

## **Market Share Leadership Award Hosted ACD and Hosted APO North America, 2011**

### **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 2011 North American Market Share Leadership Award in Hosted ACD and Hosted APO to Echopass Corporation (Echopass).

### **Significance of the Market Share Leadership Award**

#### **Key Industry Challenges Addressed by Echopass**

The economic recovery in 2010 was a fragile one, with mixed news for companies offering hosted and cloud contact center solutions. Despite the fact that many businesses are reluctant to spend heavily during a downturn, exactly what they are spending on tends to be more and more strategic. When companies are unwilling to take risks on expensive capital spending, Frost & Sullivan independent research and analysis confirms that they increasingly turn to hosted and cloud services to fill the breach. A mixed economy was not completely negative for the hosted contact center business, because many enterprises turned to hosting when lack of capital and tight credit closed the door on plans to purchase contact center systems.

Unrelated to the economy, the hosted contact center market continues to face challenges due to enterprise misperceptions of the deployment model's capabilities and business value. Frost & Sullivan notes that some of these concerns that enterprises have include those related to security, reliability, integration, and ongoing management and administration. Also, for many companies inertia contributes to a reluctance to move from premises-based to hosted models, but these concerns seem to be quickly abating with more and more large implementations.

The decision to move to a hosted/cloud model continues to be a complex decision for large enterprises. Large organizations are invested in several contact center systems on-premise, notably ACD, IVR, outbound customer contact, multimedia contact, quality monitoring, workforce management, analytics applications, and all of the integration linkages between these systems. When an enterprise is looking at the hosted/cloud model, key considerations become which systems/applications to host and which ones to retain on-premise. Another important consideration revolves around which solution provider to partner with for the long

term, and their capability to integrate with existing on-premise systems and hybrid environments.

Frost & Sullivan points out that there are highly competitive yet evolving forces at work in this market. The hosted contact center market in North America is quite fragmented and competitive, with over 50 solution providers coming from various core competencies, including telecom services, outsourcers and systems integrators, best-of-breed and full-suite hosted contact center providers, and CPE vendors offering hosted solutions.

Hosted solution providers therefore need to not only help clients take their first step towards hosted/cloud services, but also help customers seamlessly move more applications to the cloud and provide support and consulting to continuously improve their customer's operations, thus helping them to realize greater cost savings over time.

### **Impact of Market Share Leadership Award on Key Stakeholders**

The Market Share Leadership Award is a prestigious recognition of Echopass' accomplishments in the hosted/cloud contact center market. An unbiased, third-party recognition can provide a profound impact in enhancing the brand value and accelerating Echopass' growth. As captured in Chart 1 below, by researching, ranking, and recognizing those who deliver excellence and best practices in their respective endeavors, Frost & Sullivan hopes to inspire, influence, and impact three specific constituencies:

- **Investors**

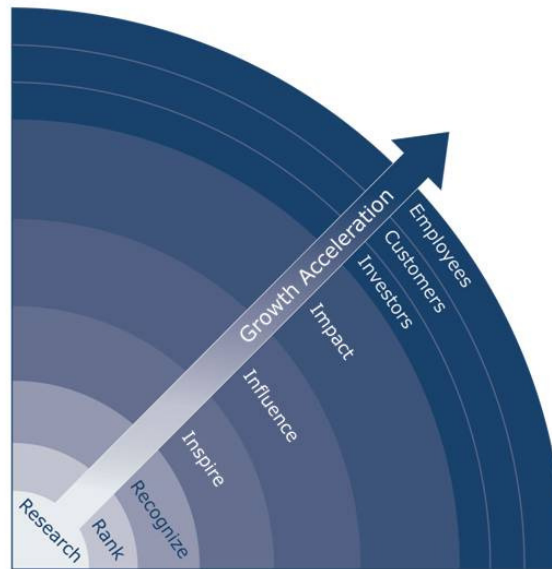
Investors and shareholders always welcome unbiased and impartial third-party recognition. Similarly, prospective investors and shareholders are drawn to companies with a well-established reputation for excellence. Unbiased validation is the best and most credible way to showcase an organization worthy of investment.

- **Customers**

Third-party industry recognition has been proven to be the most effective way to assure customers that they are partnering with an organization that is leading in its field.

- **Employees**

This Award represents the creativity and dedication of Echopass' executive team and employees. Such public recognition can boost morale and inspire these stakeholders to continue the best-in-class pursuit of market leadership for Echopass.

**Chart 1: Best Practices Leverage for Growth Acceleration**

### Best Practice Award Analysis for Echopass

The Frost & Sullivan Award for Market Share Leadership is presented to the company that has demonstrated excellence in capturing the highest market share within its industry. The Award recognizes the company's leadership position within the industry in terms of revenues or units, as specified.

### Hosted Contact Center Market Segments

The Hosted Contact Center Market has evolved for the most part over the last decade as an aggregation of various contact center systems/applications, delivered as a hosted service. The main contact center systems/applications delivered as hosted services include: IVR, ACD, outbound and proactive customer contact, customer chat, and agent performance optimization (APO) applications such as quality monitoring, workforce management, and analytics.

Frost & Sullivan breaks down the total hosted contact center market into the following segments, by application category:

- Hosted IVR
- Hosted ACD
- Hosted Outbound Customer Contact

- Hosted Customer Chat
- Hosted APO (includes quality monitoring, workforce management, and analytics applications)

Each of these markets has its own unique set of business benefits and challenges, some more or less tightly coupled with each other; however, by and large these markets have historically seen separate purchase cycles. Frost & Sullivan expects more and more customers to move applications to the cloud over time in an effort to realize greater cost savings and business benefits with the hosted/cloud model.

### **Echopass' Standing in the Hosted Contact Center Market**

Frost & Sullivan's market analysis recognizes Echopass as the market share leader in the Hosted ACD and Hosted APO Markets in North America. This is particularly noteworthy for a number of reasons:

- ACD and APO systems/applications account for the highest technology spend by contact centers on-premise; therefore, they also represent a significant cost savings opportunity for contact centers by moving to a hosted/cloud model. At the same time, most enterprises are also reluctant to move these systems/applications to the cloud, as they are mission-critical for contact center operations. As a result, only the most robust of Hosted ACD and Hosted APO solutions that can meet stringent enterprise requirements will see up-market adoption and growth. As the market leader in both of these markets, Frost & Sullivan firmly believes that Echopass demonstrates the robustness of its hosted contact center solutions for large enterprises.
- Hosted ACD and Hosted APO markets also have the greatest barrier to entry for competitors, particularly so in the large enterprise market. Frost & Sullivan is of the opinion that Echopass' leadership position in these markets will help solidify the company's position in the overall contact center market.
- By establishing its beachhead in the Hosted ACD market in particular, it becomes much easier for Echopass to expand and grow its footprint in all of the hosted contact center market segments - Hosted IVR, Hosted Outbound Customer Contact, Hosted Customer Chat, and Hosted APO - by helping its customers move more contact center applications to the cloud.
- At the same time, Echopass' competitive standing and value proposition make the company a very attractive hosted/cloud solution provider of choice for new customers. Large enterprises can be properly encouraged to take their first step towards hosted/cloud services with Echopass and move an increasing number of applications to the cloud over time.

## Key Performance Drivers for Echopass

### Factor 1: Experience in Large Enterprise Deployments

Echopass has distinguished itself as the leading cloud contact center solution provider focused on the enterprise market. Its more than decade long track record of success in some of North America's largest and most sophisticated contact centers stands out in the market. Key enterprise clients include American Express, GlaxoSmithKline, Aon, Overstock.com and The Hartford Insurance Group.

The company offers multi-tenant hosted contact center services from its three North America based data centers. These are fully integrated and backed by SLA agreements. These data centers have multiple carrier access, industry leading security, redundancy, and reliability as key deliverables to the company's clients. Key industry verticals for Echopass include healthcare, financial services, insurance, hospitality, consumer goods, transportation, government, and retail.

### Factor 2: Application Development Expertise and Partner Network

Customers are increasingly looking at the spread of applications that they use in their contact centers and are trying to knit them together into cohesive platforms. The ACD platform has always been an area where it makes sense to combine value-added applications, like APO, customer feedback, CRM and other critical tools. Echopass has combined its own applications with those of its partners and integrated them in a way that makes it easy for clients to deploy, run and maintain complex hybrid environments.

Echopass' applications sit on top of its underlying Symmetry platform, which has Genesys as its core call routing and CTI combined with other best-of-breed partner components such as Verint, Microsoft, Nuance, and IBM. Echopass integrates these and other leading technologies and applications into its services, then delivers the end to end complete solution via the Cloud model. Echopass sells directly and through partners. Key go-to-market partners include Voxify, Maximus, CSC, Voice Curve, Mediacall, ATS, Verizon, Sprint, XO, Level 3, RightNow, and Salesforce.com.

Echopass was recently named Partner of the Year by Genesys, based on the company's growth initiatives, customer satisfaction and overall success and customer satisfaction with Genesys-powered solutions. Echopass continues to expand its customer base and market share with migrations from premise-based vendors to its hosted platform.

### Factor 3: High Reliability to Reassure Business Buyers

Echopass has staked its reputation on its ability to deliver a very high level of secure service on a continuing basis, in order to win over the important buyers in and outside the contact

center – business leaders and IT professionals who need assurance that critical contact center applications can reliably be delivered from the cloud.

In order to do that, Echopass' Service Level Agreements guarantee the entire end-to-end platform availability, 24x7 customer support, performance and reliability, including partner components and carrier services provided by Echopass with 99.95% SLA commitments.

## **Conclusion**

Echopass has established itself as the clear market leader in the Hosted ACD and Hosted APO markets in North America. It has achieved that distinction through continuous focus and execution on its vision to provide unmatched depth and breadth of functionality, integration and system performance. With an emphasis on reliability and enterprise-class performance, Echopass has demonstrated robustness in delivering cloud based solutions at par with enterprise-class premise systems and applications but with a utility based hosted/cloud delivery and pricing model.

Echopass' competitive strategies and customer value initiatives create a very attractive hosted solution provider of choice for existing clients, as well as new clients who are making the move towards hosted/cloud services. Based on the aforementioned criteria as measured and defined through Frost & Sullivan independent research, Echopass is the recipient of the 2011 Frost & Sullivan Market Share Leadership Award for Hosted ACD and Hosted APO.

## **The CEO 360-Degree Perspective™ - Visionary Platform for Growth Strategies**

The CEO 360-Degree Perspective™ model provides a clear illustration of the complex business universe in which CEOs and their management teams live today. It represents the foundation of Frost & Sullivan's global research organization and provides the basis on which companies can gain a visionary and strategic understanding of the market. The CEO 360-Degree Perspective™ is also a "must-have" requirement for the identification and analysis of best-practice performance by industry leaders.

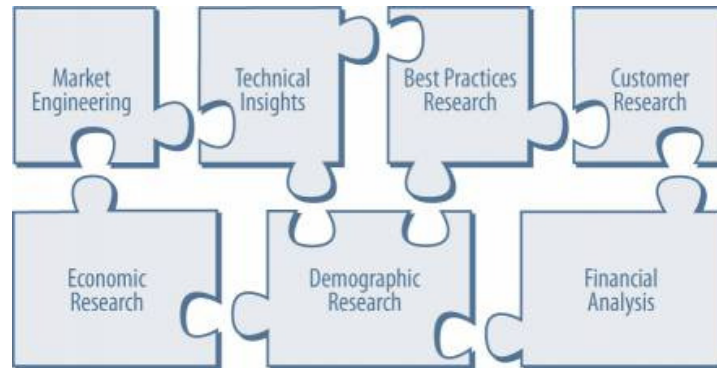
The CEO 360-Degree Perspective™ model enables our clients to gain a comprehensive, action-oriented understanding of market evolution and its implications for their companies' growth strategies. As illustrated in Chart 5 below, the following six-step process outlines how our researchers and consultants embed the CEO 360-Degree Perspective™ into their analyses and recommendations.

**Chart 2: 360 Degree Perspective™ Model**



### 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 3: Benchmarking Performance with TEAM Research**

### About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, enables clients to accelerate growth and achieve best-in-class positions in growth, innovation and leadership. The company's Growth Partnership Service provides the CEO and the CEO's Growth Team with disciplined research and best-practice models to drive the generation, evaluation and implementation of powerful growth strategies. Frost & Sullivan leverages 50 years of experience in partnering with Global 1000 companies, emerging businesses and the investment community from more than 40 offices on six continents. To join our Growth Partnership, please visit <http://www.frost.com>.