video features native to their collaboration platforms of apps such as WhatsApp. Global economic uncertainty has also meant that enterprises are also being more cautious with their spending on more advanced unified communications features and more closely controlling, which employees are provided with collaboration suite licenses. Drivers for unified communications adoption such as ESG/carbon footprint concerns and hybrid working are still at play, but they are being mitigated by economic pressures and a gradual return to the office.

AI is both a part of the problem for CSPs and a potential antidote: CSPs are not AI providers and, as with collaboration solutions, they are reliant on a resale model. They are also competing with systems integrators that possess deep AI consulting capabilities. However, productizing GenAI in a way that makes it more accessible to enterprises (especially smaller and mid-sized enterprises) is already emerging as a potential new revenue generator for CSPs. CSPs have also emerged as evangelists for the adoption of AI platforms such as Microsoft Copilot and can use their learnings to strengthen their business value to enterprise customers.

Enterprises' digital transformation and future-of-work projects are leading to closer integration between customer contact and collaboration solutions. GlobalData's research across verticals, such as retail, banking, and healthcare, has revealed that businesses in each sector are more actively embracing remote customer engagement. Digital transformation projects and the need to embed communication in to more and more aspects of enterprises' customer and partner facing system have driven an uptick in CPaaS solution sales. Most providers have previously dabbled with CPaaS, often with limited success. However, many providers have now launched or are planning to launch new suites of CPaaS voice and SMS solutions targeting both the wholesale and B2B markets. Most are also working on CPaaS capabilities centered around RCS.

Hybrid working and AI combine with uncertain global times have increased the importance of security and data sovereignty features withing collaboration solutions. Most providers still operate their collaboration product teams separate from their cloud and security teams, but there is and a growing level of overlap. For example, many NaaS projects (e.g., BT Global Fabric) are taking in IP voice as part of the 'network' suite. CSPs are also making more of a play about their ability to securely host data relating to collaboration solutions in line with enterprise's data policies and compliance requirements.

MARKET DRIVERS

- **Hybrid Working:** The need to provide workers not in the office with full access to collaboration tools from multiple devices (e.g., mobile, laptop, tablet, etc.) and from any location is a key priority for enterprises. Hybrid working solutions include both core collaboration platforms and bundling with service such as SSE and device security.

- **AI:** AI within the collaboration environment is reaching an inflection point with the advent of GenAI, and the ability to layer in AI features will become an important differentiator for collaboration services in the near future. Features such as automated minute-taking and live translation are already table stakes. Creating future use cases for AI, particularly tools such as Microsoft Copilot and Google Gemini, is crucial for generating business value.
- **User Experience:** The usability, performance, and reliability of collaboration solutions is crucial for enterprises as they seek to increase productivity and attract and retain talent.
- **Mobility:** While unified communications when using a laptop or desktop remains hugely importance, the true efficacy of collaboration solutions is often determined by performance on mobile devices. Solutions such as Microsoft Teams Phone Mobile have accordingly gained significant sales traction.
- **APIS:** Integration of IP voice and collaboration services with contact center platforms, customer relationship management (CRM) solutions, enterprise resourcing planning (ERP) applications, IT service management (ITSM) platforms, and other business apps is now an integral part of delivering an MNC-grade collaboration solution.

BUYING CRITERIA

- **Portfolio Depth:** While Microsoft is dominating the collaboration market, it is important for providers to be able to offer a multi-vendor collaboration suite. Many enterprises operate more than one collaboration solution and may favor different platforms for different scenarios or use cases as well as improving resiliency.
- **AI:** We are still at early days for GenAI as a technology, but it is already a crucial component within the collaboration market. Providers must have partnerships in place to deliver GenAI capabilities and the internal expertise to consult on and deliver GenAI as part of their collaboration and customer contact suite.
- **IP Voice:** Voice remains a fundamental component of the collaboration and customer contact landscape. Rating a provider's IP voice capabilities includes both its native IP voice solutions and its ability to offer services such as Cisco Webex Calling and Operator Connect for Microsoft Teams.
- **Hybrid Worker Solutions:** The return to the office remains an ongoing debate between enterprises and their employees, and the reality is that a significant percentage of the traditionally office-based workforce is now hybrid. Collaboration solutions must enable employees to work securely and efficiently wherever they are and include strong support for mobile devices.
- **CPaaS and APIs:** The need to embed communication into apps and websites makes CPaaS an increasingly important part the customer contact solutions. CPaaS also offers CSPs a way to replace revenues lost IP voice revenues.
- **Professional Services and Support:** GlobalData's ratings examine the in-house and partner-sourced vendor support capabilities that a provider has. In addition, the support a provider can deliver both during deployment and throughout the life of a solution to foster increased usage is significant.
- **Security and Compliance:** While security remains a separate part of most providers' portfolios, CSPs must be able to demonstrate the ability to secure customer data. This extends to the ability to meet data compliance and sovereignty rules.
- **Customer Contact:** CSPs should be able to offer enterprises a multi-vendor contact center portfolio supported by strong IP voice solutions. AI capabilities around chatbots, small and large language models, and agent support as well as an ability to integrate between customer contact and collaboration solutions are all also important.

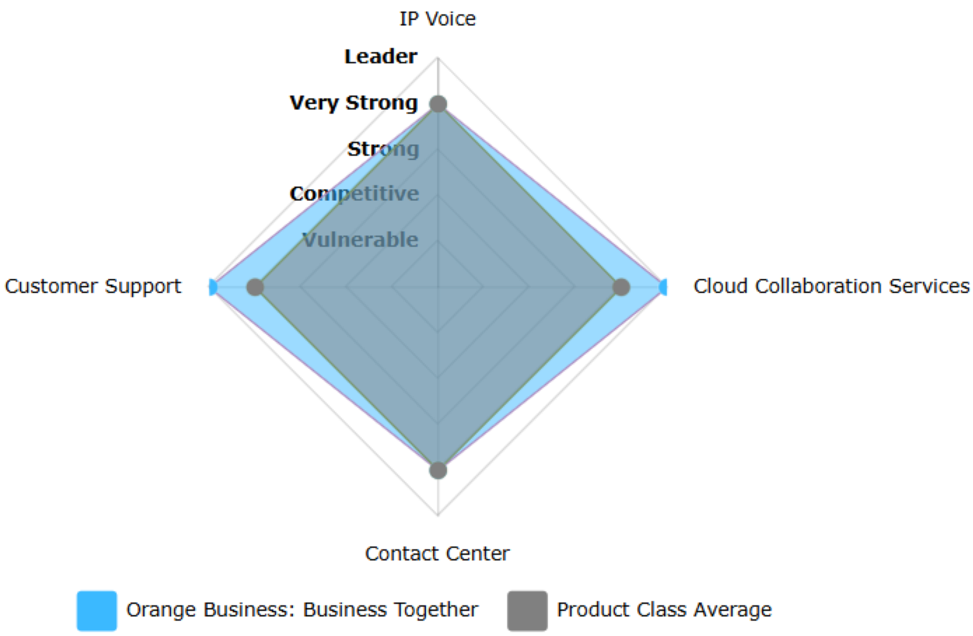
VENDOR RECOMMENDATIONS

- **AI:** Service providers should view AI as a crucial way of differentiating and answering the 'why buy from me?' question. Providing more automated AI solutions will appeal to a wider audience than systems integrators heavily consulting-led practices. However, CSPs should also be able to offer guidance on how to successfully implement AI.
- **Integration and APIs:** Providers need to deliver solutions that envisage voice and collaboration as part of an enterprise's wider applications estate. Providers should be working to deliver a library of APIs that are accessible for their customers and to enhance customer portal functionality. CPaaS should also be seen as an extension of this. This approach is critical in responding to the growing challenge from over-the-top communications (OTTs).
- **Observability:** Providers should seek to deliver full visibility and control across a customer's collaboration estate. All the collaboration vendors offer management portals and reporting features, but this will not necessarily extend to the access component. Additionally, if customers have a multi-vendor estate, delivering a single management portal will be a differentiator.

BUYER RECOMMENDATIONS

- **AI:** Enterprises should look for collaboration solution partners with a strong message on AI features. On the collaboration side, this should include best practice consulting on using platforms such as Microsoft Copilot. In the contact center, this should include using GenAI and large language models to improve automation and agent assistance.
- **User Training:** Buyers should quiz providers on the user training and adoption services they can provide. Internal user buy-in remains one of the largest barriers to the success of collaboration service deployments.
- **Analytics:** Enterprises should ask providers about the reporting and analytics services they can provide. Service performance is a key element of this, but it is not the end of the story. This reporting can also ensure that services are being used. More advanced analytics derived from collaboration solutions can also offer insight into internal working practices and interactions with customers.

Rated Competitors

Product Name	Orange Business: Business Together
Current Perspective	Orange Business (Orange) is a market leader in the global collaboration and customer contact markets for multinational corporations (MNCs) because the provider combines a compelling range of services and vendor platforms with a compelling and nuanced approach to sell collaboration services. Orange provides differentiation via enhanced analytics capabilities as well as the leveraging of improved internal network monitoring and application management tools (e.g., visibility-as-a-service) as well as a suite of new monitoring capabilities specifically for Microsoft Teams to create better user experiences. The company's go-to-market approach is to provide comprehensive consulting on customers' digital transformation strategy, backing this with an offer to take over their legacy systems and applications as well as shepherd the firm through the transition to a simplified global ICT infrastructure. Orange is able to provide a range of AI consulting capabilities and now also includes Microsoft Copilot as part of its collaboration portfolio with a view to helping enterprises understand how to get the best of the AI tool. Orange's workplace/workforce portfolio includes virtual desktop and unified endpoint management (UEM) capabilities. On the desktop and UEM side, Orange's partners include Microsoft, Citrix, Ivanti, and VMware. The provider manages more than 100,000 virtual desktops and more than 1.5 million UEM licenses.
Buying Criteria Rating	**Cloud Collaboration Services** Leader **Contact Center** Very Strong **Customer Support** Leader **IP Voice** Very Strong
Product Scores	Leader 

Strengths	• Orange continues to report strong growth in its collaboration and contact center sales. Direct Routing for Microsoft Teams has been one of Orange's fastest growing services as well as a source of new logo wins. • Orange's first-class customer support is delivered by 21,316 staff in 166 countries, including 7,700 in customer services and operations with experts offering 24x7 support across five global customer service centers. • Orange has invested heavily in its service performance monitoring capabilities including dedicated performance tools for Microsoft Teams, including root cause analysis capabilities enhanced by AI. • Orange's unified communications portfolio is accompanied by a very strong security practice and a focus on sovereign hosting of customer data. Orange operates 10 data centers across Europe to support sovereign data hosting. • Orange states that it has 3,400 service desk experts, 50+ customer journey/CX consultants, and more than 700 software engineers supporting its customer contact portfolio.
Limitations	• Orange's consultation-led approach delivers results but can contribute toward Orange being less flexible on price than some of its peers. • Orange has acknowledged that OTTs represent a particular threat to its unified communications revenues. • While Orange offers strong global support, its consulting capabilities are primarily based in France.