

Voice Application Hosting in the Era of Recombinant Communications

Providers of hosted speech applications were ahead of the curve in anticipating and accommodating requirements for third-parties to handle seasonal or media-driven spikes in calls to customer care agents or IVR resources. Today, to stay ahead of the curve, leading hosted service providers pin their prospects for further success on the ability to accommodate a plethora of service delivery frameworks over multiple media as the notion of "X"-as-a-Service (where "X"="Software," "Platform," "Applications," etc.) takes hold.

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**Dan Miller
Sr. Analyst**

Opus Research, Inc.
300 Brannan St., Suite 305
San Francisco, CA 94107

For sales inquires please e-mail info@opusresearch.net or call +1(415)904-7666

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Key Findings:

In this report, Opus Research provides insights into and quantification of the market for hosted voice applications. It also includes “dossiers” profiling 20 leading firms in the category. In a down year for enterprise spending on IT and contact center infrastructure, hosted service providers have managed to generate double digit growth as cloud-based services begin their ascent:

- **A billion dollar business and growing** – Opus Research forecasts a market on the threshold of \$1 billion in 2010, growing to nearly \$1.4 billion in 2014.
- **Growth in “XaaS” fuels acceptance of hosted voice** – Voice Application Service Providers have enjoyed quiet success during a time of economic uncertainty thanks, in part, to winning strategies from the likes of Salesforce.com, Amazon.com’s EC2 and other cloud-based initiatives.
- **New talk-paths between firms and their customers drive the need for flexibility** – Customer contact comes from the cloud and it may make the most sense to respond with cloud-based resources.
- **Third-party voice service providers add new capabilities** – Service providers constantly add capabilities and feature updates.
- **IVRs give way to multichannel front-ends** – Support of text, chat, IM, blog posts and other social media may best be supported by third-parties.
- **Call processing systems add capabilities** – IVRs, when accompanied by ACDs, now lean on IP-based routing systems which can support remote agents and resources in private or public clouds.
- **Blending on-premises with remote resources** – The move to the cloud also supports solutions that are indifferent to whether data or processing gear resides on a company’s premises.
- **Spending on hosted services will accelerate** – Relative to premises-based solutions as new capabilities and integration services are added.
- **It all adds up to “Collaboration in the Cloud”** – Hosted service providers are morphing into operators of e-commerce clouds. It brings new opportunities and customers, as well as non-traditional partners and competitors.

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1-415-904-7666 or info@opusresearch.net***