

Voice in "The Cloud": Catalyst for Conversational Commerce

Thanks to advances in reliability, capacity and security, "The Cloud" has become the general destination for applications, storage and computer power that used to live almost exclusively within enterprise firewalls. This creates a new playing field where old-guard, voice application service providers (like Voxeo, Convergys, Microsoft/Tellme, Nuance) are on a par with Amazon.com, Salesforce.com, IBM and other "giants" of cloud computing.

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Key Findings:

“Cloud computing” is following an impressive arc as enterprises step up spending on remote resources for data storage, computing, application processing and media processing. Almost unnoticed, voice processing and call processing have assumed positions inside the cloud where close integration with analytics, CRM and “Big Data” are foundational to promoting Conversational Commerce. The strategic implications for enterprise customer care infrastructure providers include:

- **Conversational Commerce nearly always includes voice** – The “phone” (especially smartphones) figure into well over half of commercial conversations. Our research shows that customers prefer the phone to other “channels” close to two-thirds of the time.
- **Today’s architecture provides for tighter integration with dynamic business rules and customer data** – When customers or prospects opt to make a phone call (to either an IVR or live agent), they benefit from tight coupling of voice processing, call processing, rules processing and business rules. Cloud-based implementations facilitate such developments.
- **Voice ASPs have expanded their offerings** – The prototype for early “voice-in-the-cloud” implementations were call-intercept, prompting and routing utilities, doing high-volume, redundant tasks. Conversational Commerce enables each call to be treated individually, taking into account a caller’s history, location and other relevant data.
- **Cloud specialists are formidable competitors (or partners)** – Amazon.com, Salesforce.com and Google are three cloud-based service providers that have added voice processing and call processing to their services mix.
- **Incumbent telephone companies still defining their roles** – High-volume, low-value transactions had been their mainstream services, but application hosting for mobile and self-service customers fit with emerging strategies to add value.
- **Tools for the “DIY” crowd** – Sandboxes, toolkits, and app stores are the stock-in-trade of next-generation telephony clouds exemplified by Twilio.
- **Part of a “Marketing Automation” movement** – At the other end of the continuum is IfByPhone which expressly packages “Marketing Automation” resources with cloud-based voice processing, call routing and database management.
- **The result is record growth and unprecedented capabilities** – Hosted service providers are seeing growth rates in the 20% range when IT spending, in general, is south of 10%. In addition, we expect to see a closer integration of identity management, access control, call recording, transcription, analytics and social interactions.

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