

Contact Center Architecture:

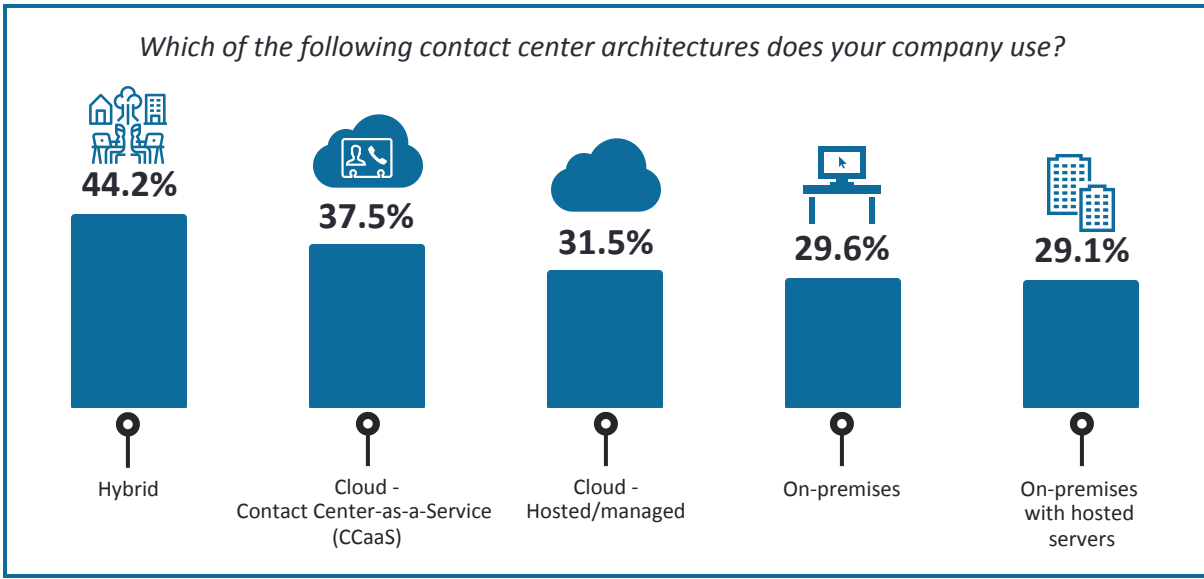
Decision Drivers & Benefits

Companies are developing successful CX strategies whether their architecture is on-premises, cloud, or hybrid.

Why do companies prefer and find success with their chosen architecture?

Adoption

There isn't a clear "winner," in terms of contact center architecture adoption. Despite all of the talk about moving applications to the cloud, many continue to use on-premises platforms. In fact, 39% use more than one type of platform—some as a permanent solution and others as they migrate from on-premises to hybrid or cloud.



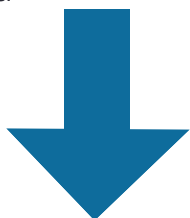
By size, **large contact centers (>500 agents)** use on-premises with hosted servers more than other size contact centers, though they use hybrid architectures most frequently. **Midsized contact centers (51-500 agents)** use hybrid and cloud-hosted/managed more than others and hybrid most frequently; **small contact centers (<50 agents)** use CCaaS and traditional on-premises more than other sizes, and hybrid most frequently.

Architecture	<50 agents	51-500 agents	>500 agents
Hybrid	43%	51%	49%
Cloud - Contact Center-as-a-Service (CCaaS)	41%	41%	38%
Cloud - Hosted/managed	20%	35%	19%
On-premises	36%	33%	30%
On-premises with hosted servers	20%	29%	35%

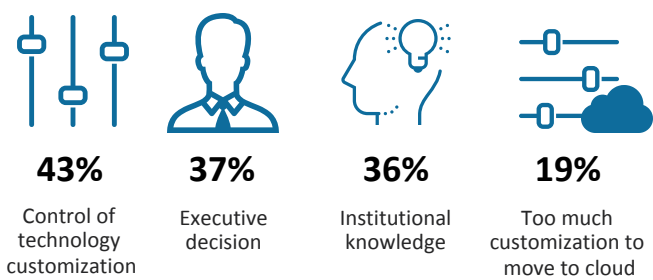
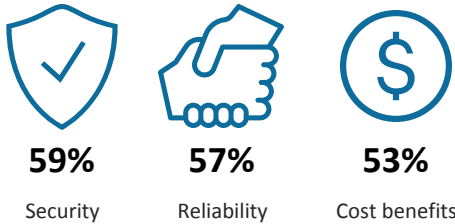
Security is Top Reason for Any Deployment Selection

Why On-Prem

The top reason companies stay with an on-premises solution, either fully or partially, is because of security, followed by reliability, and then cost benefits. Other important factors are control of technology customization, too much existing customization to move to the cloud, executive decision, and institutional knowledge.



Which of the following are reasons your company uses on-premises architecture?

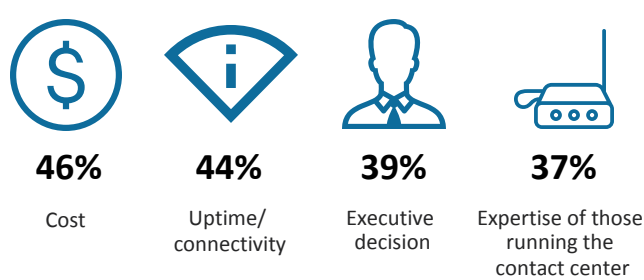
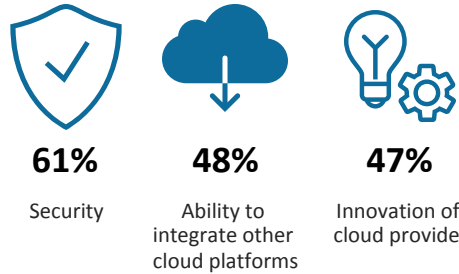


Why Cloud

Security is also the top reason companies move to the cloud, along with platform integration (UCaaS, CPaaS, CRM, etc.), and cloud provider innovation. Not surprisingly, large companies and those that collect and store personal information were most apt to select security as a cloud architecture driver, along with financial services, government, healthcare, and hospitality verticals. Cloud providers typically offer services to help identify bad actors and detect problems such as robocalls, DDoS, unregistered agents, and spoofing.



Which of the following are reasons your company uses cloud architecture?



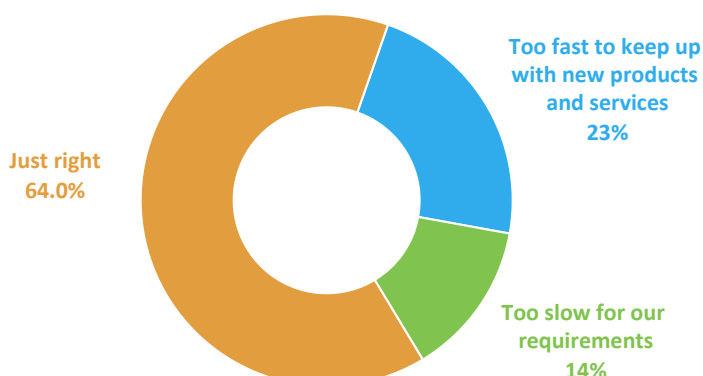
Innovation

CX leaders are generally pleased with vendor innovation, regardless of the architecture they're delivering:

- 80% say cloud providers deliver the innovation they expect
- 72% say the same for on-premises providers (up from 46% in 2023, presumably driven by the ability to incorporate sophisticated AI cloud-based apps to the on-premises platform).

Though some say vendors' pace of innovation is too fast or slow, the majority say it's just right.

How do your technology leaders feel about the pace of innovation today?

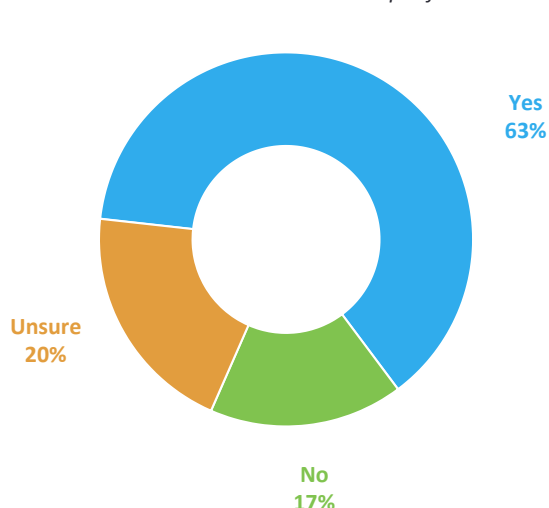


Planning Ahead

Among those using on-premises, **63%** say their company will have to move to a cloud contact center platform (fully or hybrid) at some point.

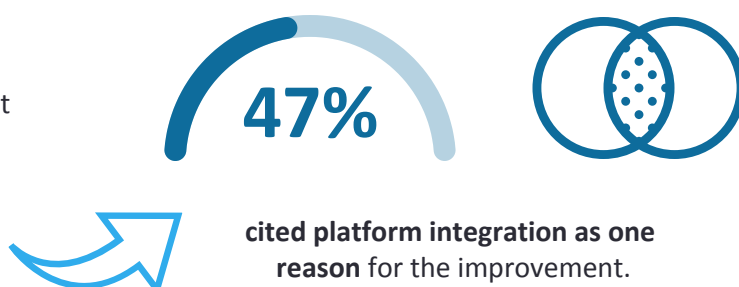
Some believe cloud architecture more easily enable automated, proactive outreach; indeed, **most companies** planning for proactive outreach use cloud architectures. However, most companies already doing proactive outreach are on-premises—generally larger contact centers using rules-based scripting. Companies aren't limited to the innovations they implement based on their architecture, as in the past.

Do you feel, at some point, your company will have to move to a cloud contact center platform?



Platform Integration

Most companies are integrating their contact center platforms with other technology platforms, such as CRM, CPaaS, AI, and collaboration. Among those with improved customer service in 2024,



Platform Investment

Companies across the board plan to increase their CX technology investments overall in 2024: 80% of companies plan to increase CX spending. Those with CCaaS platforms are most likely to have a significant increase in spending, while those with on-premises platforms are most likely to have a mild increase in spending.

	Hybrid	Cloud - CCaaS	Cloud - Hosted/managed	On-premises	On-premises with hosted servers
Significant increase in CX investment	40.9%	41.8%	38.6%	34.7%	36.4%
Mild increase in CX investment	47.5%	46.4%	50.4%	52.1%	50.0%
No change in CX investment	9.9%	11.8%	11.0%	13.2%	13.6%
Mild decrease in CX investment	1.7%	.0%	.0%	.0%	.0%
Significant decrease in CX investment	.0%	.0%	.0%	.0%	.0%