

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

VERIZON

2022
CUSTOMER
VALUE
LEADER

*NORTH AMERICAN MOBILE-CENTRIC
COMMUNICATIONS, COLLABORATION
AND CX SOLUTIONS INDUSTRY*

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. Verizon excels in many of the criteria in delivering mobile-first cloud communications, collaboration and customer experience (CX) solutions to businesses and organizations embracing flex work models.

AWARD CRITERIA	
<i>Business Impact</i>	<i>Customer Impact</i>
Financial Performance	Price/Performance Value
Customer Acquisition	Customer Purchase Experience
Operational Efficiency	Customer Ownership Experience
Growth Potential	Customer Service Experience
Human Capital	Brand Equity

Customer Acquisition and Financial Performance

Verizon’s cloud communications, collaboration and CX management portfolio is experiencing rapid growth driven in part by businesses embracing remote and hybrid work models to address the

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**- Elka Popova,
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challenges created by the COVID-19 pandemic.

Already on a robust growth trajectory throughout the past decade, Verizon cloud solutions are proving an excellent fit for organizations looking to provide their users with convenient access to communications and collaboration solutions anywhere, anytime on any device and network. Comprising Verizon-branded and partner solutions, each delivering broad feature sets

as well as tailored capabilities for certain types of customers, Verizon’s cloud services portfolio is well suited for the rapidly evolving needs of mobile professionals, frontline workers, and distributed teams within virtual organizations.

In the past couple of years, Verizon's unified-communications-as-a-service (UCaaS) installed base has grown at robust double-digit rates, which has resulted in the provider rising to the second position, in terms of installed user seats, in the North American UCaaS market.

Verizon's mobile-first One Talk, in particular, has found great appeal in a variety of traditional and emerging use cases, including: employees moving to work from home; entrepreneurs starting new businesses; healthcare providers equipping make-shift hospitals and clinics; public-safety and state emergency agencies coordinating efforts; and more. One Talk's perfect fit for the "new way to work" is evidenced by the solution's rapidly expanding user base, which doubled in size during 2020 and has continued to grow rapidly in 2021.

Verizon's Cisco-based solutions — Webex Suite and UCaaS — have also performed quite well in the past couple of years. Tightly integrated calling, meeting and messaging capabilities, along with integrated contact center solutions, have enabled Verizon to provide a one-stop shop to many businesses looking to boost employee productivity, bridge organizational silos, and more effectively serve their customers.

Verizon's timely acquisition of cloud meetings provider BlueJeans in 2020 further enhanced the provider's ability to address rising demand for flexible, cloud-based collaboration solutions. In 2020, as many knowledge workers around the world shifted to work from home, BlueJeans saw double-digit growth rates in terms of both active paying users and revenue. In October 2021, BlueJeans by Verizon announced 377% new license growth and 174% new bookings growth year over year.

Verizon was also quick to address an emerging need for reliable voice services among Microsoft Teams users looking to enable cloud private branch exchange (PBX) capabilities and public switched telephone network (PSTN) connectivity within their Teams environments. Throughout the pandemic, Microsoft Teams gained considerable popularity for its robust meeting and messaging functionality that has proven highly valuable in mobile and remote working and learning scenarios, as well as in telehealth and public-sector use cases. Many businesses are now looking to extend their investments in Teams by adding calling services from trusted providers like Verizon. With a 500% growth rate, Verizon's Direct Routing-based "Verizon Calling with Microsoft Teams" service has been among the provider's most successful solutions in 2021.

Verizon is also the first wireless carrier in the US to join Microsoft's Operator Connect Mobile program. Verizon Mobile for Microsoft Teams enables users to make and receive calls in Microsoft Teams using their mobile numbers and the native dialer on their mobile devices. The mobile number is also available to make or receive calls from the desktop Teams app or even Teams-compatible desk phones. Once a mobile device is integrated with Teams, the device's call history and other activity is captured within the Teams environment for analytics, compliance and audit purposes.

Leveraging its well diversified, mobile-ready cloud solutions portfolio, robust connectivity and security capabilities, industry-leading 5G technologies, and extensive professional and managed services expertise, Verizon has established itself as a leading digital transformation partner for entrepreneurs, businesses, and organizations adopting flex-work business models.

Growth Potential

Frost & Sullivan data clearly show that the future of work will be hybrid, with many employees choosing to work permanently from home - and others alternating between the office and their home. In a recent Frost & Sullivan survey, approximately 86% of organizations report that more than 25% of their employees are working remotely in 2021, which represents a considerable increase compared to pre-pandemic years. When asked about future plans, only 4% of organizations report that they have no plans to support remote work, and an impressive 28% state that they will be fully remote and will have no physical offices at all in the future.

Such highly distributed organizations will need the right communications and collaboration solutions to empower their employees and maintain a competitive edge in their respective industries. Cloud services adoption is on the rise as businesses acknowledge their considerable benefits, including lower upfront costs, flexible capacity adjustments, and delivery of features and capabilities based on user needs, rather than physical location or underlying network. In Frost & Sullivan's latest survey, the vast majority of global IT and telecom decision makers indicate that they will have moved parts or all of their companies' communications and IT workloads to the cloud by 2022. Video conferencing and cyber security are being moved to the cloud ahead of other workloads; however, 77% of surveyed organizations will also have migrated at least a portion of their enterprise telephony solutions to the cloud by 2022.

Many businesses are also looking to adopt mobile-first solutions that can help reduce operational costs while also enhancing the user experience. Frost & Sullivan's survey data show that 82% of businesses intend to provide more mobile apps to their users in the future, and 87% consider the ability to use apps on mobile devices important or crucial. The main drivers for equipping employees with mobile capabilities include greater productivity (41%), more efficient business processes (31%), and greater employee collaboration (31%).

Accessible via a mobile app, a native mobile dialer or desktop devices, One Talk is enabling Verizon to address a broad spectrum of organizational and workforce scenarios. However, it is best suited for the growing number of businesses looking to rapidly and efficiently stand up flexible and economical business communications services that are not tethered to any particular physical location. Similarly, Verizon's Webex Suite offerings support desktop and mobile soft clients, browser-based access and desktop phones, which positions them well across in-office and remote knowledge workers, frontliners and contact center agents.

In the past couple of years, Verizon considerably enhanced its portfolio to even more fully address the needs of mobile-centric users and businesses. Launched in 2021, RingCentral with Verizon boosts Verizon's ability to deliver rich communications and collaboration capabilities to businesses with both mobile and deskbound employees. Also relatively new in Verizon's portfolio, BlueJeans complements Verizon's mobile-ready UCaaS solutions with robust video meeting, webinar and virtual event capabilities that keep employees engaged and motivated, regardless of whether they are in the office, at home or on the go. BlueJeans is likely to not only enable Verizon to capitalize on strong growth rates in the standalone video meetings space, but also help accelerate growth rates for certain Verizon UCaaS offerings such as One Talk. Verizon Direct Routing (Session Border Controller as a Service (SBCaaS) and

Verizon Calling with Microsoft Teams) and the just-launched Verizon VoIP for Microsoft Operator Connect are likely to capitalize on accelerated customer demand for cloud PBX functionality and PSTN calling among businesses with a strong preference for a full Microsoft stack and the collaboration-rich Teams user experience. Verizon Mobile for Microsoft Teams is poised to address growing demand for mobile access to Microsoft Teams' rich functionality, including the ability to conveniently make and receive calls using the mobile dialer.

Verizon UCaaS and cloud collaboration solutions are strategically positioned to address the full customer spectrum in terms of business size. With One Talk best suited for entrepreneurs, micro-businesses and small and medium-size businesses (SMBs) and the Webex Suite, RingCentral with Verizon, and Verizon UCCaaS serving the needs of enterprises and larger organizations, Verizon can capitalize on the growth potential in all customer segments. Frost & Sullivan expects the North American UCaaS market to maintain double-digit growth rates over the next five years and present considerable growth opportunities for Verizon.

Businesses with highly mobile employees also require customer experience management solutions that integrate with their enterprise communications capabilities and can be accessed by agents and other employees from any location, including on the go. With the launch of Contact Center Hub, a customer experience solution tailored for mobile users within SMB, and Cisco Webex Contact Center, a flexible cloud offering that supports tight integration with the rest of the Webex Suite, Verizon ensures that its customers can support contact agents working from any location of their choice. Frost & Sullivan projects the North American contact-center-as-a-service (CCaaS) market to expand at a compound annual growth rate of 12.4% from 2019 until 2026, providing ample opportunities for Verizon to address solid demand for both standalone CCaaS and integrated UCaaS and CCaaS solutions.

Price/Performance Value and Customer Purchase and Ownership Experiences

Verizon One Talk

Verizon One Talk was the first and is presently the most well-established mobile-first business communications solution in the US. With its carefully designed feature set, simple pricing, endpoint flexibility and no contract terms, One Talk delivers strong price/performance value to highly mobile workers and businesses looking to support flex-work programs with compelling communications solutions. The recent pandemic and shift to remote work augmented the relevance and expanded the addressable market for mobile-first solutions such as One Talk.

One Talk leverages industry-leading technologies to deliver essential voice, messaging and video calling functionality on mobile as well as desktop phones. Tailored specifically for highly mobile users, the Verizon One Talk service can be accessed using the native dialer on a pre-configured smartphone or through an app (downloadable from an app store) that works on most smartphones and tablets. The native dialer enables the most seamless experience, allowing users to make and receive business calls as easily as regular cell phone calls. The devices that feature native dialing also come with additional collaboration options (such as messaging) while eliminating the need for the user to download an app. The app-based option, on the other hand, allows users to continue to leverage their existing mobile phones, whether for cost, personal preference or other reasons. Both options allow users to keep their

consumer and business personas separate. The app is supported on both cellular and WIFI networks, based on user preference or circumstances.

To accommodate businesses with a mix of deskbound and mobile employees or users that occasionally require the use of desktop devices, Verizon enables One Talk services on purpose-built desktop phones that use voice over Internet Protocol (VoIP) on any broadband connection and, since 2021, on 4G/LTE desktop phones, as well. The phones can be configured with new or existing wireline or wireless phone numbers. The benefit of this deployment scenario for many businesses is that they can eventually replace the desktop phones with mobile devices, while preserving the business phone numbers and ensuring continuity in the user experience. In a mixed deployment, whereby a single user has a desktop and a mobile phone, both devices are assigned the same number and ring at the same time when there is an incoming call.

Verizon One Talk is priced competitively at \$15-\$25 per user per month, depending on the devices used and the mobile plan on the user device. For this affordable price, users gain access to private branch exchange (PBX) functionality, as well as valuable additional features such as group forwarding, remote group pickup, bridge line, busy lamp field and line sharing (key system emulation), call barge, visual voicemail, inbound fax, conferencing, an automated receptionist, video calling and more. Hunt groups and auto attendants can be purchased at a small additional fee. Importantly, users can also send short messaging services (SMS) texts from their business lines, which is a highly demanded feature as desktop and mobile users seek the most convenient ways to communicate with each other. Other differentiated One Talk features include SMS-enabled hunt groups and SMS-enabled deskphones.

Also important, One Talk integration with leading collaboration solutions such as BlueJeans, Cisco Webex and Zoom enable One Talk users to launch these cloud meeting services from within the One Talk interface and send links to join via SMS. Integration with Salesforce, Gmail and Google Calendar enables users to see caller information, recent emails and call logs in a contextual sidecar within the One Talk client. The One Talk Premium subscriber package now includes BlueJeans, as well as optional features such as CRM integration. Enhanced with BlueJeans and bundled with Contact Center Hub, One Talk is the cornerstone of Verizon's compelling cloud solutions for mobile businesses.

BlueJeans by Verizon

A disruptive player in the video collaboration space, BlueJeans has further accelerated its pace of innovation since becoming acquired by Verizon in 2020, including a complete redesign of the BlueJeans platform to support greater scalability and flexibility. Many of BlueJeans' recent product enhancements focus on the mobile user and capitalize on deeper integration with Verizon's infrastructure to deliver even greater-quality services. More specifically, in the past year, BlueJeans launched WebRTC support and new features for iOS, iPadOS, Android and the new motorola one phone.

Other notable new capabilities include BlueJeans' Gateway for Microsoft Teams; BlueJeans Telehealth and a new bundle for remote learning; updated BlueJeans Events features and partner integration capabilities; BlueJeans Spaces (a 2D/3D virtual immersive office with dynamic audio and integrated messaging); and BlueJeans Collaboration Board. BlueJeans' customer appeal is augmented by its

integration with Verizon UCaaS solutions, increased focus on mobility, expanding feature set, healthcare and education vertical offerings, and strong security and compliance capabilities.

Verizon Contact Center Hub

Verizon Contact Center Hub is a highly differentiated mobile-first, SMB contact center offering and a highly complementary addition to Verizon's cloud services portfolio. It provides a feature-rich, yet cost-effective solution to SMBs that cannot afford the sophisticated and complex contact center solutions tailored for enterprises with larger budgets and extensive IT resources. At a compelling price point of less than \$100/seat for a fully-loaded feature bundle, Verizon Contact Center Hub delivers an omni-channel user experience; is very quick and simple to set up (within 24 hours) and manage with easy to build interactive voice response menus and smart routing rules included; provides plug-ins to more than 60 CRM and help-desk solutions; and scales economically from 3 to 1,000 employees.

Verizon Contact Center Hub is also a great fit for the post-pandemic requirements of North American businesses that are adopting hybrid work while struggling to accurately project call volumes, agent turnover and other business performance metrics. Contact Center Hub supports work from anywhere, including mobile access, and does not require any term commitments from buyers.

Contact Center Hub can be adopted with Verizon One Talk and BlueJeans as an integrated solutions set or can be deployed with any third-party call-control solution, thus providing customers with great flexibility in designing their communications, collaboration and customer experience management environments.

Verizon Managed Services for Microsoft Teams

Tailored for different types of business scenarios, Verizon SBCaaS, Verizon Calling with Microsoft Teams and Verizon VoIP for Microsoft Operator Connect deliver robust calling features and PSTN connectivity to businesses using Microsoft Teams as their cloud PBX. Verizon's well-established SBCaaS offering is best suited for businesses preferring the session initiation protocol (SIP) trunking model whereby Verizon charges per concurrent call path and minutes included in the calling plan. Verizon Calling with Microsoft Teams uses a per-seat model for a package of managed services (e.g., managed tenancy; moves, adds, changes, and deletes (MACDs)), in addition to the SIP trunk and calling-minutes charges. This offering leverages Verizon's extensive professional services expertise and global presence to deliver flexible and tailored solutions to Microsoft Teams users with complex communications environments and requirements. Verizon VoIP for Microsoft Operator Connect is positioned as the best fit for SMBs leveraging Teams as their integrated cloud messaging, meetings and calling solution. Overall, Verizon is providing a wealth of choices to businesses using Microsoft Teams to enable effective collaboration across distributed locations and hybrid-work environments. Verizon Mobile for Microsoft Teams can deliver considerable productivity benefits to both mobile-only users and users of multiple communications devices, including mobile and desktop phones. The innovative new offering can also provide significant cost savings to users and organizations that choose to completely eliminate desktop phones and standardize on mobile devices.

Verizon Partner Solutions: Cisco Webex Collaboration and RingCentral with Verizon

Partner solutions, such as Cisco Webex Collaboration Suite, further augment Verizon's ability to address diverse customer needs, including increased requirements for mobility and hybrid/flex work. A complete set of calling, messaging, meetings and content sharing services delivered through the integrated Webex app and complemented by an industry-leading portfolio of phone, video and conference room devices make Cisco Webex one of the most compelling cloud collaboration offerings in the market today. Integrated management and reporting tools, robust mobility via soft clients, extensive integrations with third-party solutions, exceptional built-in security capabilities and rapid innovation leveraging AI, NLP and other advanced technologies ensure that Cisco partners such as Verizon are well positioned to address evolving business requirements.

Whether leveraging Webex to make and receive one-on-one calls or using the desktop/browser client to collaborate via video and/or screen share, Webex customers can effectively support workers at any location and on any network and connected device. Verizon is also able to capitalize on Webex's strong messaging and team collaboration capabilities to address the needs of campus roamers (e.g., nurses, educators) and field workers with a preference or need for asynchronous communications, as well as knowledge workers looking for better ways to share information and collaborate with team members remotely. Businesses can purchase Webex as an integrated suite or just start with Webex Meetings, Messaging or Calling and add other functionalities later. Cisco Webex Contact Center rounds out Verizon's Webex portfolio enabling it to deliver the benefits of an integrated communications, collaboration and CX management solution to mobile users and flex-work environments.

RingCentral's highly popular RingCentral Office was designed from the start with the mobile worker and distributed organization in mind. The service bundles comprise a broad array of communications and collaboration services, including: cloud PBX; voicemail and visual voicemail; instant messaging and presence (IM/P); short messaging service (SMS); online fax; audio, video and web conferencing; mobility; call recording; team collaboration, and more. The comprehensive solution functionality enables Verizon to address a broad spectrum of customer needs, including mobility and hybrid/flex work. Customers can choose from two different service bundles priced based on a number of factors, including: calling minute allowances, number of conference participants, and so on. Prices also vary based on the size of the deployment with significant discounts available for a larger number of users.

High RingCentral service availability and compliance with varying industry requirements enable Verizon to ensure high customer satisfaction. RingCentral's continually expanding global presence enables Verizon to serve large, multi-national organizations typically looking for consistent capabilities across geographically distributed sites. RingCentral's extensive APIs empower Verizon to integrate communications with enterprises' workflows to drive operational efficiencies and employee productivity. RingCentral and Verizon will collaborate to envision unique use cases leveraging Verizon's strong 5G capabilities to deliver ever-greater value to mobile users and distributed enterprises.

The power of the Cisco Webex Suite and RingCentral UCaaS is amplified by Verizon's differentiated capabilities, including the provider's extensive expertise in real-time cloud communications services; comprehensive portfolio of telecom services including wireless and wireline connectivity, MPLS, SD-WAN, SIP trunking, security, and cloud computing; a range of end-user devices, networking and

infrastructure solutions (e.g., gateways, SBCs); powerful monitoring, management, analytics and reporting tools; and proven implementation, integration, lifecycle management and customer success services. Furthermore, Verizon ensures business continuity for existing customers by enabling them to use current phone numbers, accounts, bills, customer portals and more, as they adopt various partner UCaaS solutions. Verizon's strong network capabilities also allow the provider to deliver high service quality, reliability and security with financially-backed SLAs.

“With One Talk best suited for entrepreneurs, micro-businesses and SMBs and the Webex Suite, RingCentral with Verizon and Verizon UCaaS serving the needs of enterprises and larger organizations, Verizon can capitalize on the growth potential in all customer segments.”

**- Elka Popova,
VP of Connected Work Research**

Brand Equity

Verizon ranks among the top North American telecom services providers and is highly valued by businesses and consumers alike. Verizon's strong brand instills confidence in businesses looking to empower their increasingly mobile and distributed workforces with compelling cloud communications solutions. Businesses trust the reliability and security of Verizon's networks, which ensure the high performance of its services. Existing and potential customers also associate the brand with business stability and long-term viability. Verizon is also able to capitalize on its partners'—Cisco and RingCentral—brand equity to gain consideration among a broader customer spectrum, including those with the most stringent communications requirements.

Conclusion

Verizon stands out among North American providers with its highly diversified, yet strategically aligned cloud solutions. The provider's UCaaS and adjacent cloud collaboration and contact center services are well positioned to address the changing requirements of North American businesses—from entrepreneurs and SOHOs, to SMBs, midmarket and large businesses, and public-sector organizations. With mobile-first Verizon One Talk and Contact Center Hub designs and robust BlueJeans, Webex and RingCentral cloud meeting and messaging capabilities, Verizon can provide considerable value to businesses with mobile and hybrid workforces.

With its strong overall performance, Verizon earns Frost & Sullivan's 2022 North American Customer Value Leadership Award in the mobile-centric communications, collaboration and CX solutions industry.

What You Need to Know about the Customer Value Leadership Recognition

Frost & Sullivan's Customer Value Leadership Award recognizes the company that offers products or services customers find superior for the overall price, performance, and quality.

Best Practices Award Analysis

For the Customer Value Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Business Impact

Financial Performance: Strong overall financial performance is achieved in terms of revenues, revenue growth, operating margin, and other key financial metrics

Customer Acquisition: Customer-facing processes support efficient and consistent new customer acquisition while enhancing customer retention

Operational Efficiency: Company staff performs assigned tasks productively, quickly, and to a high-quality standard

Growth Potential: Growth is fostered by a strong customer focus that strengthens the brand and reinforces customer loyalty

Human Capital: Commitment to quality and to customers characterize the company culture, which in turn enhances employee morale and retention

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

About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at <http://www.frost.com>.

The Growth Pipeline Engine™

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

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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 6 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)**

