Avaya Recognized for

2021

Competitive Strategy Leadership

North American Communications
Platform as a Service Industry
Excellence in Best Practices

FROST *&* SULLIVAN

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Avaya excels in many of the criteria in the Communications Platforms as a Service (CPaaS) space.

AWARD CRITERIA

Strategy Innovation	Customer Impact
Strategy Effectiveness	Price/Performance Value
Strategy Execution	Customer Purchase Experience
Competitive Differentiation	Customer Ownership Experience
Executive Team Alignment	Customer Service Experience
Stakeholder Integration	Brand Equity

Strategy Effectiveness

Avaya effectively balanced short-term gains and a long-term strategy with its CPaaS solution. In 2016, Avaya launched Zang.io as a wholly-owned subsidiary. Leveraging assets and staff from Avaya's 2015 acquisition of Esna Technologies, Zang functioned like an aggressive startup and launched several key products, including Avaya Spaces (formerly Zang Spaces) and a transactional, consumption-based CPaaS offering.

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> *- Michael Brandenburg, Senior Industry Analyst, Connected Work*

Through Zang, Avaya was leveraged the agility that a startup could provide and scored some early short-term successes. Over time, it has become clear that Zang's solutions and services are a hit with customers and as such, have become an increasingly important element to the long-term success of Avaya.

A few short years after launch, the products and services were fully merged with the rest of Avaya. The rebranded Avaya Spaces quickly became the preferred experience for Avaya's cloud collaboration and meeting

solutions, and likewise, the CPaaS offering is one of the three main pillars of Avaya's OneCloud platform alongside unified communications and contact center.

In a short time Avaya OneCloud CPaaS has positioned itself as the cloud platform of Avaya's vast communications product portfolio, and the innovation engine for Avaya. For example, leveraging its own CPaaS platform, Avaya launched Avaya Cloud Notification Service, a turnkey, cloud-based solution that enables businesses to notify their customers, employees, and partners of safety or other events. With all of the resources in-house, including the ability to provision phone numbers, make and receive calls, and send text messages without the additional overhead of engaging outside partners Avaya has evolved into a software and services provider that crafts tailored solutions to fit the exact needs of individual customers. Avaya OneCloud CPaaS was foundational to that transition.

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Competitive Differentiation

Avaya stands out in the CPaaS marketplace in important ways, particularly when compared to developer-focused transactional CPaaS providers. First, Avaya is completely committed to the enterprise customer and wholly understands their needs. Being enterprise-focused means understanding the unique challenges of vertical industries and integrating with critical business applications rather than overlaying yet another solution or service on a customer's existing applications.

Similarly, Avaya is particularly sensitive to the enterprise need of managing the lifecycle of their existing communications investments. While Avaya's competitors may suggest wholesale rip and replace of existing infrastructure or to create isolated pockets of communication within in the organization, Avaya's customers know the effort that their technology partner puts into investment protection. The provider understands that while the end goal may be pure cloud-based communications, most of its customers will require hybrid mixes of on-premises and cloud-based solutions for some time.

Customer Impact

During 2020, the value of Avaya OneCloud CPaaS was proven through the many challenges customers faced, playing a particularly critical role in healthcare, government, and education verticals. Avaya's

CPaaS platform was called into action in support of customers throughout the COVID pandemic. Starting in early 2020, many Avaya healthcare and municipal customers needed to quickly scale up their contact centers to manage both a massive increase in call volumes as well as quickly pivot to supporting a great number of agents who were sent to work from their homes. While many of competitors struggled to these rapid shifts, Avaya leveraged its cloud platforms to support its customers in days rather than the weeks or months common on legacy systems.

New uses for digital communications also emerged during the pandemic, such as contact tracing, contact investigations, and managing the orderly distribution of vaccines, particularly when demand outstripped supply. The flexibility of the Avaya OneCloud platform, powered by API-driven communications, enabled Avaya to not only support these critical use cases, but to do so with a high level of intelligence and automation built in the workflows.

Brand Equity

Avaya is one of the most recognizable and stalwart brands in the enterprise communications market. The company has earned and maintained the trust of business customers over the course of decades of market leadership. Avaya brings with it a proven track record of not only results, but also a willingness to evolve their solutions over the long term. Avaya's stable of solutions includes both in-house developed solutions and products added to the portfolio through acquisition and deliberate integration. While competitors in the market acquire solutions and simply rebrand them, Avaya considers each of its acquisitions carefully and incorporates them into the complete Avaya portfolio. For example, the Esna Technologies acquisition evolved from simple cloud integration solution into the Avaya OneCloud CPaaS offering. The steady evolution to the software and services provider that Avaya is today was accomplished overnight, but a carefully considered path to the cloud.

In addition, Avaya is well recognized for its depth of experience in vertical markets, such as healthcare, government sectors. While competitors and startups may struggle to meet regulatory and compliance requirements in certain verticals or regional requirements, Avaya's history as a global solutions provider comes with deep compliance knowledge. Ultimately, customers see Avaya as an experienced partner and guide when it comes to defining enterprise communications strategy.

Conclusion

Avaya OneCloud CPaaS forms the core of the company's strategy to transition itself from a traditional unified communications solutions provider to a cloud services company. Avaya's Composable Enterprise approach, powered by CPaaS, is transforming both Avaya's business and its relationships with customers and partners. With its strong overall performance, Avaya earns Frost & Sullivan's 2021 Competitive Strategy Leadership Award.

What You Need to Know about the Competitive Strategy Leadership Recognition

Frost & Sullivan's Competitive Strategy Leadership Award recognizes the company with a stand-out approach to achieving top-line growth and a superior customer experience.

Best Practices Award Analysis

For the Competitive Strategy Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Strategy Innovation

Strategy Effectiveness: Effective strategy balances short-term performance needs with long-term aspirations and overall company vision

Strategy Execution: Company strategy utilizes Best Practices to support consistent and efficient processes

Competitive Differentiation: Solutions or products articulate and display unique competitive advantages

Executive Team Alignment: Executive team focuses on staying ahead of key competitors via a unified execution of its organization's mission, vision, and strategy

Stakeholder Integration: Company strategy reflects the needs or circumstances of all industry stakeholders, including competitors, customers, investors, and employees

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

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The Growth Pipeline Engine™

Frost & Sullivan's proprietary model to systematically create on-going growth opportunities and strategies for our clients is fuelled by the Innovation Generator™. Learn more.

Key Impacts:

■ **Growth Pipeline:** Continuous flow of Growth opportunities

■ **Growth Strategies:** Proven Best Practices

■ **Innovation Culture:** Optimized Customer Experience

■ **ROI & Margin:** Implementation Excellence

■ **Transformational Growth:** Industry Leadership

The Innovation Generator™

Our six analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

■ Mega Trend (MT)

■ Business Model (BM)

■ Technology (TE)

■ Industries (IN)

■ Customer (CU)

■ Geographies (GE)