telestax

2018 North American Communications Platform as a Service Enabling Technology Leadership Award

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Background and Company Performance

Industry Challenges

The enterprise communications marketplace is in the midst of a transformation, and many service providers feel compelled to rethink their entire approach to providing communications services to thwart new competitive threats and to meet the increasingly unique needs of their business customers. Basic telephone service, regardless of the transport technology, is no longer sufficient for most businesses, and is becoming completely inadequate for businesses undertaking efforts to digitally transform their operations.

By far the most significant challenge facing service providers today is continuing to innovate on their core communications services to address the changing requirements of their customers. A growing number of businesses are expecting all their digital assets to more fully integrate with each other, as well as with core business and cloud applications. This means that business communications must ultimately become embedded within applications to streamline workflows with click-to-call capabilities and share contextual information with the applications. For service providers, adding these capabilities to their existing services will require either a significant investment or working with an agile and innovative partner.

In addition, many businesses are evolving their communications strategies to include cloud-based communications services, continued use of on-premises unified communications platforms, and hybrid solutions that include a mix of both. These new approaches reset expectations and build a holistic view of business communications within the organization. Service providers that can offer a suite of advanced and tightly integrated communications solutions are in the best position to support businesses' evolved requirements. However, many traditional service providers are delivering point solutions, including next-generation IP-based services, that are designed to simply emulate the legacy services they are replacing. These providers are struggling to develop a solutions-based approach to effectively support the dynamic communications strategies being developed by savvy businesses.

Finally, service providers delivering enterprise communications services are facing a dual threat to their core service offerings. On one hand, consumers and business customers are adopting new communications modalities, such as short messaging service (SMS) text messaging, over the top (OTT) messaging services such as WhatsApp and Facebook Messenger, compelling providers to offer creative alternatives. On the other hand, more traditional operators are experiencing competitive pressures from innovative new entrants, including unified communications as a service (UCaaS) providers and, increasingly, platform as a service (CPaaS) providers that have already incorporated these modalities into their solutions.

Often burdened by long development and implementation schedules, traditional telcos struggle to deliver the latest and greatest technologies, risking customer flight to more agile cloud providers.

Enabling communications technology leaders not only understand these challenges but also position themselves to become trusted and agile partners to more traditional providers. Leveraging cloud-based services, enabling technology leaders deliver an entire ecosystem of applications and integrations designed to overlay and complement a service provider's network and established services.

Technology Leverage and Customer Impact

Ecosystem Enablement

Telestax's cloud-based RestcommONE platform enables service providers across the globe to deliver new and innovative real-time applications at "web speed", rather than the several months that it typically takes providers to deploy new services on their own. Through RestcomONE, Telestax provides three key tiers of real-time communications enablement. The first is CPaaS enablement, offering application programming interfaces (APIs) as an overlay on top of a provider's existing IP-based communications services. Through APIs, third-party developers and enterprise development teams can programmatically manage a business' communications services, provision new lines or services, and even directly incorporate a provider's communications services into business workflows. CPaaS enablement through the RestcommONE platform also includes Visual Designer, which allows providers and even businesses to custom-design call flows and interactive voice response (IVR) decision trees through a graphical web-based interface without the need for coding. CPaaS enablement and Visual Designer can greatly enhance a carrier's capabilities and allow the provider to develop an entire new suite of solutions.

The second tier is SMS enablement. Telestax is able to process two-way text messaging traffic for a service provider's entire telephone number inventory. By partnering with Telestax for SMS enablement, service providers can add a variety of key value-added services to their product portfolio, including API-driven notifications through business applications, omni-channel customer experience features, two-factor authentication, or even enterprise SMS, allowing business users to communicate with their customers directly via text message. For providers leveraging BroadSoft's BroadWorks platform, Telestax offers Message Exchange on top of SMS enablement. Through Message Exchange, UCaaS users are able to send and receive SMS messages on their assigned business number through their UC-One desktop or mobile soft client. This type of integration not only simplifies the user experience for business users, but also extends the BroadWorks platform to support new and innovative capabilities.

Finally, the third tier of Telestax's enablement capabilities for service providers exists in the RestcommONE Marketplace. Telestax works closely with developers to directly integrate their communications-based offerings into the RestcommONE platform. Marketplace applications include the full gamut of modern communications solutions, including hosted private branch exchange (PBX), chatbots, omni-channel and contact center solutions, as well as mobile, conferencing and even intelligent voice mail applications. Once an application is available on the Marketplace, it is almost immediately available for purchase and consumption by all of Telestax's service provider partners and their respective customers. Through the Marketplace, Telestax is providing a direct link between provider and developer, while handling the billing and reimbursement transactions.

In the competitive landscape, Telestax is one of the very few competitors that can quickly deliver and enable a very diverse range of real-time applications, modern CPaaS capabilities, and SMS functionality to its partner service providers. By overlaying RestcommONE on top of their existing networks and infrastructure, service providers gain both an advanced feature set and a level of agility previously unheard of in the telecommunications market, all with a minimal investment and no significant infrastructure deployment. These suite of solutions are particularly important to Tier 2 and Tier 3 service providers, who often lack the extensive product teams enjoyed by larger carriers. Telestax is very well suited to level the playing field for these providers.

Stage-Gate Efficiency

Frost & Sullivan defines stage-gate efficiency as the adoption of technology to enhance the stage-gate process for launching new products and solutions. The cloud-based RestcommONE platform typifies stage-gate efficiency for Telestax and the evolving CPaaS and business communications market. Simply put, RestcommONE is built to launch new products and solutions rapidly and effectively. RestcommONE Marketplace allows developer partners to quickly deliver their products to a waiting service provider and end-customer audience. Not only does the Marketplace ease the provisioning and billing woes that can challenge small or new developers, but it also provides a showcase where a developer can highlight his or her wares with minimal marketing budget. In addition, the RestcommONE platform enables service providers to sell and deploy a whole range of new technology solutions to their customers, as well as address new customers with vertical-specific or targeted product offerings. With RestcommONE Telestax is in a rare position to help fundamentally change how a service provider approaches the highly competitive enterprise communications market.

Finally, through the CPaaS enablement capabilities, the range of new products, features and solutions available to service providers and their customers is only limited by their developers' imagination.

Commercialization Success

In a relatively small timeframe, Telestax has found success for its RestcommONE Marketplace, CPaaS and SMS enablement offerings. It has partnered with a number of high-profile regional and global mobile and wireline telecommunications carriers in several different ways. Some mobile carriers, in particular, required specific integrations and interoperability, and were able to quickly and easily address those needs by partnering with Telestax. More traditional enterprise service providers are finding that SMS enablement of primary business numbers and the direct inward dial (DID) numbers of individual employees is rapidly becoming a table-stakes requirement for customer engagement. Finally, other providers are feeling the competitive threat from pureplay CPaaS providers and are working with Telestax to enter the "API Economy" with the CPaaS enablement capabilities of the RestcommONE platform.

Regardless of the initial needs that draw mobile carriers and service providers to Telestax, the relationship does not remain limited to a single point solution or enablement. Once Telestax proves its ability to execute, service providers often become more deeply enmeshed in the RestcommONE ecosystem. For example, service providers initially signing up for SMS enablement discover application developers in the RestcommONE Marketplace that deliver solutions to address vertical-specific challenges for businesses. Ultimately, the broader ecosystem and relationships that Telestax brings to their platform translates into success and growth for all of the stakeholders: the service providers, application developers, and even the end users of these products.

Conclusion

Telestax is in the business of building and enabling an ecosystem of service providers, application developers and businesses that consume their products. As business communications continue to evolve, Telestax's RestcommONE platform will enable innovative new solutions and drive new growth opportunities for the various ecosystem partners.

With its strong overall performance, Telestax has earned Frost & Sullivan's 2018 Enabling Technology Leadership Award.

Significance of Enabling Technology Leadership

Ultimately, growth in any organization depends upon customers purchasing from a company and then making the decision to return time and again. In a sense, then, everything is truly about the customer—and making those customers happy is the cornerstone of any long-term successful growth strategy. To achieve these goals through enabling technology leadership, an organization must be best-in-class in three key areas: understanding demand, nurturing the brand, and differentiating from the competition.

Understanding Enabling Technology Leadership

Product quality (driven by innovative technology) is the foundation of delivering customer value. When complemented by an equally rigorous focus on the customer, companies can begin to differentiate themselves from the competition. From awareness, to consideration, to purchase, to follow-up support, best-practice organizations deliver a unique and enjoyable experience that gives customers confidence in the company, its products, and its integrity.

Key Benchmarking Criteria

For the Enabling Technology Leadership Award, Frost & Sullivan analysts independently evaluated two key factors—Technology Leverage and Customer Impact—according to the criteria identified below.

Technology Leverage

Criterion 1: Commitment to Innovation
Criterion 2: Commitment to Creativity
Criterion 3: Stage Gate Efficiency
Criterion 4: Commercialization Success
Criterion 5: Application Diversity

Customer Impact

Criterion 1: Price/Performance Value
Criterion 2: Customer Purchase Experience
Criterion 3: Customer Ownership Experience
Criterion 4: Customer Service Experience
Criterion 5: Brand Equity

Best Practices Award Analysis for Telestax

Decision Support Scorecard

To support its evaluation of best practices across multiple business performance categories, Frost & Sullivan employs a customized Decision Support Scorecard. This tool allows our research and consulting teams to objectively analyze performance, according to the key benchmarking criteria listed in the previous section, and to assign ratings on that basis. The tool follows a 10-point scale that allows for nuances in performance evaluation. Ratings guidelines are illustrated below.

RATINGS GUIDELINES
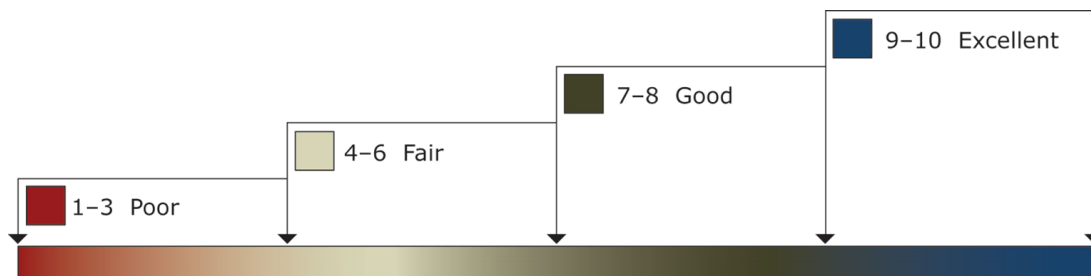
The Decision Support Scorecard is organized by Technology Leverage and Customer Impact (i.e., These are the overarching categories for all 10 benchmarking criteria; the definitions for each criterion are provided beneath the scorecard.). The research team confirms the veracity of this weighted scorecard through sensitivity analysis, which confirms that small changes to the ratings for a specific criterion do not lead to a significant change in the overall relative rankings of the companies.

The results of this analysis are shown below. To remain unbiased and to protect the interests of all organizations reviewed, we have chosen to refer to the other key participants as Competitor 2 and Competitor 3.

Measurement of 1–10 (1 = poor; 10 = excellent)			
Enabling Technology Leadership	Technology Leverage	Customer Impact	**Average Rating**
Telestax	**10**	**9**	**9.5**
Competitor 2	8	8	8.0
Competitor 3	8	9	8.5

Technology Leverage

Criterion 1: Commitment to Innovation

Requirement: Conscious, ongoing adoption of emerging technologies that enables new product development and enhances product performance

Criterion 2: Commitment to Creativity

Requirement: Technology leveraged to push the limits of form and function in the pursuit of "white space" innovation

Criterion 3: Stage Gate Efficiency

Requirement: Adoption of technology to enhance the stage gate process for launching new products and solutions

Criterion 4: Commercialization Success

Requirement: A proven track record of taking new technologies to market with a high rate of success

Criterion 5: Application Diversity

Requirement: The development and/or integration of technologies that serve multiple applications and can be embraced in multiple environments

Customer Impact

Criterion 1: Price/Performance Value

Requirement: Products or services offer the best value for the price, compared to similar offerings in the market.

Criterion 2: Customer Purchase Experience

Requirement: Customers feel they are buying the most optimal solution that addresses both their unique needs and their unique constraints.

Criterion 3: Customer Ownership Experience

Requirement: Customers are proud to own the company's product or service and have a positive experience throughout the life of the product or service.

Criterion 4: Customer Service Experience

Requirement: Customer service is accessible, fast, stress-free, and of high quality.

Criterion 5: Brand Equity

Requirement: Customers have a positive view of the brand and exhibit high brand loyalty.

Decision Support Matrix

Once all companies have been evaluated according to the Decision Support Scorecard, analysts then position the candidates on the matrix shown below, enabling them to visualize which companies are truly breakthrough and which ones are not yet operating at best-in-class levels.
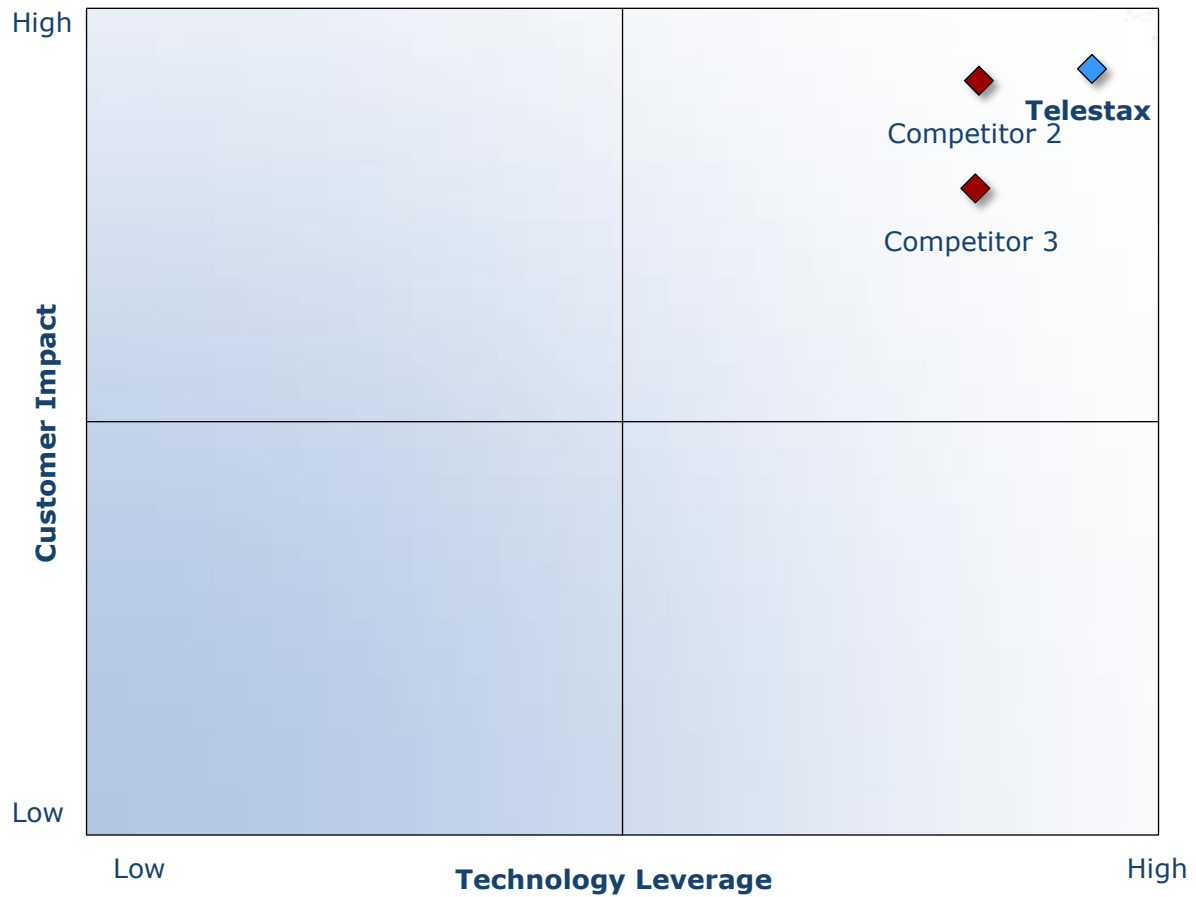
Best Practices Recognition: 10 Steps to Researching, Identifying, and Recognizing Best Practices

Frost & Sullivan analysts follow a 10-step process to evaluate Award candidates and assess their fit with select best practice criteria. The reputation and integrity of the Awards are based on close adherence to this process.

STEP	OBJECTIVE	KEY ACTIVITIES	OUTPUT
1 Monitor, target, and screen	Identify Award recipient candidates from around the globe	• Conduct in-depth industry research • Identify emerging sectors • Scan multiple geographies	Pipeline of candidates who potentially meet all best-practice criteria
2 Perform 360-degree research	Perform comprehensive, 360-degree research on all candidates in the pipeline	• Interview thought leaders and industry practitioners • Assess candidates' fit with best-practice criteria • Rank all candidates	Matrix positioning of all candidates' performance relative to one another
3 Invite thought leadership in best practices	Perform in-depth examination of all candidates	• Confirm best-practice criteria • Examine eligibility of all candidates • Identify any information gaps	Detailed profiles of all ranked candidates
4 Initiate research director review	Conduct an unbiased evaluation of all candidate profiles	• Brainstorm ranking options • Invite multiple perspectives on candidates' performance • Update candidate profiles	Final prioritization of all eligible candidates and companion best-practice positioning paper
5 Assemble panel of industry experts	Present findings to an expert panel of industry thought leaders	• Share findings • Strengthen cases for candidate eligibility • Prioritize candidates	Refined list of prioritized Award candidates
6 Conduct global industry review	Build consensus on Award candidates' eligibility	• Hold global team meeting to review all candidates • Pressure-test fit with criteria • Confirm inclusion of all eligible candidates	Final list of eligible Award candidates, representing success stories worldwide
7 Perform quality check	Develop official Award consideration materials	• Perform final performance benchmarking activities • Write nominations • Perform quality review	High-quality, accurate, and creative presentation of nominees' successes
8 Reconnect with panel of industry experts	Finalize the selection of the best-practice Award recipient	• Review analysis with panel • Build consensus • Select recipient	Decision on which company performs best against all best-practice criteria
9 Communicate recognition	Inform Award recipient of Award recognition	• Present Award to the CEO • Inspire the organization for continued success • Celebrate the recipient's performance	Announcement of Award and plan for how recipient can use the Award to enhance the brand
10 Take strategic action	Upon licensing, company is able to share Award news with stakeholders and customers	• Coordinate media outreach • Design a marketing plan • Assess Award's role in future strategic planning	Widespread awareness of recipient's Award status among investors, media personnel, and employees

The Intersection between 360-Degree Research and Best Practices Awards

Research Methodology

Frost & Sullivan's 360-degree 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 7 of Frost & Sullivan's research methodologies. Too often companies make important growth decisions based on a narrow understanding of their environment, leading to errors of both omission and commission. Successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. The integration of these research disciplines into the 360-degree research methodology provides an evaluation platform for benchmarking industry participants and for identifying those performing at best-in-class levels.

360-DEGREE RESEARCH: SEEING ORDER IN THE CHAOS

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 more than 50 years of experience in partnering with Global 1000 companies, emerging businesses, and the investment community from 45 offices on six continents. To join our Growth Partnership, please visit http://www.frost.com.