Nemertes Research:
Avaya Leads with Lowest TCO for Large Contact Centers

As companies face upgrade cycles to aging equipment and consider implementing or updating sophisticated Contact Centers, they are looking at multiple factors across a range of vendors who can both meet their needs and provide ongoing value in response to constrained IT budgets.

According to a recent study by Nemertes Research, Avaya offers the lowest Total Cost of Ownership (TCO) for large Contact Centers, beating out competitors ranging from Cisco to NEC and Aspect.

The study, wholly independent and not sponsored by vendors (including Avaya), consisted of feedback from "a wide range of decision makers/influencers and their corresponding viewpoints," via interviews and electronic surveys, according to Nemertes.

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To determine Total Cost of Ownership for Contact Center solutions, Nemertes had a sample size of 190 data points on Contact Center providers, with seventeen IT leaders interviewed to establish the parameters and 97 IT leaders surveyed to gather additional data. The research was conducted in North America only, between September and December of 2013.

During the time of the Nemertes TCO study, Avaya had not yet released IP Office Contact Center which targets small to mid-sized business (SMB). Therefore, Avaya's SMB contact center solution was excluded from the TCO study for small contact centers (<100 agents).

Most companies use more than one Contact Center provider, and five vendors received enough samples to be counted individually, including Avaya, Aspect, Cisco, Interactive Intelligence and NEC.

To determine the First Year TCO, measurements were determined for:

- Capital costs: Includes servers, endpoint devices, licenses and other hardware
- Implementation costs: Includes staff time and third-party consultants/integrators
- Operational costs: Includes staff time, equipment maintenance, third-party managed services, training and certification

The study found Avaya to have the lowest TCO for large Contact Centers (with 100+ agents), at $1,007, several hundred dollars lower than the next lowest vendor, NEC ($1,387), and well under Cisco ($1,531) and Aspect ($1,907). Among other vendors the study had to count collectively, and the disparity was greater: Avaya was $1,452 less than the total of $2,459.
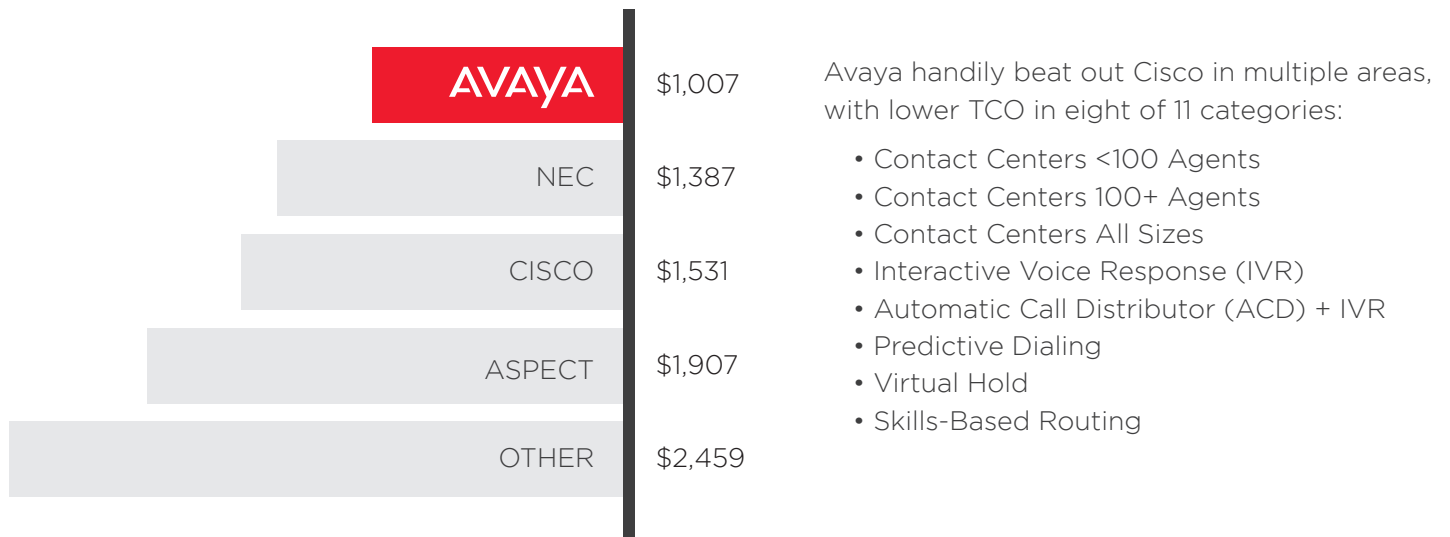
Source: Nemertes Contact Center TCO Research, Feb 2014.

In an article on the Contact Center TCO study for nojitter.com, Nemertes' Executive VP/Senior Founding Partner, Robin Gareiss, wrote, "Avaya customers spend less for large contact center deployments, at $1,007 per contact-center license."

In addition, the sample sizes from vendors such as Genesys, Interactive Intelligence, Unify, Mitel and ShoreTel were not large enough to be counted as a named vendor and were therefore included under "Other".

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Median TCO of large contact centers (100+ Agents)

AVAYA	$1,007
NEC	$1,387
CISCO	$1,531
ASPECT	$1,907
OTHER	$2,459

Avaya handily beat out Cisco in multiple areas, with lower TCO in eight of 11 categories:

- Contact Centers <100 Agents
- Contact Centers 100+ Agents
- Contact Centers All Sizes
- Interactive Voice Response (IVR)
- Automatic Call Distributor (ACD) + IVR
- Predictive Dialing
- Virtual Hold
- Skills-Based Routing

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As measured against the median, the TCO for Avaya was also substantially lower in multiple categories.

	Avaya Median TCO	**Overall Median TCO**
ACD + IVR Together	$ 1,677	$ 1,883
Interactive Voice Response (IVR)	$ 773	$ 884
Predictive Dialing	$ 270	$ 571
Skills-Based Routing	$ 670	$ 1,087

"Because options are plentiful and features vary widely," Gareiss wrote, "understanding the true IT costs behind operating a contact center affects the efficiency, potential, and value to customers and employees."

Gareiss offered perspective on the findings of the study, as well:

"Concerned about ongoing operational costs? This is typically the "biggie" when we're working with our clients on contact centers. Avaya generally has the lowest OPEX."

"Evaluating vendors for stand-alone capabilities? Avaya is lowest cost for IVR, predictive dialing, and skills-based routing."

Avaya a Clear Leader

The findings are clear: Avaya offers comprehensive Contact Center solutions at a compelling value.

Not only do businesses have the opportunity to take advantage of the lowest median TCO with Avaya's solutions, but they can take advantage of Avaya's differentiated offerings:

- Unified platform for agent-assisted and self-service applications
- Tight integration across core UC and CC infrastructure
- Seamless blending across inbound and outbound interactions
- Superior call treatment and segmentation for optimal routing of assisted- and self-service

"In their well-justified goals to improve customer experience, many organizations are doubling up efforts to focus on the next-generation IP contact center," Gareiss wrote.

Discover your next-generation
Contact Center with Avaya.