



2013 North American Customer Contact Mobility Applications  
Customer Value Enhancement Award



F R O S T & S U L L I V A N



50 Years of Growth, Innovation & Leadership

## **Customer Value Enhancement Award Customer Contact Mobility Applications North America, 2013**

### **Frost & Sullivan's Global Research Platform**

Frost & Sullivan is in its 50<sup>th</sup> year of business with a global research organization of 1,800 analysts and consultants who monitor more than 300 industries and 250,000 companies. The company's research philosophy originates with the CEO's 360-Degree Perspective™, which serves as the foundation of its TEAM Research™ methodology. This unique approach enables us to determine how best-in-class companies worldwide manage growth, innovation, and leadership. Based on the findings of this Best Practices research, Frost & Sullivan is proud to present the 2013 North American Customer Value Enhancement Award in Customer Contact Mobility Applications to Nuance Communications, Inc.

### **Significance of the Customer Value Enhancement Award**

#### **Key Industry Challenges**

In 2013, consumers will be driving the "mobile Web" (leveraging smartphones and tablets as tools to go online) more than ever. Not surprisingly, in 2013, Frost & Sullivan estimates that smartphones will surpass feature phones on Tier-1 wireless U.S. networks. In essence, consumerism today means online customers are using wireless devices to search, buy products, and obtain services.

Meanwhile, the mobile revolution has spawned the creation, development, and proliferation of millions of mobile apps that enable those consumers to access information or make transactions.

It therefore makes sense why multitasking customers on mobile devices are showing less patience for lengthy agent queues as they purchase wireless services on usage-based plans (as opposed to "all you can eat" landline plans).

Clearly, companies that understand the need to appeal to mobile Web customers also need to provide customer support appropriate to such a channel.

### **Best Practice Award Analysis for Nuance Communications**

The Frost & Sullivan Award for Customer Value Enhancement is presented each year to the company that has demonstrated excellence in implementing strategies that proactively create value for its customers with a focus on improving the return on the investment that customers make in its services or products. This Award recognizes the company's exceptional focus on enhancing the value that its customers receive, beyond simply good customer service, leading to improved customer retention and ultimately customer base expansion.

## Key Performance Drivers for Nuance Communications

### Factor 1: Blending Cross Divisional Strengths

Nuance Communications has built its reputation on providing a breadth of speech technology solutions, which include speech recognition, text-to-speech, dictation, voice authentication, and voice search. They also provide multi-channel customer care including call direction, inbound and outbound calling, IVR, and mobility solutions.

Contact Centers fall within the responsibility of Nuance's Enterprise division, which includes inbound calling and outbound dialing, IVR, multi-channel, and analytics. In addition to Contact Centers, Nuance also has three other divisions - Healthcare, Imaging, and Mobility. Nuance often uses assets from one division to enhance solutions developed for the other divisions' markets. For example, Contact Center solutions can be part of a Healthcare solution. Dictation, initially aimed at tasks like improving office productivity and for Radiology reports in Healthcare, can be used to enhance the productivity aspects of a Mobile application. The Mobility division has produced products ranging from speech-enabled mobile applications, including voicemail-to-text functionality, to in-vehicle navigation systems. Some of these assets can be used in Enterprise solutions as well.

As such, Nuance has one Chief Technology Officer overseeing cross-functional development for the company. Much effort has been put into avoiding duplication in R&D, and instead finding ways to cross-utilize core assets from each division in other products. When Nuance initiated the creation of a mobile customer care strategy, it drew the Mobility and Enterprise groups together to create the "Nina" virtual assistant application and software development kit (SDK), drawing from time tested products from multiple divisions, and from joint R&D.

### Factor 2: Mobile Customer Care Strategy

In mid-2012 Nuance introduced Nina, a hosted, virtual assistant allowing customers to self-serve through a multi-modal intelligent interface (speak, tap, type) interface. Nina provides the capability to enhance existing customer-facing self-service applications significantly. Underscoring the importance of cross-channel analytics, Nina is provided as an SDK on top of Nuance's On Demand IVR platform, so that there is consistency in reporting between the IVR and Nina.

Frost & Sullivan's research shows that Nina provides significant customer value because of a number of factors including:

- Breadth of functionality available in a mobile customer care application
- The ability for customers to develop a branded customer care application
- Incorporation of unique features of mobile devices into the application

Although a plethora of mobile customer care applications were launched in 2012, few stood out the way that Nina did. First, Nina provides the user with multi-modal capabilities enabling the end-user to provide input to the application in the way that is most useful and desirable for the user. For example, Nina uses speech recognition so that users can navigate, give input to, or search using their voice rather than a keypad. Although touching or typing is also an option, the use of speech provides for safe use of the application while mobile, simplifies the interaction, and shortens call duration. Nina also employs voice verification for customer authentication and voice search. Very few of the competitors in this space entered the market with a speech interface.

### **Factor 3: Depth of Mobility Experience**

Nina originated as an extension of the contact center in response to the growing trend of companies wanting to provide better customer service in the manner, which customers want to receive it. With the fast growing use of mobile and the need to safely adapt customer service to the mobile channel, Nuance responded by creating a solution that took advantage of the company's core speech technology assets.

However, unlike much of the competition, which came out with mobile customer care offerings in 2012, Nuance had another advantage that many of them did not, which was a rich legacy of experience in the Mobile channel to begin with. Nuance has extensive experience with its Mobility division, and it has delivered speech solutions that are embedded in, or accessed by, mobile devices.

In the development of Nina, there were many common requirements for R&D, and shared approaches to similar problems between the Mobile and Enterprise groups. For example, the company faced the question of how they could deliver multimodal applications to customers and incorporate speech technologies into applications to improve access and functionality.

### **Conclusion**

Nuance Communications is at the forefront of companies providing a breadth of customer contact applications, which employ speech technologies. They also are a leader in understanding and acting on the changing way in which customers want to obtain customer service, and have developed solutions that take advantage of the growth in the use of mobile devices.

Nuance continues to develop forward-thinking solutions for a new base of customer. Frost & Sullivan is therefore pleased to present Nuance Communications with the 2013 North America Customer Value Enhancement Award in Customer Contact Mobility Applications.

## The CEO 360-Degree Perspective™ - Visionary Platform for Growth Strategies

The CEO 360-Degree Perspective™ model provides a clear illustration of the complex business universe in which CEOs and their management teams live today. It represents the foundation of Frost & Sullivan's global research organization and provides the basis on which companies can gain a visionary and strategic understanding of the market. The CEO 360-Degree Perspective™ is also a “must-have” requirement for the identification and analysis of best-practice performance by industry leaders.

The CEO 360-Degree Perspective™ model enables our clients to gain a comprehensive, action-oriented understanding of market evolution and its implications for their companies’ growth strategies. As illustrated in Chart 1 below, the following six-step process outlines how our researchers and consultants embed the CEO 360-Degree Perspective™ into their analyses and recommendations.

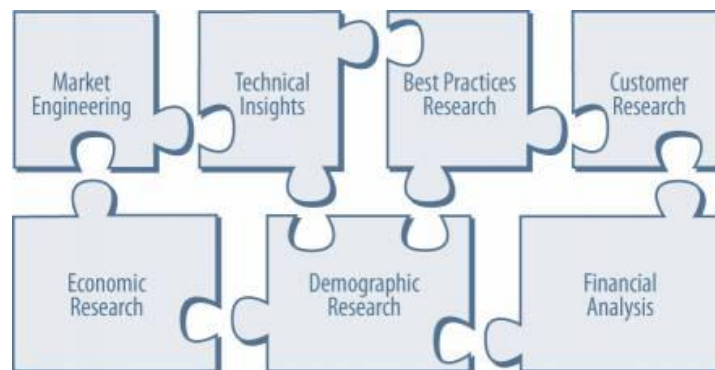
**Chart 1: The CEO's 360-Degree Perspective™ Model**



## Critical Importance of TEAM Research

Frost & Sullivan's TEAM Research methodology represents the analytical rigor of our research process. It offers a 360-degree view of industry challenges, trends, and issues by integrating all seven of Frost & Sullivan's research methodologies. Our experience has shown over the years that companies too often make important growth decisions based on a narrow understanding of their environment, leading to errors of both omission and commission. Frost & Sullivan contends that successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. In that vein, the letters T, E, A and M reflect our core technical, economic, applied (financial and best practices) and market analyses. The integration of these research disciplines into the TEAM Research methodology provides an evaluation platform for benchmarking industry players and for creating high-potential growth strategies for our clients.

**Chart 2: Benchmarking Performance with TEAM Research**



## About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, enables clients to accelerate growth and achieve best-in-class positions in growth, innovation and leadership. The company's Growth Partnership Service provides the CEO and the CEO's Growth Team with disciplined research and best-practice models to drive the generation, evaluation and implementation of powerful growth strategies. Frost & Sullivan leverages **over** 50 years of experience in partnering with Global 1000 companies, emerging businesses and the investment community from more than 40 offices on six continents. To join our Growth Partnership, please visit <http://www.frost.com>.