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CPaaS Seller's Guide: The Value-Add in Real-Time Communications

Are customers ready to expand from fielding simple phone calls to engaging through all available channels, including voice, text, email and video? That's where CPaaS comes into play, providing an opportunity for service providers and their channel partners.

By Michael Finneran

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About the Author



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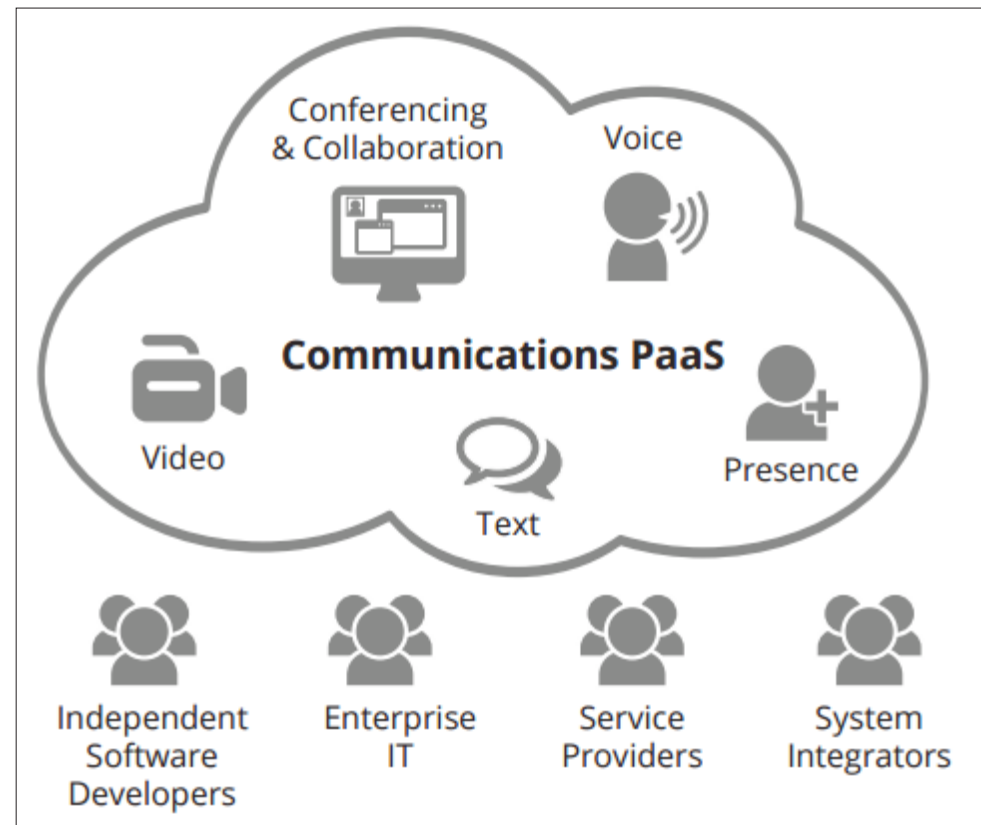
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CPaaS Seller's Guide: The Value-Add in Real-Time Communications

Real-time communications, both voice and video, are still an integral part of the enterprise communications mix, but an abundance of providers continuously undercutting one another on price has led to commodity offerings and a race to the bottom on price. With the virtual glut of available network bandwidth, low-bit-rate voice traffic is essentially swept along with the current. For network service providers and their channel partners, the path to higher margins and greater customer loyalty may lie in CPaaS.

CPaaS stands for communications platform as a service, and it represents one of the most significant developments in network services to appear in decades. CPaaS doesn't replace existing wide area services but rather provides a set of cloud-based functions and capabilities that can allow businesses to integrate voice, video and text communications into any business application. CPaaS can enhance the value of those traditional network services and integrate them with mobile capabilities and cloud-based intelligence as part of a wholesale digital transformation.

"We often hear from our enterprise customers that they are trying to automate business processes, especially as they relate to the customer experience at the company and contact center levels," said Jeremy Jones, senior vice president of channel



Source: Genband.com

sales for IntelPeer. “For example, bill collections is a major pain point for finance departments. By automating this process through CPaaS with voice, text messaging and inbound payment collection, our customers are able to free up valuable resources and time.”

“Similar use cases can be applied across the entire organization — whether in the marketing, HR or customer service department,” he said. “They want to bring in AI that helps ‘read’ the tone of the customer and provides further steps to provide a great customer experience by directing to a different department or providing a future discount. In addition, companies are looking for more data and analytics to better understand customer trends so they can adjust campaigns or services accordingly.”

Admittedly, it's hard to get your head around CPaaS. Part of this has to do with the fact that CPaaS is not a defined capability designed to address a particular, compartmentalized application. However, Uber and other digital-age startups have built their businesses using these tools, and they have pioneered ideas like linking customers and drivers to one another via voice and text as a key element of their value proposition. Others like Airbnb use temporary “shadow numbers” to allow individuals to connect via voice without revealing their true telephone

numbers. These tools have also allowed countless companies to add two-factor authentication to applications by using an SMS message with a one-time code as the second factor.

Up until now, use of CPaaS-enabled capabilities has been restricted to developers and large-scale commercial initiatives involving multimillion-dollar development efforts. The next wave of these deployments will come from the wholesale adoption of these services by the larger population of enterprise contact centers.

Manufacturers and users of those enterprise contact centers have embraced the reality that contact centers must expand from fielding simple voice calls to engaging customers through all of the available channels, including voice, text, email and potentially video. The drive to realize that vision has created a real opportunity for service providers and their channel partners to help enable their services for omnichannel engagement.

Much like computer-telephony integration (CTI) opened the door for greater call handling efficiencies, CPaaS will offer new types of call handling functionality to enable new forms of customer engagement. That means contact center operators will have new and better ways to service customers and support internal users. For channel partners, this can mean stronger and more durable links with customers and high-margin offerings

with ongoing revenue streams that support their customers' most important business objectives.

A New World of Customer Expectations

The idea behind CPaaS is to help contact center operators add enhanced network capabilities to virtually any business application without the cost, complexity and risk involved with an internal development. Having a provider deliver these capabilities means an assurance that the solution is secure, reliable and scalable. Further, this solution is fully cloud-based and integrated with the voice network services that currently drive their customer-facing communications.

With the wholesale adoption of smart mobile devices and 24/7 mobile connectivity, customer support expectations have grown beyond toll-free numbers and music-on-hold. CTI allowed contact centers to take their first tentative steps into integrating intelligent call handling with data applications. CPaaS will expand the range of capabilities providers can deliver and push the service provider industry into new and exciting areas.

As we have seen time and again, smart mobile connectivity and digital transformation have raised customer awareness and expectations enormously. In choosing who they want to do business with, customers want personalized, full-function, always-on multichannel communications.

While there might still be a telephone call involved, customers also want to engage by text and email, and they are discovering that video can be a major benefit in communicating difficult-to-describe situations.

In short, customers want their business communications to be as rich, convenient and engaging as their personal communications.

For channel partners, this means that you don't want to be left selling low-margin commodity services and risk having customers drift away to providers that can help them communicate with their customers through their most functional and engaging methods. Channel partners who can help their customers achieve those business goals will have the buyers' ears far more than those whose only pitch is shaving a few fractions of a cent off the cost per minute.

Clearly, a revolution is underway in terms of businesses use of technology to serve their customers, and that revolution is fueled by customer expectations shaped by their experience with mobile connectivity and smartphones. Channel partners need to up their game and change their focus to helping their customers deliver on that vision.

CPaaS Is Critical for Delivering Enhanced Customer Experience

While all business communications are important, contact center applications rise to the top of the



Source: SITA

heap because they are directly linked to a company's revenue stream. Most contact centers are customer-facing, and as such they serve as the primary conduit for communicating with prospects and buyers, and for supporting existing customers who have questions or concerns about products they have purchased.

In dealing with prospects, businesses must put forth a competent and professional face to help win the sale. If an existing customer is experiencing a problem with a product, the business must resolve

the issue quickly and efficiently without further antagonizing (and likely "losing") that customer.

CPaaS can be a key element in achieving those objectives. Customers may initiate a contact via text, but the issue may be such that they need to upgrade to a voice conversation to get it resolved. However, people are busy, so a text conversation can be most useful as it allows them to put the conversation "on hold" until they get a chance to return to it.

In dealing with a product problem, often a video

connection can allow the customer to show the service rep exactly what they are talking about, much the way that allowing a tech to take remote control of a user's computer has become a standard technique to resolve computer problems.

Contact center manufacturers have been working to integrate the various communications media to deliver that type of flexible customer engagement capability, but they still struggle to integrate all of the pieces when a customer is switching between voice, text and email to get their problem resolved in the course of their busy day.

As it resides in the network rather than in the contact center platform, CPaaS can be a key element in bringing all of the pieces together to deliver that sought-after customer experience.

Why CPaaS Makes Sense

Traditional network service involves providing a talk path with acceptable quality between Point A and Point B. CPaaS is about providing services not normally associated with traditional telephony so a computer application can make use of network services using application programming interface (APIs).

One key capability in CPaaS is the ability to bridge the gap between wired telephony and mobile text. In a CPaaS environment, an application may determine that it needs to send an SMS to a user in response to a particular event.

That SMS message might contain a case number for follow-up, a link to a specific support page or any manner of other information.

To provide that capability, the developer could write the code necessary to interface with the SMS service, test it to ensure it operates flawlessly (we are dealing with "customer communications"), deploy it and then maintain it as the rest of the application is modified and upgraded. In short, you are looking at a significant development effort along with an ongoing support requirement.

In the CPaaS case, all of that complexity is contained in the CPaaS provider's network. The developer simply invokes an API that sends a command to the CPaaS provider that effectively says, "Send this message via SMS to this number." When the customer replies, the application receives a message that says, "Here's the customer's reply to that SMS." And that reply might not arrive until hours later.

With CPaaS, all of that complexity is offloaded to the CPaaS provider, and the developer can make whatever changes and upgrades to the application that are required, but the API to send and receive SMS messages to customers remains unchanged.

In the end, CPaaS opens a whole new world of capabilities to developers that can invoke a wide variety of communications functions, with minimal effort. Now, enterprise contact center operators

can integrate these CPaaS-enabled capabilities into their customer service processes without considering the multimillion-dollar cost involved in developing, testing, maintaining and enhancing those capabilities.

Benefits of CPaaS for Channel Partners

Make no mistake about it, a CPaaS sale is going to involve a different process than a traditional network services sale. The sale will involve many of the same issues of price, delivery, service, functionality, reliability, security, compatibility and the like, but the emphasis, and likely the parties involved, will be very different.

When you get right down to it, CPaaS can pay big benefits for the channel partner:

Bigger sale: While the customer will still be buying the traditional telephony service, CPaaS represents a premium add-on that will generate additional ongoing service revenues.

Service "package": CPaaS is not a single capability or a single functionality, but a package of integrated capabilities the customer can deploy one at a time or all at once. While one function like SMS or support for temporary "shadow numbers" might be the entree, this packaged approach allows the contact center operator to add additional functions like artificial intelligence (AI)-enhanced interactive voice response (IVR), voice biometrics and the like to further enhance

the customer experience they deliver.

Stickier customer relationship: While customers face a cost in switching providers for basic telephony services, it is nothing compared with the cost of redesigning a customer service application that involves APIs to a specific carrier's CPaaS service. A customer who integrates your CPaaS capabilities into their customer service applications will be a customer for the long term.

Higher visibility: With a CPaaS-based implementation, you'll be working with people at a higher level in the customer's value chain.

Strategic: With CPaaS you can deliver a solution that is in step with what enterprise contact centers are trying to achieve in customer engagement: high tech, high touch.

For the enterprise contact center operator, CPaaS can have an even bigger impact:

- A far richer palette of multichannel communications capabilities that can be integrated into building richer customer engagement experiences
- Avoiding the high out-front costs and inherent risks in trying to develop these core capabilities internally
- Faster deployment, lower ongoing maintenance costs
- Ability to have these capabilities on pricing plans that fix the cost and can be had on a cost-per-use basis

Capitalizing on CPaaS: Where Do We Start?

By its very nature, CPaaS is a different type of product than basic telephony, so channel partners will need to adapt their sales approach in recognition of that reality. Basic transport will still be a part of the sale, but the focus must shift from “transport” to “features.” To be successful, channel partners will need to change the conversation from “cents per minute” to “Here's how we can help you better serve your customers.”

Not all of your salespeople will likely be able to make the transition to this type of selling, at least initially. A number of service providers and contact center platforms have added CPaaS offerings and capabilities to their product lineup, so the market is already beginning to take shape. CPaaS success stories like Uber have already been reported in the business press, and contact center operators are getting pressure from their management to incorporate these capabilities.

If channel partners are serious about getting on board, they have to start now, and with a plan that will put them in a position to capitalize on CPaaS. Here's where you can start:

Select the people: As we noted, at the outset not all of your salespeople will likely be able to make the transition from selling basic transport to selling CPaaS. Those people will need to be intelligent, good communicators and

able to operate effectively in a fluid and dynamic environment.

Training: The team you assemble to begin marketing the CPaaS capabilities to clients will need to be trained so that they understand the overall concept of CPaaS but also be conversant in the capabilities it can deliver. They should also be conversant in the APIs and how they are incorporated in the overall customer service application. You will need to lean heavily on the provider to assist in that training. There will likely be two roles (as a minimum) that will require training: sales executive and systems engineer. Training for the former should be geared toward designing applications, while the latter will need to be conversant in the details of development and implementation.

Monitor the market: At a company level, channel partners will need marketing people to support the sales teams in their CPaaS efforts. More than that, those marketing resources will need to keep a finger on the pulse of the CPaaS market. CPaaS is developing rapidly as companies come to realize what services can be provided and how those services can be used to craft those customer experiences. In a market that's evolving this rapidly, it will be important for channel partners to keep in touch with the market and be aware of the new ways these capabilities are being used.

Identify the right prospects: For many organizations, the contact center is still a “necessary evil” but not something that is seen as key to the product or to enhancing the customer experience. Those may not be the best initial prospects for CPaaS. There are companies whose core goals and strategic differentiators are to deliver a top-shelf, state-of-the-art customer experience and are constantly on the lookout for technologies they can incorporate to support that goal. Those are the prospects you need to be focusing on to get your CPaaS program moving.

Address the right target: In the customer's organization, the primary contacts for buying network services are on the infrastructure team. While they are involved in building and operating the contact center system, those are not the people responsible for designing the overall customer experience. Those people are found higher up in the management chain and often carry titles like Director/VP of Digital Marketing, Customer Experience Design or other similar titles.

(Note: This area is still so new that there are no “standard” titles assigned to these roles.) While the customer's infrastructure team will not be the decision makers in CPaaS, they can be helpful in arranging the best contacts.

Talk the right game: In dealing with those points of contact, it will be important that the conversation deal primarily with the new capabilities CPaaS can provide and how those capabilities can be used to enhance the customer experience with the contact center. In the end, it's all about supporting their business goals and objectives.

Start small: No contact center is going to initiate a major overhaul on what is in essence an untested technology initiative. You will need to find a limited scale application that can be implemented without causing a major disruption in the overall contact center operation. Even something as rudimentary as sending SMS alerts regarding network outages to customers and employees or other macro issues can demonstrate the power of CPaaS.

Make sure you deliver: It will be essential to create realistic expectations, but in the end, you have to be able to demonstrate something that works to build the customer's confidence and generate momentum to continue.

The network services market continues to evolve, and CPaaS is the most significant development we have seen in years. With the exception of the migration from PRI to SIP trunk access, little has changed in the provision of basic telephony services. CPaaS opens a whole new realm of possible revenue sources for service providers and their channel partners. Further, CPaaS can change the conversation with the customer and allow channel partners to assist in developing important new mechanisms for customer communications.

Success in this area will not come without effort, and many channel partners may fail to move beyond the familiar territory of providing basic telephony services. However, for those who can master this new technology, CPaaS holds the promise of significant new revenue streams and far “stickier” customer relationships. Customer expectations regarding how they want to deal with businesses are being reshaped by the impact of smart mobile technologies in their day-to-day lives. CPaaS gives service providers and their channel partners the ability to contribute to those relationships and to profit handsomely from what it can deliver.

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