RESEARCH NOTE

NICE Introduces CXone
Fully Integrated Open Cloud Contact Center Platform

Summary

On July 31, 2017, NICE, of Hoboken, NJ, announced the launch of NICE inContact CXone™, engineered from the ground-up to provide the global contact center industry with a cloud platform that provides extensive native functionality along with hundreds of APIs that support integration with partner solutions as well as customer-specific extensions. Capabilities inherent in the platform include omni-channel routing, workforce optimization (WFO), analytics, robotic automation, and artificial intelligence (AI).

NICE has ensured an easy migration path from legacy on-premises equipment and hosted solutions to the CXone platform. There are no forklift replacement requirements as NICE has developed a logical sequence of events that allow migration at the customer's pace while protecting existing investments. Applications, including those listed in the above paragraph, run on Amazon Web Services (AWS) and are powered by micro-services.

NICE states that CXone can be up and running in an average of 60 days rather than today's typical start-up time for cloud solutions that runs into the months. NICE CXone offers the industry's only cloud-based voice service level agreement (SLA) and guarantees availability to be 99.99 percent.

NICE inContact CXone is available for immediate delivery.

The View from The Saddle

With this announcement NICE is not only introducing a new product, it is revealing the inaugural steps in what Saddletree Research believes will be its long-term strategy in the global contact center market. For several years, NICE operated as a company that pursued a best-of-breed product strategy. That strategy, however, took a gradual but definitive shift with changes in the management team and the acquisition of both inContact and Nexidia in 2016. Since the acquisitions, both inContact and Nexidia have been operating, and continue to operate, as wholly-owned subsidiaries within the NICE portfolio. Over the past year, NICE has been holding its product plan cards close to the corporate vest. With the introduction of CXone, NICE is putting its cards on the table.

NICE inContact CXone represents a new breed of cloud-based solution for the contact center industry. It is designed from the ground-up to be a cloud platform, leveraging the industry experience and expertise it acquired from inContact. Beyond that, NICE has fully utilized the analytics capabilities that Nexidia brings to the table, acting as the glue that holds together the components of the CXone platform. Analytics enables the real-time analysis of every interaction, providing insight and intelligence on customer trends, sentiments, and activities. Analytics provides the acumen necessary to turn insights into results.

Not surprisingly, WFO plays a major role in the launch of CXone and once again, analytics will be the driving force behind employee engagement and adaptive WFO. An integral component of the CXone platform, adaptive WFO captures data from multiple sources, analyzes and correlates it in order to build personas, then creates a model that is used to predict each agent's needs in order to improve his or her performance. In this age of employee engagement and improvement, adaptive WFO is a formidable component of an already powerful cloud platform.

Omni-channel routing is another important feature of the CXone platform. Recent research conducted by Saddletree Research reveals that 17 percent of U.S. contact centers intend to implement an omni-channel solution in their contact center before the end of 2018. An additional 32 percent stated their intention to implement an omni-channel solution by 2020. In real number terms, this represents approximately 12,000 contact centers shopping for an omni-channel solution before the end of 2018 and an additional 24,000 contact centers making an omni-channel solution acquisition by 2020. This represents a huge market opportunity, and NICE has the advantage of being able to offer the highly efficient omni-channel solution that came as part-and-parcel of the inContact acquisition.

NICE will be looking toward their developer partners to not only smooth the transition to CXone for existing NICE customers, but also for customers changing technology suppliers in favor of CXone. These partners will work to ensure the move to CXone is accomplished at a pace that is comfortable for the customer, and will also ensure that CXone fully integrates with any other solutions or technologies that the customer wishes to retain.

Saddletree Research stands impressed by the time in which NICE has been able to engineer such a comprehensive cloud solution as CXone and bring it to market. We were expecting to see an announcement from NICE sometime in 2018, but the timing for this product announcement couldn't have been better.

According to the recently completed Saddletree Research primary research study, approximately 24 percent of U.S. contact centers expect to move some or all of their contact center to the cloud by the end of 2019. Again, in real terms this represents about 18,000 contact centers. So, not only is the demand for a cloud contact center solution there, much of NICE's competition is in disarray as Genesys/Interactive Intelligence moves to rationalize its three cloud platforms and determine which markets it will play in, while Avaya remains mired in Chapter 11 bankruptcy proceedings.

Saddletree Research views NICE CXone as the right product for its time. It also establishes NICE as an elite provider of cloud contact center solutions just as the market demand for such solutions is accelerating. Between ideal timing and comprehensive contact center capabilities, NICE CXone represents the realization of a vision by a company that clearly knows where it needs to go.