

The logo features a red square with the text '8x8' in white, followed by the word 'Essentials' in a large, bold, white sans-serif font. Below 'Essentials' is the text 'Intelligence Research Series' in a smaller, white sans-serif font.

8x8 Essentials
Intelligence Research Series

2021 State of Business Communications Report

Introduction

Businesses today are continuing to transform the way their employees, customers, and partners communicate. Long-term strategic plans are replacing pandemic-created, band-aid solutions, and most organizations are now utilizing some form of cloud communications.

Meanwhile, the lines between contact center and office communications are blurring as economic and competitive pressures are forcing businesses to deliver new and improved customer and employee experiences. A major trend, particularly in retail, is to enable contact center agents and office or field workers to communicate in real time using voice, video, messaging, presence, and more.

But every organization is transforming at its own pace, and many are grappling with questions around whether their workplace will be in the office, all remote, a hybrid of the two, or simply agile enough to deal with any situation. What this 2021 report confirms is that most organizations today want an [XCaaS \(Experience Communications as a Service\) solution](#) that integrates contact center, voice, video, chat, and APIs on a single cloud platform (referred to in this report as an “integrated communications solution”). Others want to add UCaaS and CCaaS pieces gradually. Microsoft Teams is often ever-present too. Organizations have important decisions to make, and more senior executives are getting involved in the buying process, because business communications is now a bigger strategic asset than ever before.

In this report, we chronicle the state of business communications and share related insights that can help you benchmark your organization and accelerate its digital transformation. For this edition, we surveyed 400 IT executives in the United States and the United Kingdom about their cloud communications usage and experience, including the benefits that are delivering the most value to them.

This report is the latest in our 8x8 Intelligence Research series that covers topics that matter to you, such as how your peers are using Microsoft Teams and key trends like AI/ML adoption, embedded video, and more. We welcome your thoughts on these findings and other subjects of interest as your business transforms for the future.

Report survey methodology

To obtain a view of the current and future state of business communications, 8x8 commissioned Hanover Research to survey 400 IT decision makers holding high-level management positions in industries including manufacturing, technology, healthcare, hospitality, education, and finance. Twenty-five percent (25%) of the respondents were located in the United Kingdom, while 75% were located in the United States. 80% of respondents represented organizations with more than 500 employees; 53% represented organizations with more than 1,000 employees.

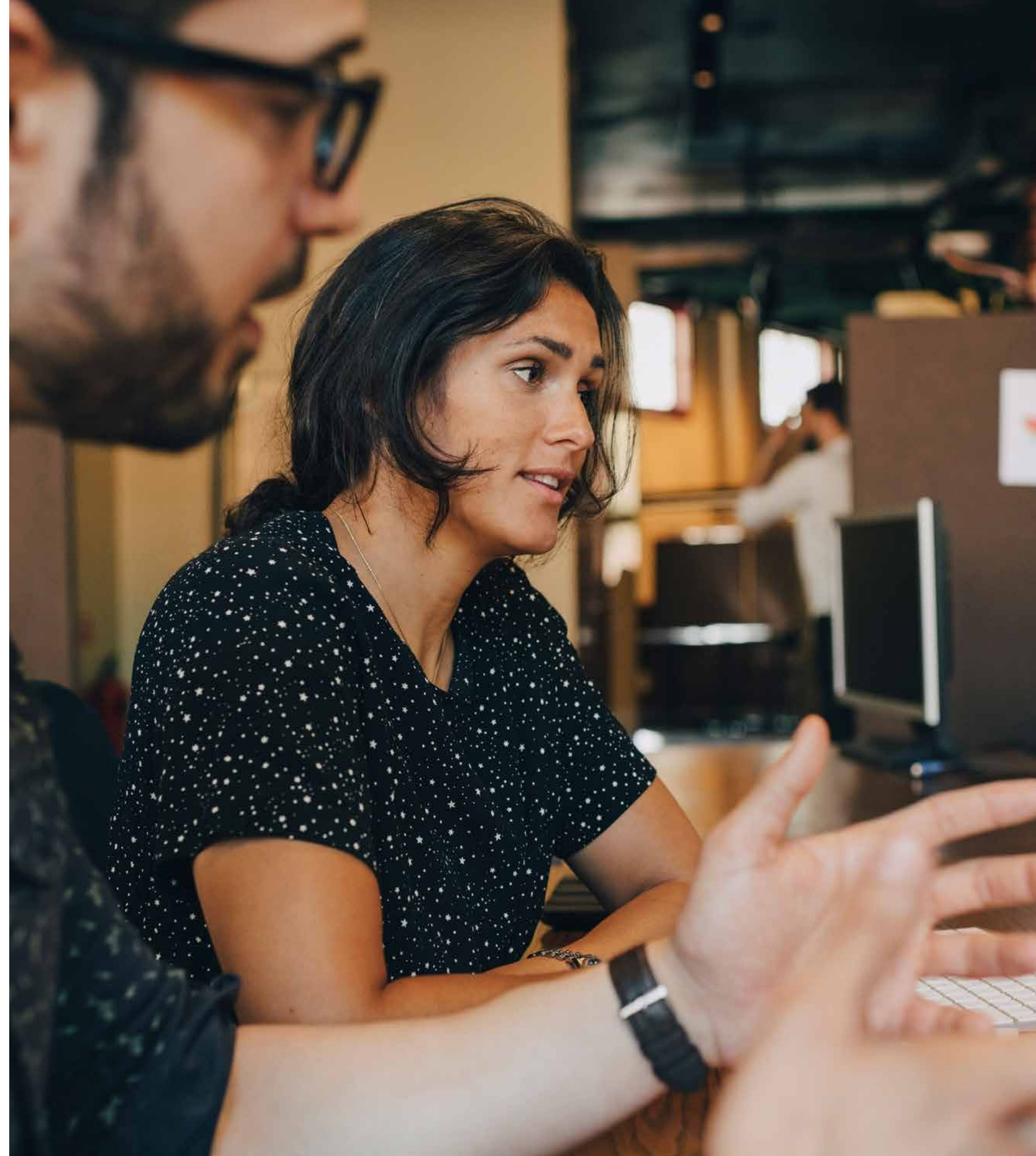
2021 Findings



Improved productivity,
CX, and EX are driving
integrated communications
adoption

An 8x8 customer, a global retailer of home furnishings, recently deployed an [XCaaS \(Experience Communications as a Service\) solution](#) that integrates contact center, voice, video, chat, and APIs on a single platform. In discussing the business's needs, the CEO said, "I don't want my in-store employees speaking with customers on the phone." He instead wanted his sales associates to spend their time with customers in the shop—an agent could speak with a customer from anywhere.

Maximizing employee productivity is one of the top-cited reasons for choosing an XCaaS (integrated communications) solution.



Top takeaways

- 2021 State of Business Communications survey respondents identified many reasons for making the decision to adopt an integrated communications solution, including to increase productivity and business resilience (figure 1).
- The top three expectations of an integrated communications solution were increased productivity, and improvements to the employee experience (EX) and customer experience (CX).
- Simplifying administration and data collection were additional reasons, but were viewed as a lower priority.

Top business reasons for choosing an integrated communications solution



Figure 1

Security is a top
cloud communications
vendor selection factor

After commenting on the business reasons for choosing an integrated communications solution, respondents were asked about what capabilities a solution like this ought to have (figure 2).



Top takeaways

- Across the board, respondents said that security was the most important attribute.
- Once again, respondents are focused on customer experience and increasing customer engagement.
- A pattern is emerging that highlights how an integrated communications solution can improve business operations and performance.

Key benefits of an integrated communications solution

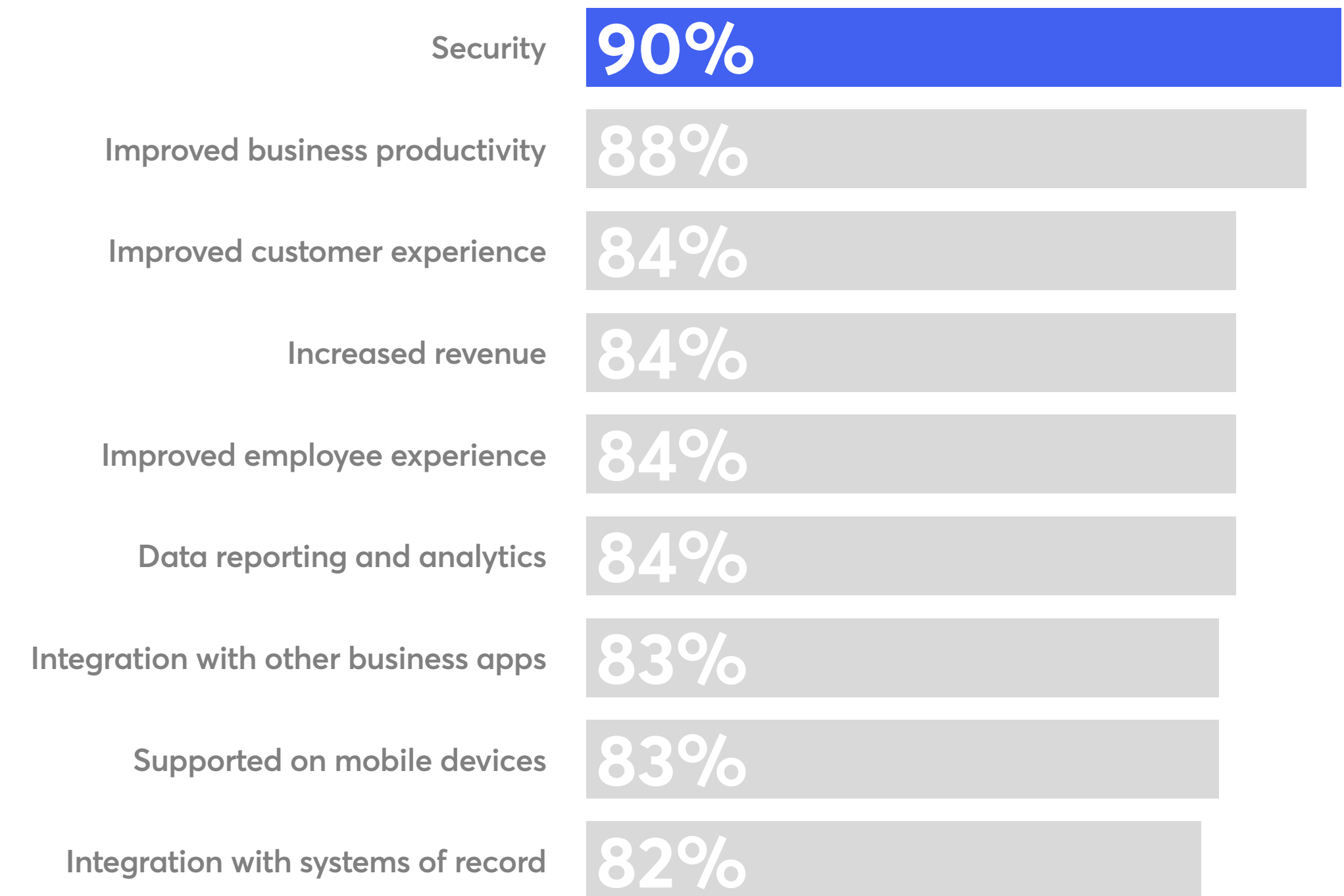
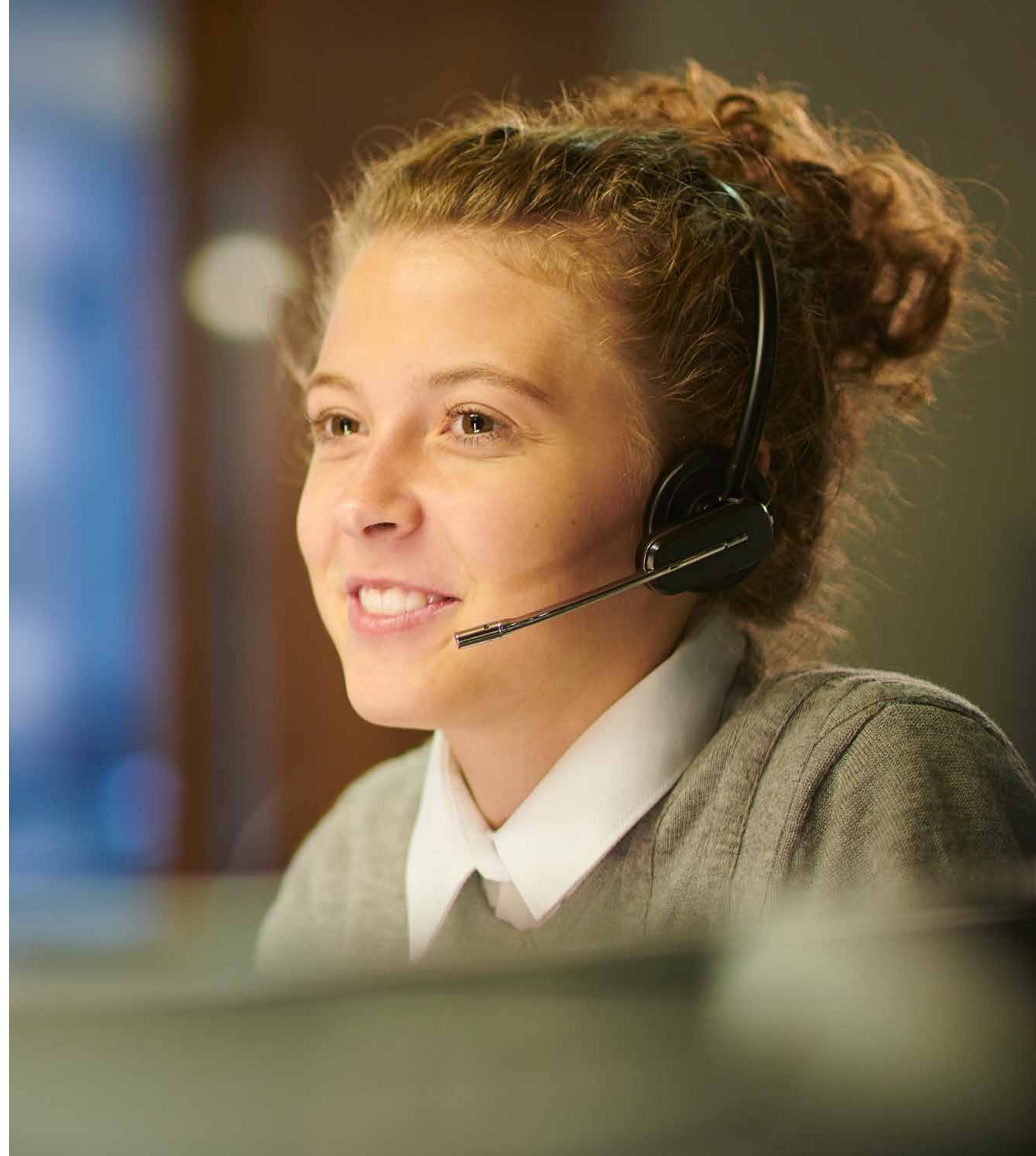


Figure 2

Customers demand
more than just voice
services in their cloud
communications solution

One of the key benefits of deploying communications on a cloud platform is the ability to tightly integrate it with existing cloud-based business applications. Users love integrations with their business-critical applications, because it helps them be more efficient and productive. Whether it's Microsoft Teams, Salesforce, database access, or analytics software, integrations that improve the employee experience matter greatly to businesses right now.



Top takeaways

- Customers recognize that you can't rely on phone calls alone in 2021. They want video, chat, SMS, and similar services to be part of their combined UCaaS/CCaaS solution.
- Just under half (45%) of respondents felt that security software should be included in an integrated communications solution.
- The top two expected capabilities of an integrated communications solution both revolve around additional integrations. Fifty-one percent (51%) of respondents cited integration with other business software, while 41% specifically called out CRM integration as something they would expect to see (figure 3).

Services expected with an integrated communications solution

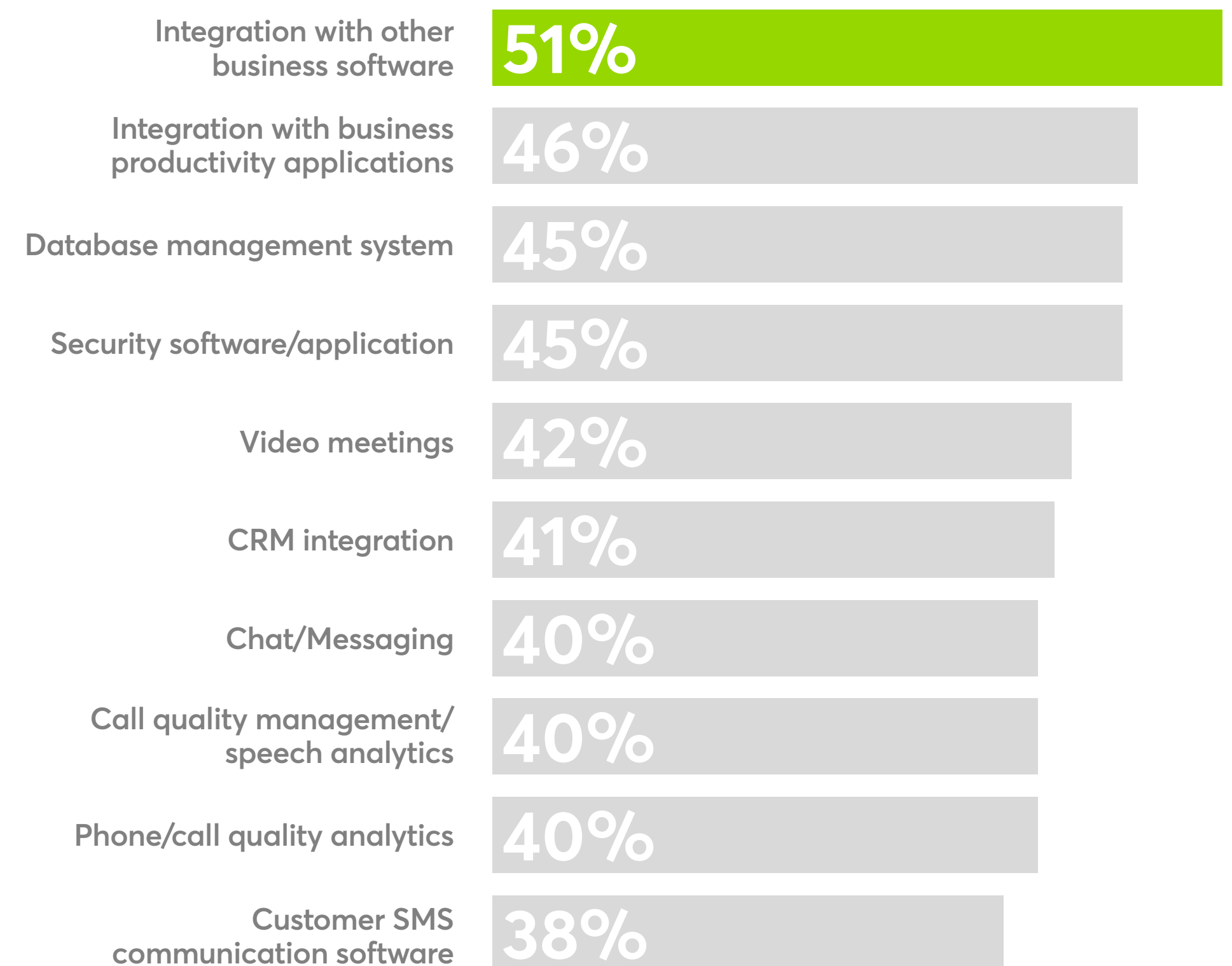


Figure 3

Respondents say their
integrated communications
solution delivered on
improving customer
satisfaction and much more

Previously, we looked at what respondents expect from an integrated communications solution or why they bought it. Those who have already deployed their solution were then asked: "How effective has it been?" (figure 4).



Top takeaways

- Respondents were looking for a communications solution to improve customer experience and increase employee productivity. When asked about the effectiveness of their solution in these areas, 85% said their communications solution increased customer satisfaction. Increased productivity was the second-most cited result at 84%.
- Eighty-two percent (82%) said that it delivered increased agility and flexibility for their organization.
- Even though saving money wasn't a top-stated requirement of their solution, 74% of the users said that it reduced the costs of their communications services.

Effectiveness of deployed integrated communications solution

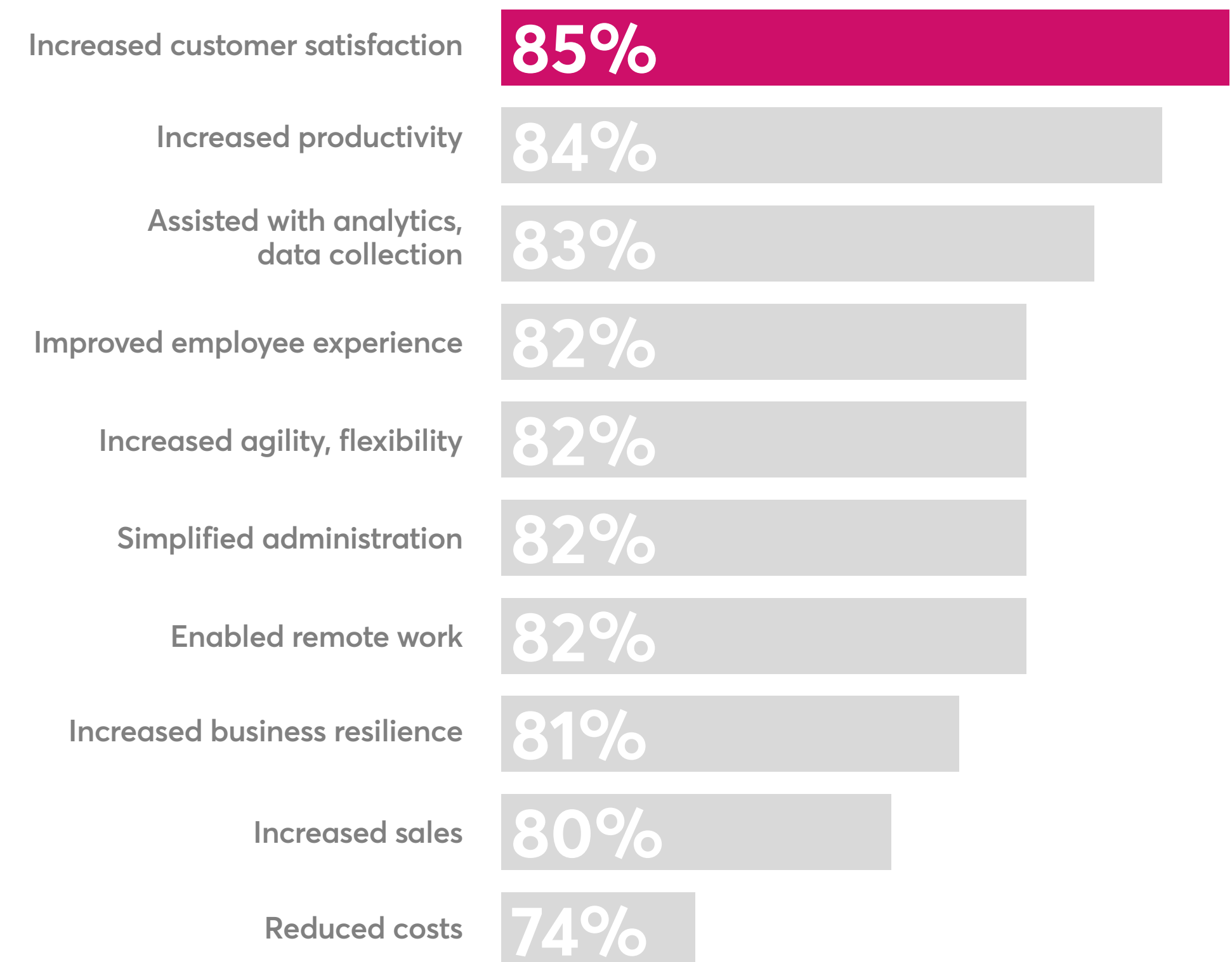
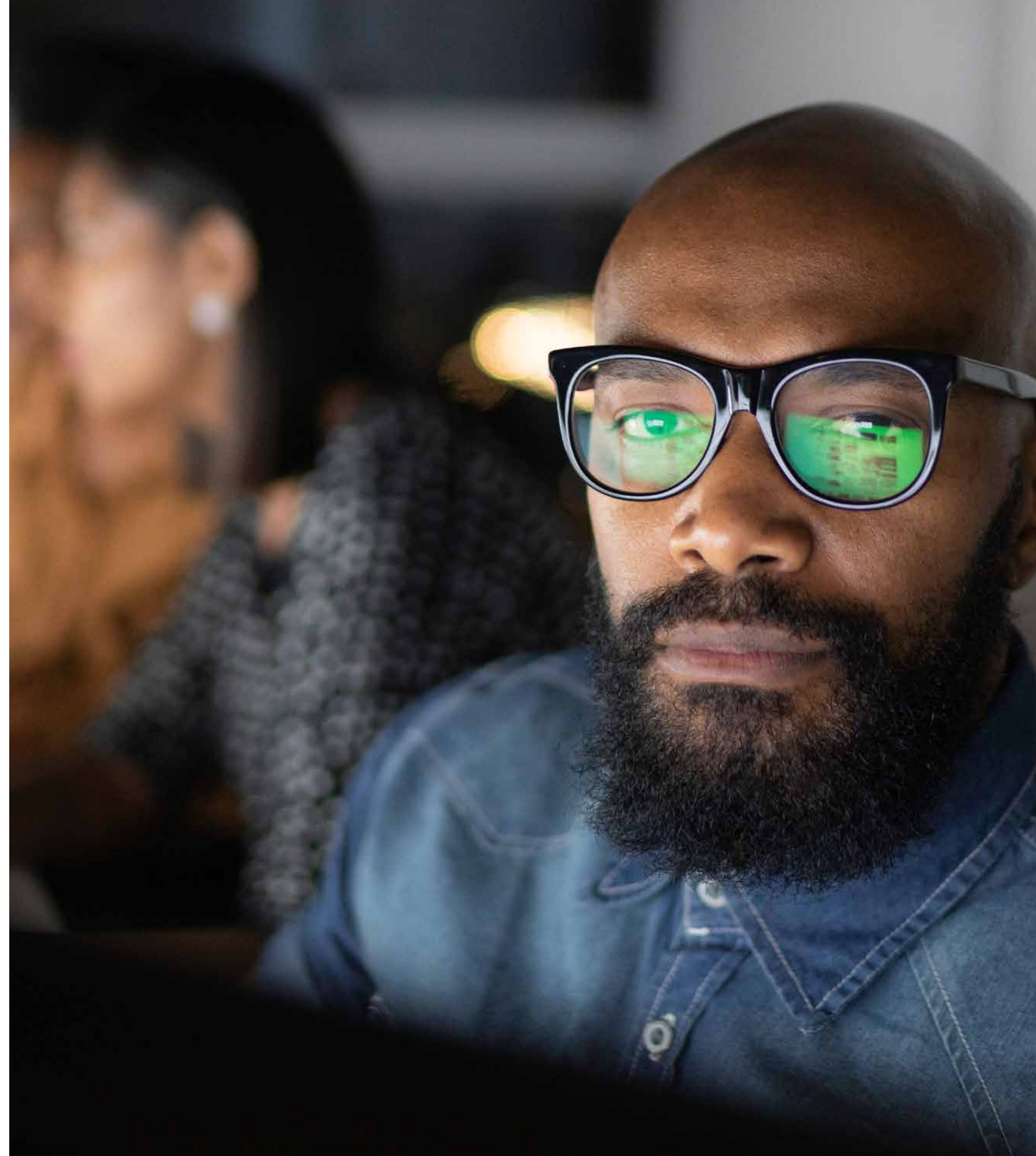


Figure 4

More than any other
department, sales benefits
from an integrated
communications solution

When evaluating IT investments, decision-makers typically consider who benefits from the purchase. We asked respondents to tell us which departments they thought would benefit from a combined UCaaS/CCaaS solution (figure 5).



Top takeaways

- Eighty-six percent (86%) of respondents cited the sales team.
- Given that cloud communications makes it easy to offer work-from-home programs, it isn't a surprise that recruiters like mentioning remote capabilities to job candidates. Seventy-three percent (73%) of respondents said that talent recruitment is one of the departments that benefits most from having an [XCaaS solution](#) that combines customer engagement and employee communications.
- The IT department was cited by 84% of respondents, highlighting the administrative/operational benefits of an integrated communications solution.

Departments that would benefit from an integrated communications solutions

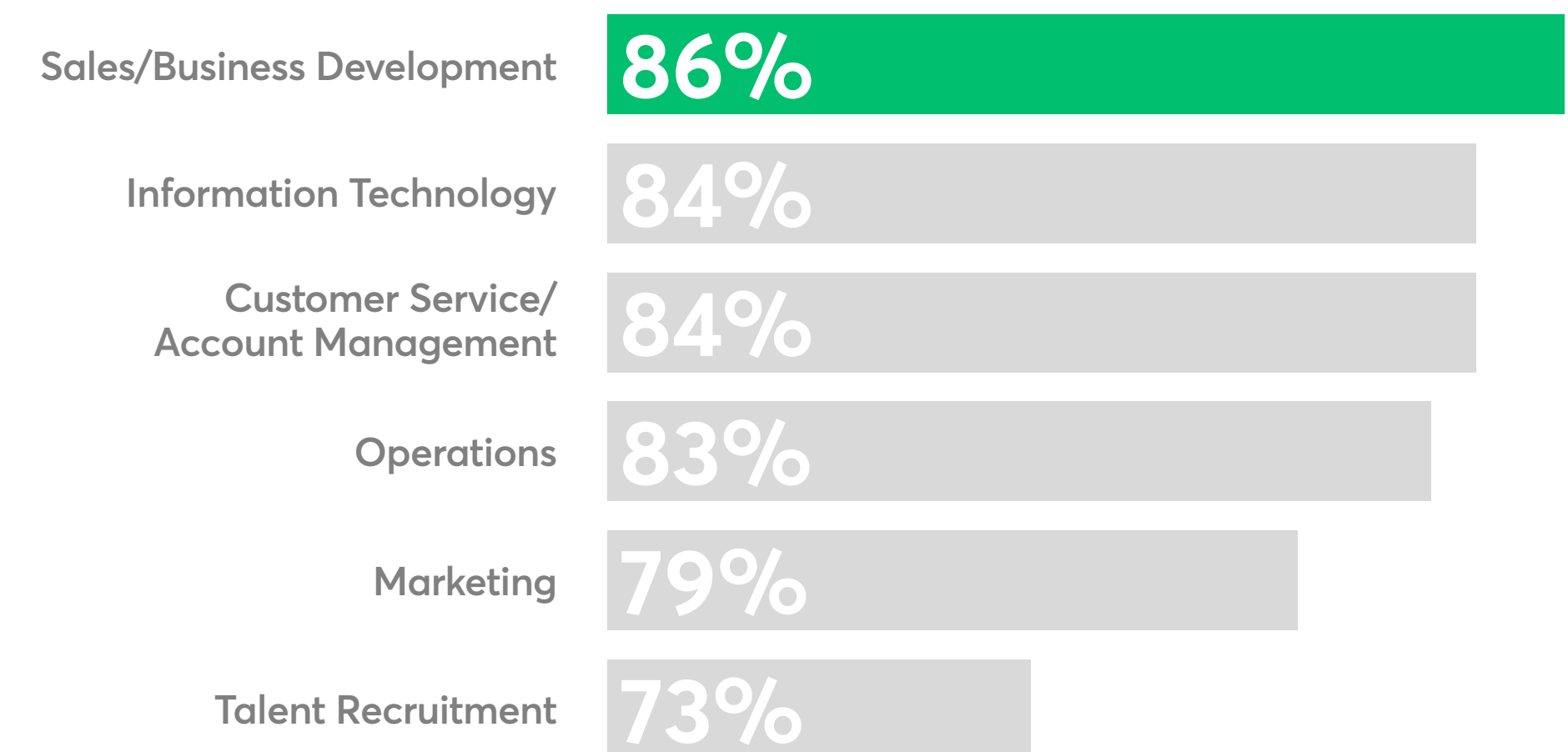
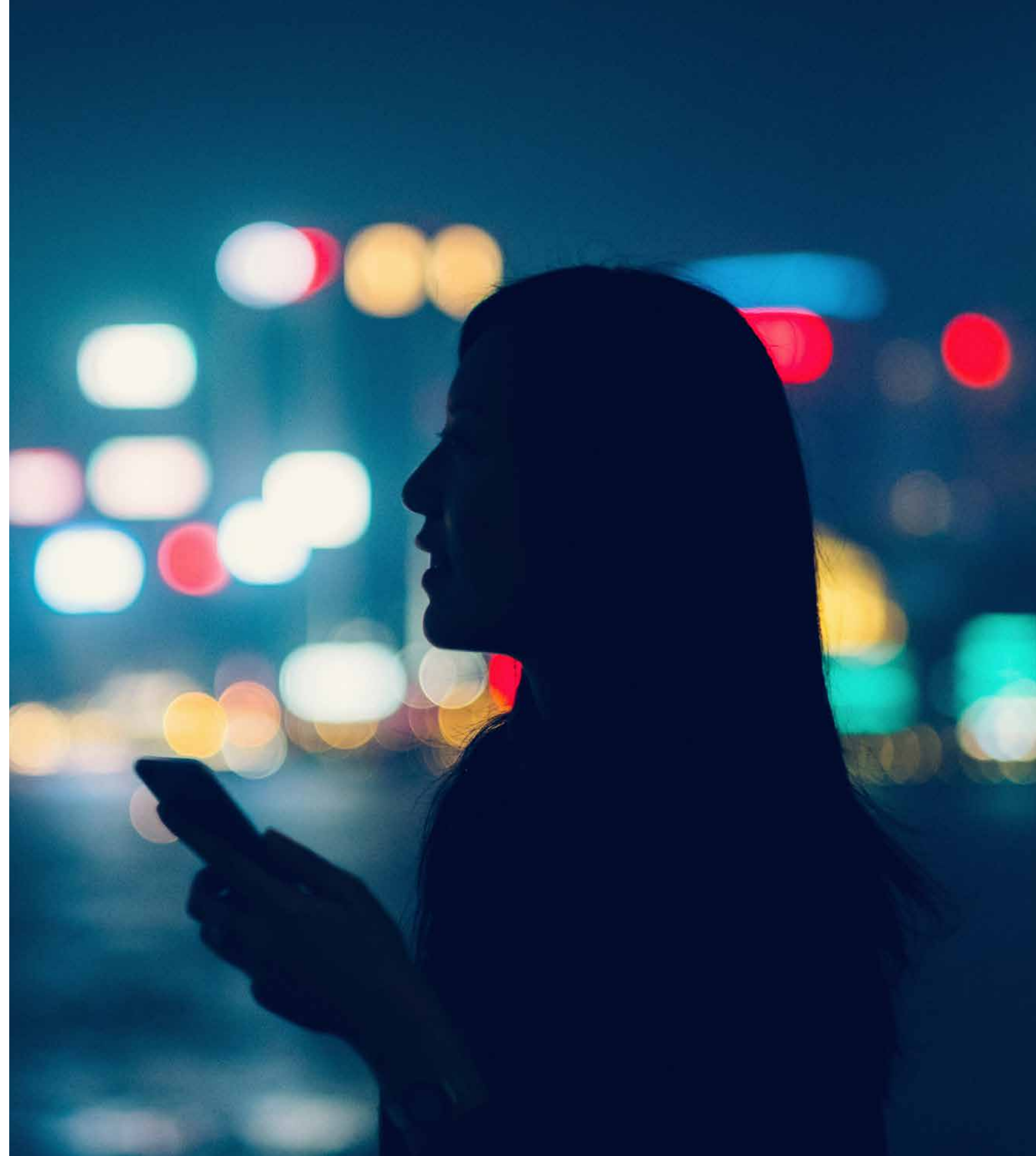


Figure 5

Cloud-based integrated communications platforms are becoming ubiquitous

In our 2021 State of Business Communications Report survey, we wanted to understand exactly how pervasive is the adoption of cloud-based unified communications (UCaaS) platforms. The data shows that while many organizations have adopted UCaaS, digital communications transformation is still in motion for others (figure 6).



Top takeaways

- Less than three-fourths of respondents said they are actively using UCaaS today, but just more than one-fourth say they are in the process of switching to UCaaS.
- An additional 9% say they will deploy UCaaS within two years.
- Extrapolating out over the coming 24 months, cloud communications should be completely ubiquitous, relegating on-premises communications to niche use cases.

Cloud-based unified communications adoption

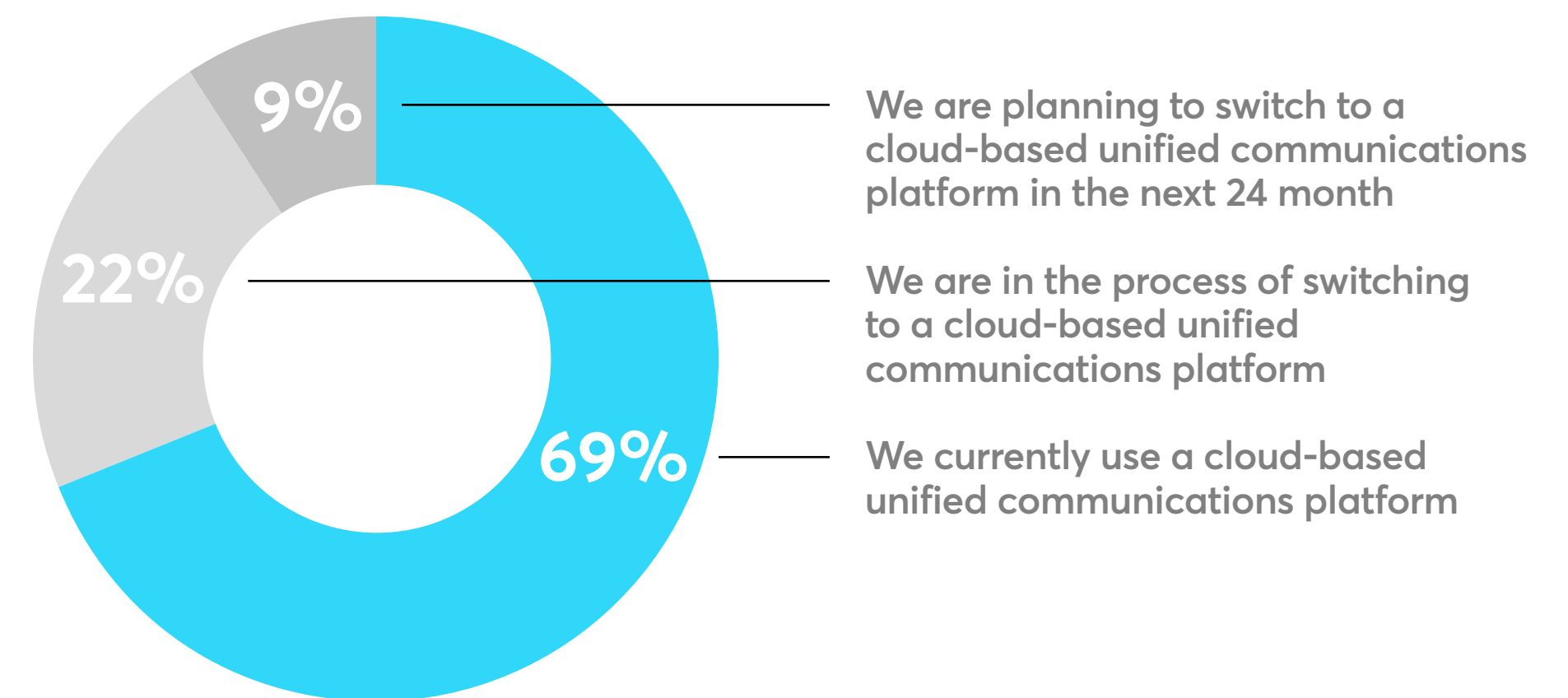


Figure 6

Cloud-based contact center platforms are becoming ubiquitous

Respondents said they have deployed a cloud-based contact center solution (CCaaS) slightly more than they have deployed a unified communications solution. Another 21% said their CCaaS solution is in the process of being rolled out (figure 7). Ninety percent (90%) said they either have CCaaS or are currently in the process of deploying it, illustrating how important cloud contact centers have become and the pandemic-accelerated adoption.



Top takeaways

- Almost three-fourths of contact centers are now operating in the cloud.
- Combining the UCaaS and CCaaS questions of this survey, 100% of respondents said that they either have moved to the cloud, are currently switching to the cloud, or are planning to switch in the next 24 months.
- Demanding more inquiry is the percentage of these UCaaS and CCaaS deployments rolled out on a single cloud platform versus separate ones.

Cloud-based contact center platform adoption

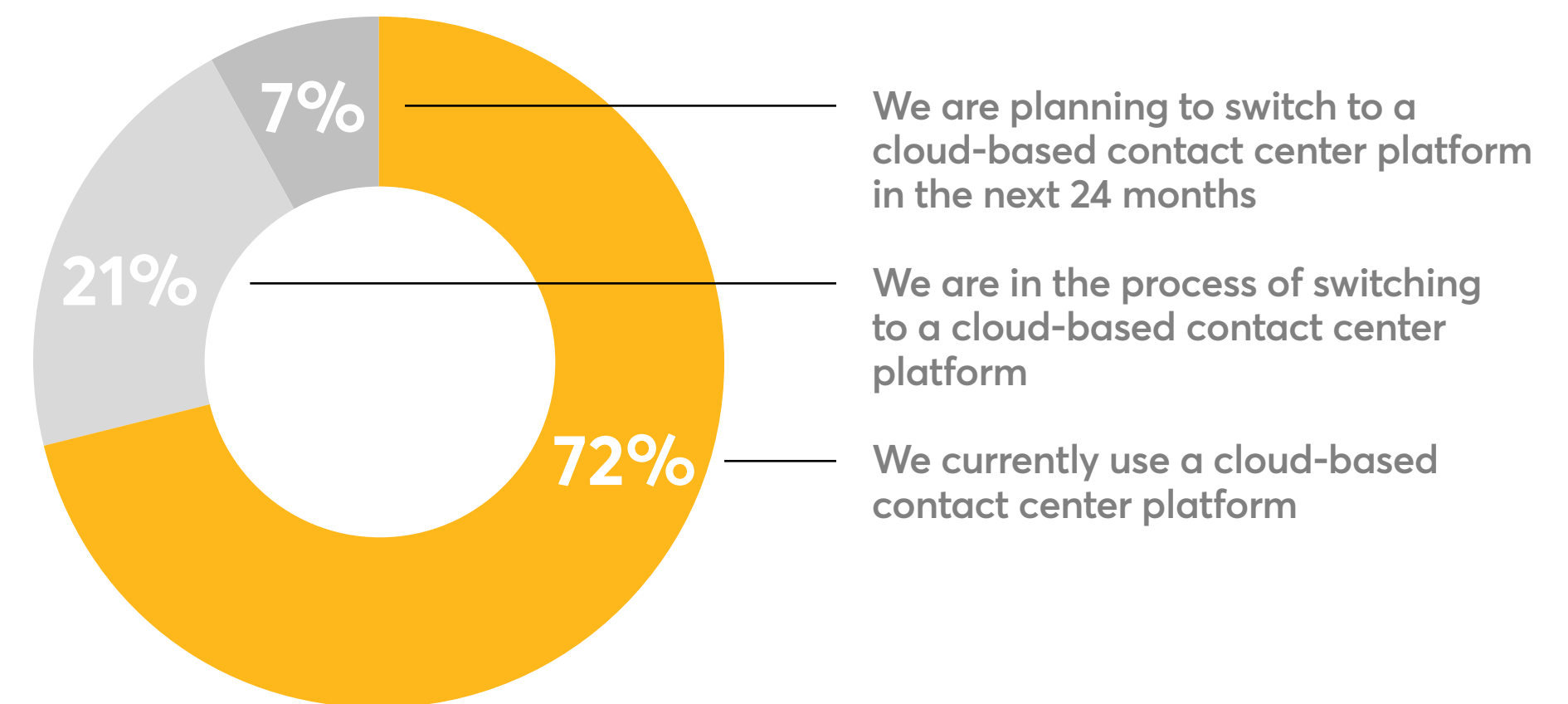


Figure 7

Over time, more cloud communications solutions will combine UCaaS and CCaaS

Figures 6 and 7 show how saturated cloud communications have become, with most companies using or planning to use UCaaS and CCaaS. We then asked respondents whether those deployments would be an integrated UCaaS and CCaaS solution or if they would choose separate solutions (figure 8).



Top takeaways

- Unified communications and contact center integrations have reached a tipping point. More than half of respondents are already using an integrated solution.
- Within the next two years, 100% of respondents said they will have either deployed or are planning to deploy an integrated solution.
- Organizations using separate solutions should begin or accelerate their move to an integrated solution if they are to keep up with their peers.

Integrated UCaaS and CCaaS solution adoption

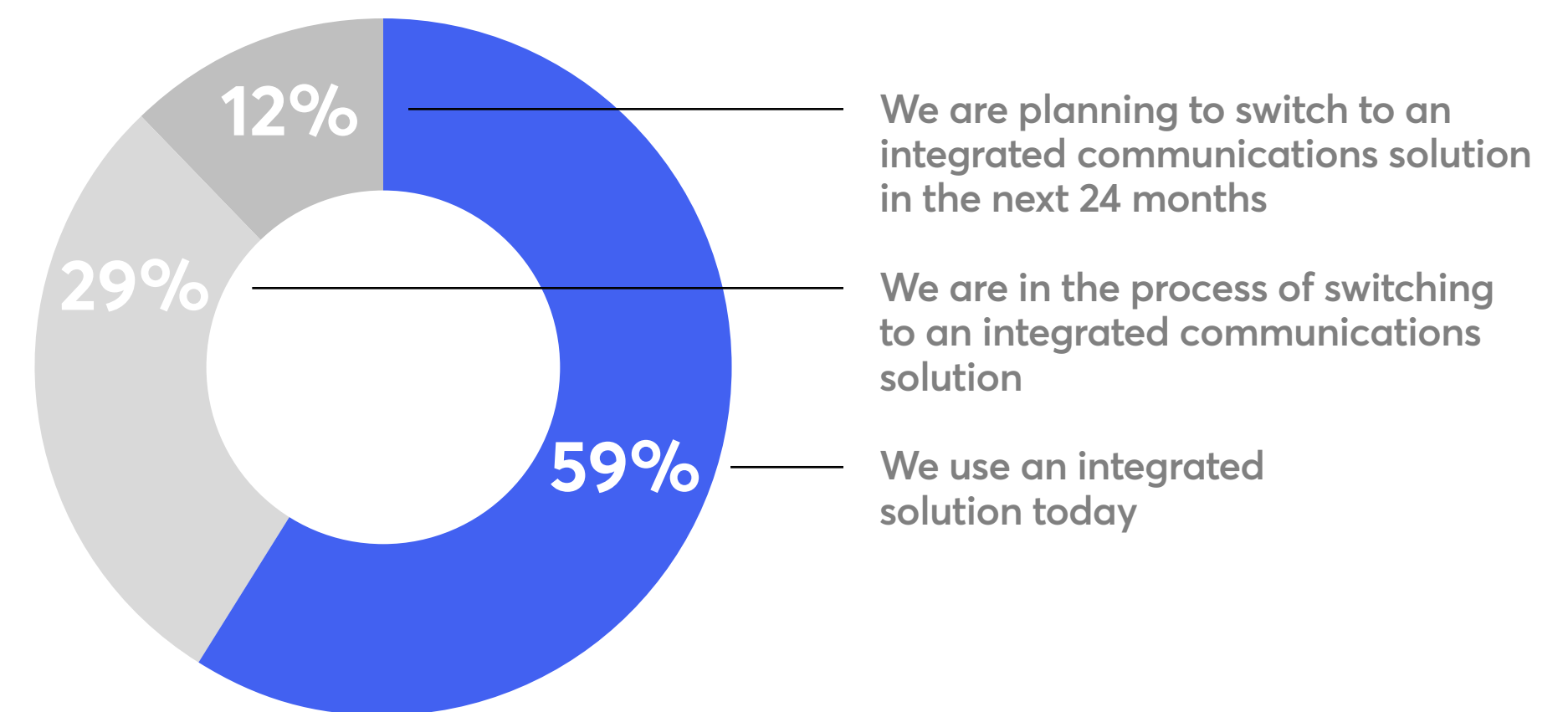


Figure 8

**Respondents believe an
integrated communications
solution is the future of
business communications**

When asked about the emotional drivers that have led, or are leading, them to select an integrated communications solution, respondents were thinking of the future, as well as considering themselves and their business as forward-thinking (figure 9).



Top takeaways

- Eighty-six percent (86%) of respondents thought of their organization as an early adopter of technology.
- A pattern emerged indicating that respondents believe that integrated communications solutions will become a standard practice. For example, 87% agreed that their organization is forward-looking and that a combined solution is the "future of business communications."
- A combined communications solution is a competitive advantage—85% of respondents agreed that they are a market leader and that a combined communications solution is "a way to keep our edge."

Top 5 emotional drivers when selecting an integrated communications solution

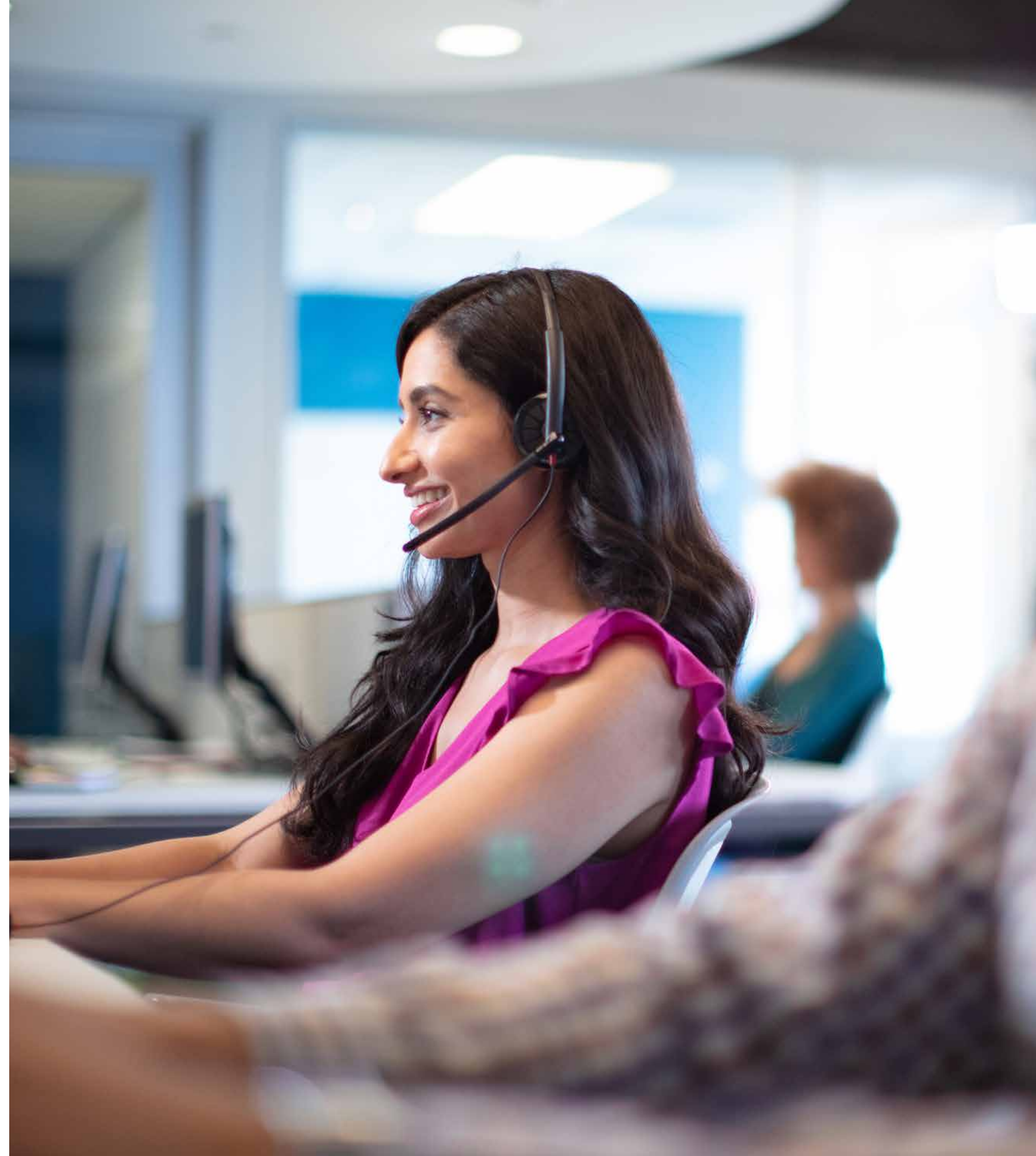


Figure 9

Top expected issues when adopting an integrated communications solution were security and implementation costs

Proper planning and in-depth vendor interviews contribute to successful cloud communications projects. In our survey, IT leaders who have deployed a cloud communications solution in the past were asked about some of the challenges they expected to face when planning their implementation of an integrated communications solution (figure 10).

Discuss this list with your organization's trusted IT advisors and potential vendors to alleviate concerns before shortlists and final purchase decisions are made.



Top takeaways

- With remote work amplifying concerns, almost half (46%) of respondents say they expect some type of data security issues with moving to an integrated cloud communications solution.
- Only a quarter of those surveyed say they would expect an interruption of business, putting pressure on vendors to make moves seamless.
- The most expected issue does not match the most experienced issue in this survey. See experienced issues results on the next page.

Expected issues when adopting an integrated communications solution

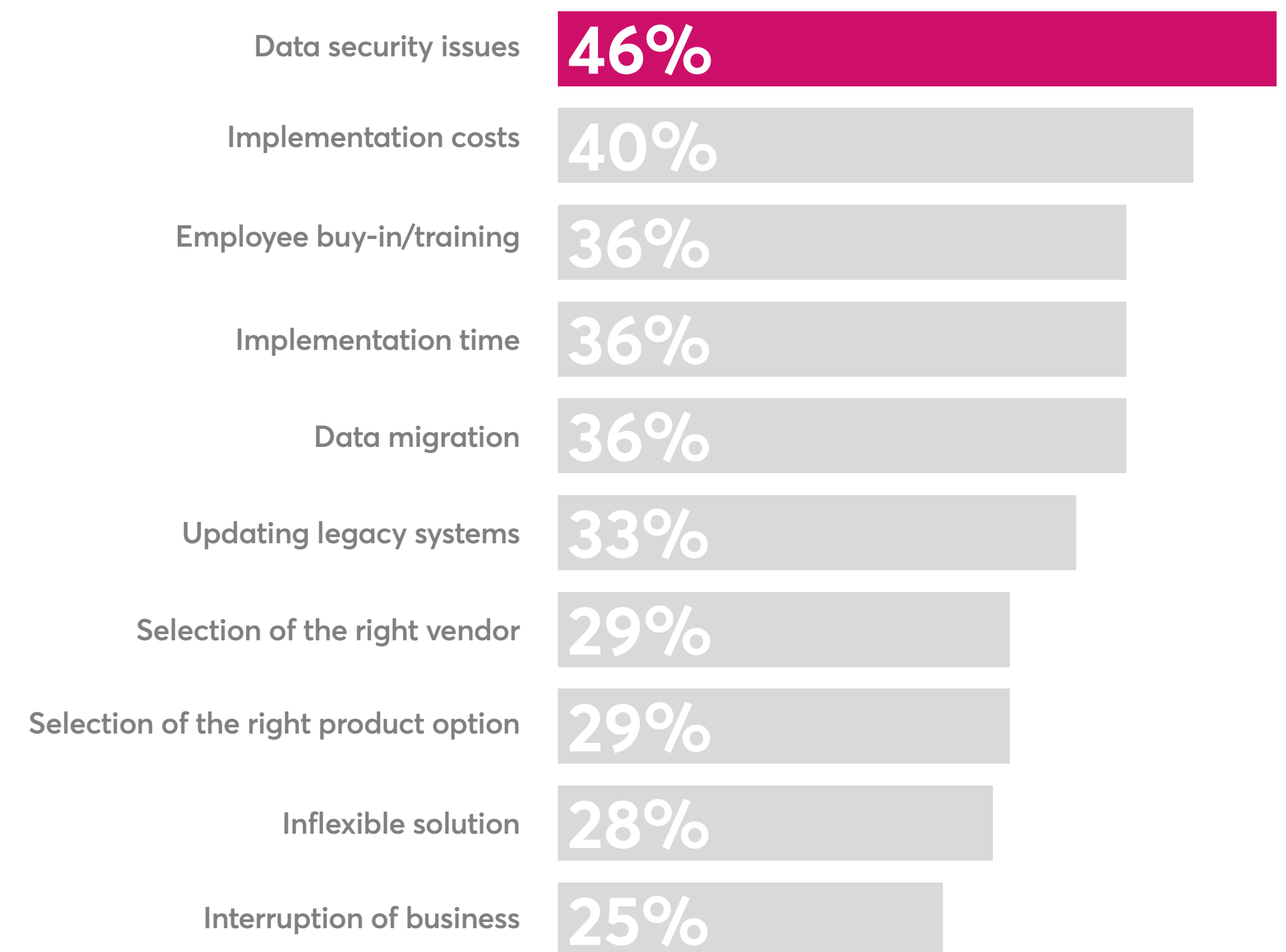
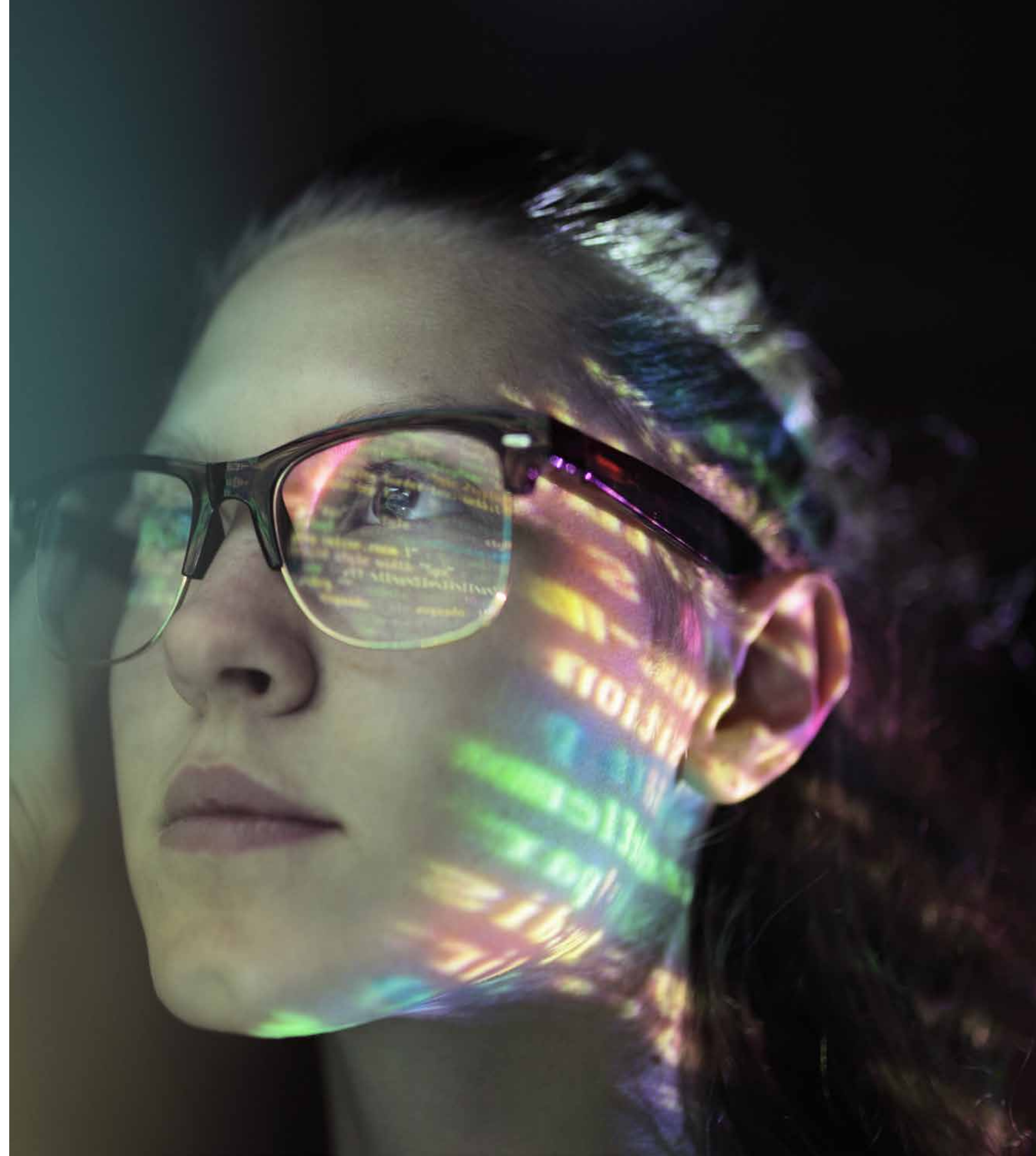


Figure 10

Post-adoption, top experienced issues were implementation time and employee training

On the previous page, our report outlines the challenges that IT decision-makers expected to face prior to implementing an integrated communications solution. In our survey, we also examined what challenges IT leaders actually faced during their implementation (figure 11).

Note that respondents in this survey were working with different and undivulged vendors. In addition, responses do not differentiate between scenarios where professional services and related services were used for implementation, and scenarios where the respondent's organization did all the work themselves.



Top takeaways

- Generally speaking, the issues that respondents thought might be a concern, were the same issues that respondents identified during the pre-adoption planning process (see previous page).
- Implementation time showed a significant jump from an expected pre-adoption issue, where it ranked number four, to a post-adoption issue, where it ranked number one.
- Only 12% of respondents surveyed said their organization encountered no challenges.

Experienced issues when adopting an integrated communications solution

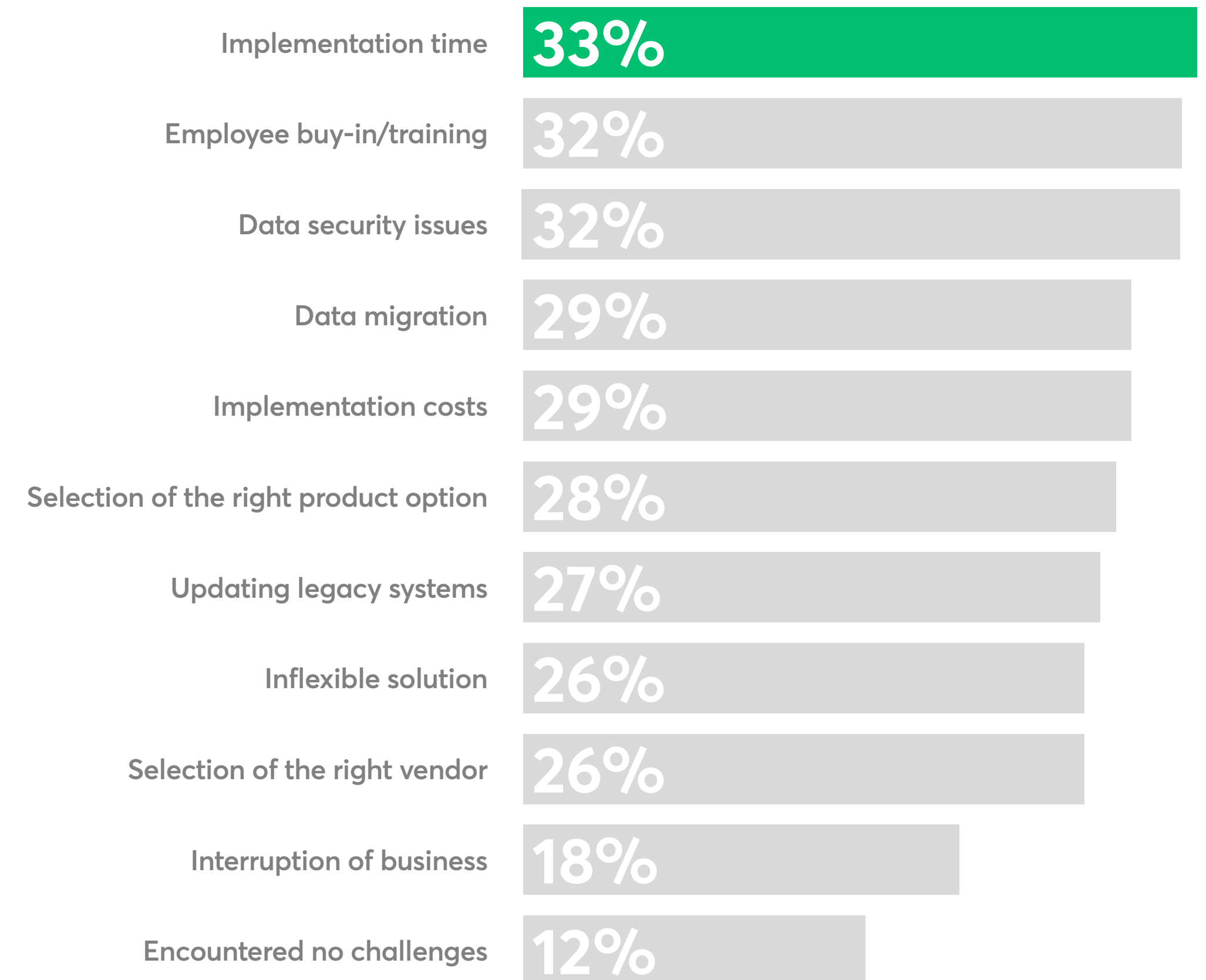


Figure 11

Considerations: As with all 8x8 reports, we hope that this report inspires as many questions as the number of insights it provides. The state of business communications is continuously in flux, and we learn the most when we learn together.

The respondents in this survey could be working with any cloud communications provider. An independent research firm, Hanover Research, conducted the survey (which was commissioned by 8x8). This is why we used terms like “integrated communications solution” and generic industry acronyms, such as UCaaS and CCaaS, rather than 8x8 product names.

At 8x8, when we talk about integrated communications, we refer to the deployment model as Experience Communications as a Service (XCaaS) and our product as the 8x8 eXperience Communications Platform—a solution that integrates contact center, voice, video, chat, and APIs on a single cloud platform. The insights from this survey of IT decision makers have bolstered our

belief that within the next few years, virtually all mainstream organizations will have an integrated communications solution that brings together unified communications (UCaaS) and the contact center (CCaaS)—which is XCaaS.

A quick scan of cloud communications news shows that it isn't just 8x8 predicting the era of integrated communications. Everyone knows that most customers, contact center managers and workers, and customer experience-focused professionals want this combination of unified communications and contact center communication and collaboration. As a result, partnerships are forming and big acquisitions are happening, all validating this approach.

Recommendations: Businesses are continuing their digital transformation and cloud journeys. Phase One of this process is moving off-premises to the cloud. Phase Two is considering a long-term strategy combined with technology that can adapt to any situation, be it remote work, hybrid work, or a back and forth environment. Phase Three is implementing and leveraging platforms to personalize employee and customer experiences, as well as increasing business agility and resilience with an XCaaS-like solution.

Our recommendations for a successful Phase Two and Three include the following:

1: Define your long-term strategy

For those that have moved to the cloud but are still operating with band-aid solutions, we advise IT leaders to evaluate their current workplace and decide whether or not these tools are the best solution to support their future hybrid or agile workforce. If not, to move and stay ahead of competitors in both customer and employee satisfaction, IT and contact center leaders should work together to put in place a long-term cloud strategy and solution sooner than later.

2: Look to vendors as digital transformation partners

In evaluating vendors, look for one that will serve as a partner and advisor in your organization's implementation and use of the solution to achieve key current and future business and digital transformation goals. When talking with vendors, ask them to provide multiple customer implementation examples that match your organization's size and use case.

Discuss the expected and experienced issues highlighted in this report to evaluate vendor responses. Evaluate their professional services offering and pricing for implementation, training, data migration, and other services, and make sure to ask potential vendors about how their solution takes security into account.

Consider fully-integrated platforms over partnerships. In combined unified communications and contact center offerings, the era of UCaaS and CCaaS partnerships is coming to a cluttered end. Forward-looking businesses and the market are leaning toward integrated communications platforms to deliver collaboration, context, insights, and business value in real time. Be sure to ask vendors how far along they are in their integrations.



Additional Resources: We have compiled more educational resources for you, regardless of where you are on your cloud communications journey.

- [What is XCaaS?](#) - Find out how we are responding to the new needs of businesses today and uniquely delivering a solution on a single platform that includes a fully integrated cloud-native contact center, as well as voice, team chat, meetings, and CPaaS capabilities.
- [Solve for X Magazine \(Vol 1\)](#) - Our quarterly "Solve for X" CX.EX journal includes the latest news, information, and interesting articles related to 8x8 XCaaS.
- [XCaaS Solutions Brief](#) - This provides a high-level description of 8x8's Experience Communications as a Service (XCaaS) solution.
- [A Single Platform for UC and Contact Center Expands Benefits](#) - Learn how businesses today benefit from a solution on a single platform that includes fully integrated, cloud-based, unified communications and contact center capabilities.
- [4 Ways to Easily Optimize EX and CX in the Hybrid Workplace \(Blog 4\)](#) - CX has been a key investment for the past decade or more. Now, leaders and fast followers are putting just as much emphasis on CX. Those organizations that succeed in doing both well will win in the new hybrid workplace.
- [Integrated Communications Case Study - Halfords](#) - A prominent retailer puts customer and employee experience first, leading to record-breaking profits.
- [Integrated Communications Infographic](#) - Metrigy research shows how an integrated unified communications/contact center drives measurable business metrics.
- [Integrated Communications Webinar](#) - Learn how the Kansas City Royals brought employees together on a unified collaboration platform and transformed customer experience with a multi-channel cloud-based contact center solution.

About 8x8

8x8, Inc. (NYSE: EGHT) is transforming the future of business communications as a leading Software-as-a-Service provider of voice, video, chat, contact center and enterprise-class API solutions powered by one global cloud communications platform. 8x8 empowers workforces worldwide to connect individuals and teams so they can collaborate faster and work smarter. Real-time analytics and intelligence provide businesses unique insights across all interactions and channels so they can delight end-customers and accelerate their business. For additional information, visit www.8x8.com, or follow 8x8 on LinkedIn, Twitter and Facebook.

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