Vendor Profile

Oracle Communications — Changing the Customer Experience

Rich Costello

IDC OPINION

Oracle Communications is providing market leadership in the customer journey to the cloud and helping organizations differentiate their brand by changing the customer experience (CX). Oracle is not only transforming its portfolio of solutions — it's also redefining its relationship with customers. Its goal is to become a strategic partner of organizations with cloud and digital transformation at the center of their business agendas. IDC believes that Oracle Communications is well positioned to meet the growing enterprise demand for its offerings based on the following:

- Oracle has acquired several companies over the past few years that have helped it improve its network capabilities and credibility with communications service providers (CSPs).
- Oracle Communications is focused on accelerating the journey to cloud for organizations, guiding their transformation to digital technologies and helping them change the customer experience.
- Its mission is to be a strategic partner for organizations moving through the digital transformation journey.

IN THIS VENDOR PROFILE

This IDC Vendor Profile examines and analyzes Oracle Communications, a global business unit of Oracle Corp. Data and information for this document has been gleaned from IDC participation in briefings and conversations with company executives and product managers in the Oracle Communications domain; additional insight and perceptions of the vendor are included from various industry sources.

SITUATION OVERVIEW

Company Overview

Oracle Communications is one of seven global business units (GBUs) of Oracle Corp., which in addition to Communications, is made up of the following vertical business units — Retail, Financial Services, Health Sciences, Construction and Engineering, Hospitality, and Utilities.

Everyday, Oracle Communications:

- Delivers 8.3 billion emails and supports more than 230 million email boxes globally (via Oracle Communications Messaging Server)
- Routes 1 billion phone calls and texts
- Secures 1,500 enterprise networks

- Connects 80 million conference minutes

In its quest to become the primary technology provider to the communications industry, Oracle has acquired a number of companies over the past several years that have helped it improve its networking capabilities and credibility with communications service providers, as well as help it gain access to and operate within the network domain. With strategic acquisitions such as Acme Packet and Tekelec, along with Convergin, Sun Microsystems, BEA Systems, MetaSolv Software, and Portal Software, the company added a significant set of network-centric offerings to its communications and network arsenal. In addition, Oracle Communications partners with systems integrators (SIs), value-added dealers (VADs), and value-added resellers (VARs) on a global basis.

Company Strategy

The Cloud Communications Journey — Changing the Customer Experience with Oracle Communications

Oracle Communications is focused on accelerating digital transformations across four primary journeys: network evolution, digital operations, digital business, and customer experience. The digital transformation journeys are accelerated through Oracle's cloud offerings as a guide to their transformation to digital technologies and for helping them change the customer experience. Organizations can look to enhance their customer experiences through such things as HD voice/HD video-enabled web experiences, communications-enabled mobile applications, and enhanced contact center capabilities. Oracle Communications' overall vision includes the following:

- Accelerating the convergence of network and IT by leveraging its unique leadership position in both domains
- Offering software-driven business, operations, and network cloud environments
- Delivering an assortment of cloud engagement models to its customers (i.e., public cloud, private cloud, managed service, on-premises, hybrid, Oracle Cloud Machine) in ways that best fit organizations' competitive strategies, investment approach, and growth goals
- Leveraging Oracle's industry-leading platform technologies to extend the portfolio to include servers, databases, storage, and other platform technologies
- Continuing to invest in Oracle's extensive global partner network to support customer needs
- Providing value-added, advanced consulting and support services

Oracle Communications believes that the "Now Economy" is in the cloud, and that being cloud native is critical to accelerating an organization's digital transformation journey (via rapid innovation, standardization and efficiency, and flexibility). In addition to being cloud native, the "Now Economy" platform is virtualized and orchestrated, IoT ready, and a digital business enabler (via billing/revenue management, service orchestration/activation, and IoT communications for people and devices).

Oracle defines becoming cloud native as characterized by the following:

- **Cloud dev and ops —** development and operations based on a microservices architecture (i.e., applications structured as a collection of loosely coupled services and based on lightweight protocols), rapid deployment, scalable and adaptable, and APIs to construct new services
- **"As a service" model —** easy to use, high-value services; operations included with service; and web scale architectures
- **Cloud Infrastructure 2.0 —** bare metal as a service for performance and platform options optimized for infrastructure

- **Global and local** – wide datacenter presence and on-premises options

Oracle expects its communications platform services and cloud infrastructure and platform services (wrapped by Oracle cloud business enablement and operations automation) to drive innovation within organizations for UC, business connectivity, IoT communications, and consumer mobile communications.

Oracle Live Experience Cloud

In late September 2017, Oracle introduced its Live Experience Cloud, a new customer engagement service from the cloud, designed for digital natives and mobile users. With the mobile and digital landscape shaping the way customers interact with businesses, companies must adapt to changing expectations to deliver frictionless, real-time, and contextual experiences across channels. With Oracle Live Experience Cloud, users can address these requirements and bring a new dimension to their mobile and business applications by being able to serve customers in ways that best meet their needs – whether HD voice, HD video, screen sharing, or annotations.

Oracle Live Experience Cloud enables embedded contextual data and business analytics to enable users to seamlessly switch between channels without losing shared information. Regardless of the customer's preferred channel, users can enjoy a more streamlined experience, while the business gains valuable customer insights that can be leveraged within its core business applications. A cloud-native solution, Oracle Live Experience Cloud can be integrated into web and mobile apps and used to proactively engage customers at key moments of their individual journey. It modernizes existing contact center and CRM solutions, supporting enterprise digital transformation efforts to deliver contextual and responsive cross-channel engagements that satisfy the customer and ultimately drive sales. Finally, businesses can optimize engagement success by measuring interactions in real time and provisioning updates to further improve overall business results.

Customer engagement models are changing. Consumers, led by millennials, are increasingly digital natives and demand frictionless, real-time, and contextual experiences. A lack of, or inadequate, digital service channel leads to customer frustration, potential loss of revenue, and customer churn. The focus of Oracle Live Experience Cloud is to modernize the customer experience by:

- **Leveraging communications strategically** for improving response time, providing information to help with buying decisions, and creating community
- **Anticipating customer needs** by using technologies such as digital channels, virtual assistants, intelligent bots, analytics, and automation
- **Changing call contact dynamics** to improve CSAT scores, customer retention, sales, number of customers, and number of complaints

The key areas of differentiation for Oracle Live Experience Cloud include the following:

- **Customer context** – blends the context of the end user (what they were doing) with the communications channel of choice, providing a better overall experience
- **Digital channels** – provide a more complete customer engagement experience, not just voice or text
- **Mobile** – well positioned and ready to support mobile and in-app real-time communications
- **CRM integration** – well integrated with Oracle CRM SaaS offerings

Oracle's focus is on delivering personalized in-app experiences that improve business results and loyalty by delivering the right engagement, at the right time, using the right channels. Oracle Live Experience Cloud is customer experience SaaS that does just that – connecting customers, associates, and the underlying customer data to help improve customer engagement and is integrable with existing systems.

Digital Transformation Partner

Oracle's proposition is to become the strategic partner of choice for organizations embracing digital transformation strategies. The company focuses on helping organizations accelerate their digital transformation through cloud, building a business relationship, understanding an organization's digital transformation challenges and goals, and providing support by looking outside Oracle's standard list of offerings. Oracle is positioned to allow enterprises to transition to cloud at their own pace, leveraging a public, private, or hybrid cloud approach. IDC believes Oracle's current value proposition resonates well with organizations that are digital innovators and incremental innovators, as well as digital laggards.

Organizations need to support their digital transformation initiatives by adopting solutions that can help evolve the existing IT environment. Oracle's infrastructure offerings include a range of public, private, and hybrid deployment options. The public cloud IaaS solutions offer a range of compute (elastic and dedicated), network, and storage services, allowing users to benefit from performance and scale enhancements without any up-front investments.

More interesting is Oracle's Cloud at Customer offering, which proposes to solve on-premises/public cloud dilemmas faced by many organizations. Cloud at Customer software enables organizations to move data and systems from their own datacenters to Oracle Public Cloud services, creating an environment where both models can coexist. It can be run into the customer's own datacenter behind the firewall at the same price of Oracle Public Cloud and without the inconvenience for the enterprise to own and maintain the hardware, letting Oracle act as a service guarantor with the additional benefit of having it delivered at the same cost of an Oracle Public Cloud offer.

Oracle wants to facilitate the migration to cloud for those organizations that have yet to commit by addressing and removing two major impediments: workload portability and security. Companies which operate in highly regulated sectors and deal with sensitive data may see this as a good way to start scaling their digital transformation initiatives across the broader organization.

Oracle's mission is to be a strategic partner, offering full cloud suites for organizations moving through the digital transformation journey. These types of engagements can put Oracle in competition with its own partner ecosystem, as it has traditionally relied on business and technology partners to encourage creative thinking around digital opportunities. But it is introducing new opportunities that the IT services providers can benefit from, and Oracle has also invested in augmenting its partner ecosystem, working with not only the IT practices of the major systems integrators but also their digital practices.

Delivering a Better Customer Experience

The top objectives of communications service providers' CX programs — as indicated by Oracle Communications — are to increase customer satisfaction, increase revenue, and differentiate from the competition. In that regard, personalized, proactive, and contextual engagement can help companies deliver the experiences that customers are seeking. Three examples of delivering a better CX through Oracle Communications' solutions include the following partner proof points:

- Improved CX for a mobile network operator, measured by multiple numbers aligned to one device and the blending of work/personal lives and supported by an Oracle Private Cloud implementation and the Oracle Billing/Revenue Management solution

- Improved CX for a global wireless provider, measured by one-number rings on multiple devices, support for voice and text messaging, and higher customer retention rates and supported by Oracle SBC, Oracle Unified Session Manager, Oracle Session Router, and Oracle Load Balancer

- Improved CX for a business/technology outsourcing firm, measured by improved loyalty, increased auto part sales, and reinforced relationship with dealer and supported by Oracle Analytics, Oracle Billing/Revenue Management, Oracle CRM, and Oracle Gateways and APIs

In addition, the following Oracle vertical market use cases highlight the realization of some of the top CX objectives:

- **Mobile banking:** BBVA, an innovative financial services company, delivers enhanced client experiences. Customers open accounts directly from a smartphone or tablet, using video capture to provide proper identification and satisfy government regulations. The mobile banking solution saves clients time and effort, helping the bank improve customer appeal and drive new account growth. The banking industry is under heavy scrutiny to validate and protect customer information. The solution provides comprehensive security features to enhance efforts to meet EU compliance requirements for confidential documentation and secure management of personal data, as well as standards for authentication, reporting, and monitoring.

- **Claims processing:** A leading European insurance company streamlines auto insurance claims. Policy holders use a smartphone app to connect with an insurance agent at the time of accident. The agent can direct the customer to use their mobile phone camera to look in real time at the accident and damage. At the same time, the agent can share the video stream with auto body shops, if required. At the end of the call, the agent can provide an estimated claim value, and if requested by the customer, a set of shops that can fix the issue. The mobile application accelerates claims handling, reduces processing expenses, and improves customer satisfaction.

- **Retail remote support:** A global consumer electronics manufacturer reinvents customer service. The firm uses one-way video and remote control to deliver compelling customer experiences with a personal touch. The remote support solution simplifies training and problem solving, helping the firm spur product adoption and foster customer loyalty.

- **Retail finance/remote guidance:** A customer is in the process of completing a registration, so she can avail herself of the company's services. However, the user has come to a place where she needs help completing the process. An intuitive control within the app enables her to connect with a service rep on the other end for assistance. The service rep, with permission from the customer, elevates the call to audio and can ascertain the full details of the issue and clarify as they go through. The service rep can also offer to guide the customer through the

process by taking control remotely, with customer's permission. The customer can follow along and can complete the process without being passed around from agent to agent.

- **Manufacturing:** A manufacturing company of high-end mufflers is improving its customer service through a remote eyes program. A real-time video connection is used to show the remote expert the problem the technician needs to solve. This quick conversation, assisted by images, helps ensure a correct installation, saving the technician time and helping meet customer expectations.

- **Remote learning/collaboration:** A leading Spanish IT solution provider is delivering new mobile and browser-based remote learning and collaboration services. Users place and receive voice and video calls as well as collaborate via screen sharing with peers and teachers using any device, from any location, at any time.

Oracle Portfolio of Enterprise Communications Offerings

Oracle's enterprise communications solutions are enabling the digital transformation enterprise with an architecture that seamlessly connects fixed and mobile users, enables rich multimedia customer interactions, and automates business processes for significant increases in productivity, efficiency, and return on investment (ROI). Each solution is designed to address the connectivity, security, and control issues customers often encounter when expanding communications applications or modernizing their network. Table 1 describes the specific offerings found in the Oracle Enterprise Communications Portfolio.

TABLE 1

Oracle Enterprise Communications Portfolio

Product/Solution	Description
Oracle Enterprise Communications Operations Monitor	It is a real-time, end-to-end VoIP and unified communications (UC) monitoring, troubleshooting, and analytics tool. It provides the visibility, monitoring, and troubleshooting needed to deliver network service assurance.
Oracle Enterprise Communications Broker	It is a core communications controller purpose built to simplify complex, multivendor enterprise voice, video, and unified communications networks. It abstracts key communications services, centralizes dial plan management, optimizes session routing, and ensures interoperability across disparate UC systems.
Oracle Communications WebRTC Session Controller	It enables enterprises to extend UC and contact center communications to any user with a web browser. It provides seamless web-to-SIP network interoperability and carrier-grade reliability and security.
Oracle Enterprise Session Border Controller	It securely connects enterprise VoIP and UC systems to SIP trunking and wide area network services while mitigating security threats, curing interoperability problems, and ensuring reliability.
Oracle Communications Application Session Controller	It integrates real-time IP voice and video communications into business applications. REST and SOAP APIs enable web application developers to easily orchestrate communications sessions.
Oracle Communications Interactive Session Recorder (ISR)	It captures, secures, and manages voice, video, and session-based communications recordings. Highly scalable and easy to deploy, ISR is designed for hosted call recording, enterprise regulatory compliance, and contact center analytics.
Oracle Communications Unified Communications Suite	It is a standards-based, scalable, secure, and reliable platform that provides access to click to collaborate, messaging, calendaring, instant messaging, and presence on desktop, web, and mobile.
Oracle Communications Tunneled Session Controller	It enables enterprise IT organizations to efficiently extend IP-based voice and unified communications services over the internet in a secure and reliable fashion, with high service quality. It provides a complete tunneling solution that surmounts restrictive firewalls, improves media quality, and provides call continuity between WiFi and 4G.
Oracle Live Experience Cloud	It is a new customer engagement service from the cloud providing the following functionality: in-app engagement channels for web and mobile, customer context and engagement scenarios, intelligent routing using customer context, 100% self-service driven, modern associate collaboration tools, telephony-to-digital escalation, recording and interaction store across all channels, insights and analytics, encryption and data protection, optimized real-time communications cloud platform, and HD voice, HD video, screen share, and annotations.

Source: IDC, 2017

FUTURE OUTLOOK

Oracle is already a powerful and successful sales machine, but with the addition of a larger installed base and well-connected sales force, it not only effectively completed the vertical "stack" it offers CSPs for the management of their customers, services, operations, and networks, but now it has access to CTOs, CIOs, line-of-business owners, and network executives. As such, IDC believes Oracle's various acquisitions over the past several years has given the company's portfolio the expanded breadth, depth, and muscle it was seeking to more effectively move forward and increase its value proposition to the communications industry. This includes having virtually everything a communications service provider would require for its operations – from the network layer up to the customer care layer.

ESSENTIAL GUIDANCE

Advice for Oracle

IDC feels that Oracle Communications needs to boost its messaging/mindshare with enterprises, partners, and the overall IT market. Through the many acquisitions and portfolio integrations that Oracle has gone through over the past several years, it's not an easy task to fully comprehend the entire Oracle Communications portfolio. IDC believes that it's a good time for Oracle to invest in greater market awareness and education efforts – specifically around the Oracle Communications brand, offerings, and value proposition – for the benefit of the wider enterprise community, its business partners, and the overall IT market. Such a messaging campaign would promote the value of Oracle Communications products and capabilities (as discussed in this document) in meeting customer challenges, identifying new opportunities in the cloud and SDN/NFV, enhancing the customer experience, and positioning Oracle Communications as a key partner for cloud, digital transformation, IoT projects, and so forth. IDC believes that many of the traditional vendor/provider relationships with customers in these forward-looking areas today are ready for disruption and that the vendors that are more proactive and top of mind in these areas will reap the benefits.

LEARN MORE

Related Research

- *Vision, Process, Infrastructure: Oracle's Take on Digital Transformation* (IDC #EMEA41476816, June 2016)
- *Acquisitions Set the Stage for Oracle to Help CSPs Monetize Big Data* (IDC #lcUS24047213, March 2013)

About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications and consumer technology markets. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy. More than 1,100 IDC analysts provide global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries worldwide. For 50 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company.

Global Headquarters

5 Speen Street
Framingham, MA 01701
USA
508.872.8200
Twitter: @IDC
idc-community.com
www.idc.com