

# Building a business case for CPaaS

Best practices to accelerate and secure internal investment.

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# The state of enterprise communications

As the world shifts to digital-first, businesses must adapt to meet rising customer and employee expectations for seamless, connected experiences.

To get this right and earn lasting trust and repeat business, you need to modernize your communications strategy to enable fast, convenient, and personalized interactions across all channels.

That's why many enterprises are using Communications Platform-as-a-Service (CPaaS) solutions as a quick, comprehensive way to deliver a modern communications strategy that keeps employees and customers satisfied.

In fact, by 2025, **95% of global businesses** are expected to use Communications Platform-as-a-Service (CPaaS) solutions. Plus, the global CPaaS market is **projected to grow** from USD 11.03 billion in 2022 to USD 62.54 billion by 2029.

The CPaaS market is moving from strength to strength by offering a single platform to manage all customer interactions. And with some vendors offering a choice of developer or enterprise solutions, you can choose how you integrate, configure, and scale the solution to meet your specific business needs.

For example, with the right enterprise CPaaS solution, you can rapidly automate customer journeys, reduce inefficient manual processes, innovate with new communication channels from a single, centralized cloud-based platform.

Plus, with AI-powered chatbots, you can empower customers to self-serve and free your human agents to focus on more demanding interactions and value-adding tasks.

Enterprise CPaaS solutions are highly customizable and flexible, allowing you to connect to your CRM and other data systems to build and manage personalized customer journeys and employee capabilities. You can also automate outcomes based on contextual triggers, empower employee collaboration with real-time access to actionable insights, and accelerate deployment times to reduce IT dependency.

Alternatively, developer tools in CPaaS solutions enable single-purpose apps coded to meet specific use-cases. This is a more traditional approach to CPaaS, enabling the developer to self-serve using vendor provided APIs, SDKs, Integrated Software Environments (IDEs), and supporting documentation.

Developer CPaaS gives you greater control over the code, with your IT team taking sole responsibility for managing every stage of the application lifecycle - including hosting, scaling, debugging, compliance, and reporting.

It's a fair approach for launching your initial applications and testing your cloud communication capabilities, but it can become difficult to manage as more apps are deployed and interactions become siloed and disconnected.

**Ultimately, the choice is yours.**

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# 95%

**of global businesses are expected to use Communications Platform-as-a-Service (CPaaS) solutions by 2025**

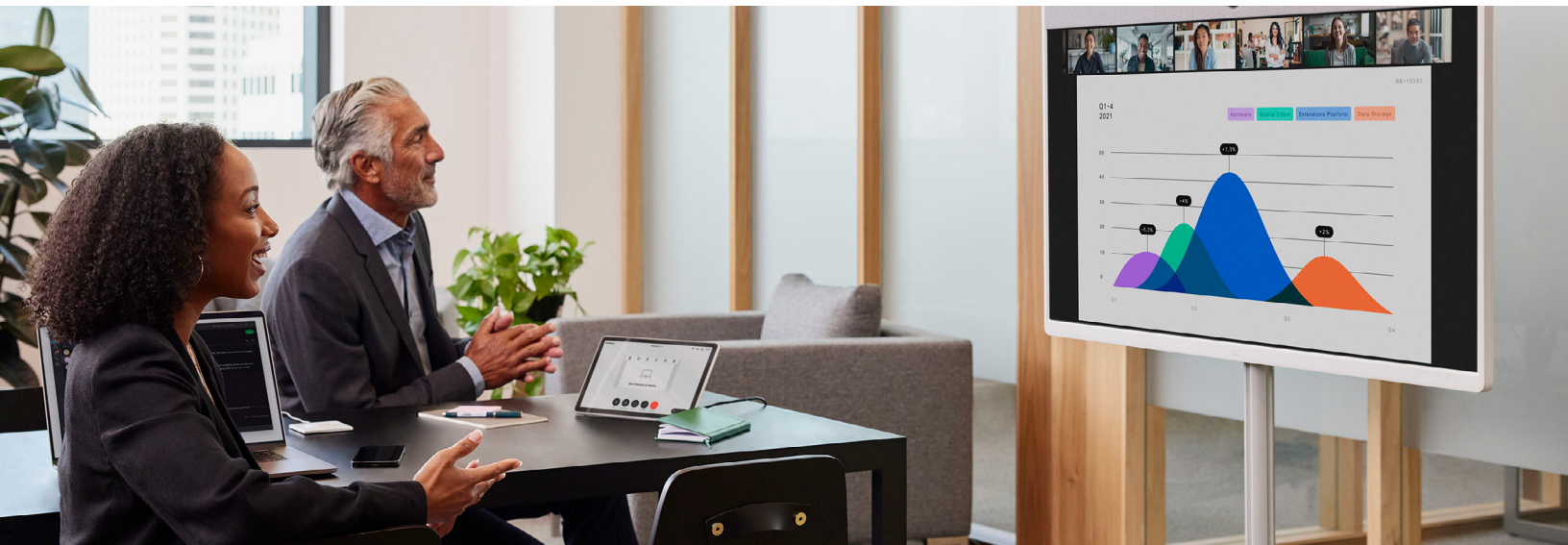
While this list of benefits is compelling, it likely won't be enough to convince executive teams, IT leaders, and others in your business to offer the support you'll need to purchase, deploy, and make the most of a CPaaS solution.

To do that, you'll need a watertight business case that lays out the benefits for every stakeholder. But how do you get started with building a business case for your organization?

# 7 steps to build a business case for CPaaS

To rally stakeholder support, you'll need a compelling business case. This will help you earn the trust, support, and financial backing you need to accelerate vendor onboarding.

To help you get started, we've put together **seven steps** to build an effective business case for CPaaS, so you can approach your stakeholders with confidence.



## How to get started with CPaaS



To learn more about the different vendor and solution types – including enterprise and developer CPaaS – and how to make the most of your solution, [read our IT buyer's guide for CPaaS](#).



## Step #1: Identify your stakeholders and decision-makers

Let's be clear, without a complete understanding of your stakeholders and what they care about, your business case is a non-starter.

Before you do anything else, learn more about your key business decision-makers, including their needs, challenges, and priorities. Primary stakeholders typically consist of Information Technology Decision-Makers (ITDMs) and Business Decision-Makers (BDMs), including:

- Chief Information Officer (CIO)
- Chief Financial Officer (CFO)
- Chief Operations Officer (COO)
- Chief Technology Officer (CTO)
- Chief Marketing Officer (CMO)

However, the relevance of these primary stakeholders will vary by organization.

And while they may not have direct purchasing power, you will also need to identify the secondary stakeholders whose buy-in could influence others to support your case. For example, HR, facilities management, marketing, and sales teams all rely heavily on effective cross-channel communication to do their best work. This can make them powerful allies when presenting your case to the head table.

By understanding your mix of stakeholders, you can ensure that your business case speaks their language and better anticipate pushback—and how to respond to it.



## Step #2: Analyze your current systems to find inefficiencies

Once you've identified your stakeholders, you'll need to understand the current pain points that prevent your business from communicating effectively and delivering CX success.

This means analyzing your existing systems, solutions, and processes to learn where those bottlenecks and inefficiencies lie - and their impact on your bottom line if left ignored. This is essential in adding context to your case and showing that this isn't an isolated challenge but a business-wide concern.

To help capture an accurate view of your communication challenges, we recommend surveying customer-facing and internal service teams to learn what prevents them from doing their best work. You should also survey other teams with customer-facing duties - such as sales and marketing - who track and report customer trends and behaviors. After all, they're probably feeling the pinch too.

To help focus your analysis, consider whether your existing communications strategy is directly or indirectly responsible for any of the following challenges:

- Limited visibility of customer interactions across all channels
- Poor customer engagement with brand messages and alerts
- Difficulty building and automating complex customer journeys
- Low conversion rates across marketing and sales funnels
- Slow manual tasks required to stay secure and compliant

Once you're satisfied with the results of your study, it's time to align each challenge with a CPaaS-enabled solution.



## Step #3: Determine how CPaaS can solve key business challenges

Now it's time to spotlight your proposed solution. We already touched upon some high-level CPaaS benefits at the start of this guide, but your business case will need to show how specific benefits can help solve your key business challenges.

While your senior decision-makers may be aware of CPaaS already, chances are they don't understand its relevance to the wider organization. That's why you must focus on visible everyday benefits everyone can get behind.

A simple table mapping CPaaS benefits to the shared business challenges identified in the previous step will go a long way to demonstrating value.

For example, if your organization is experiencing high customer churn or difficulty moving leads through the sales and marketing funnels, you can show how CPaaS solves these challenges by automating highly personalized customer journeys and delivering rich multimedia interactions in the right place at the right time.

To help add real-world context to your business case, refer to the following table to see how the best enterprise CPaaS solutions enable you to respond to common challenges:

CHALLENGES	RESOLUTION
<b>Limited visibility of customer interactions across channels</b>	<ul style="list-style-type: none"> <li>Deploy a centralized platform that integrates with your existing business apps and databases for a 360-degree view of all customer interactions.</li> </ul>
<b>Poor customer engagement with brand messages and alerts</b>	<ul style="list-style-type: none"> <li>Orchestrate personalized, context-ready interactions on your customers' preferred channels, and trigger automated actions based on customer behaviors.</li> </ul>
<b>Difficulty building and automating customer journeys</b>	<ul style="list-style-type: none"> <li>Democratize journey orchestration with visual drag-and-drop tools, and automate routine agent interactions using AI chatbots for fast issue resolution and self-service.</li> </ul>
<b>Low conversion rates across sales and marketing funnels</b>	<ul style="list-style-type: none"> <li>Better connect and coordinate sales and marketing teams to help target customers in the right place at the right time with tailored experiences that resonate.</li> </ul>
<b>Slow manual tasks required to stay secure and compliant</b>	<ul style="list-style-type: none"> <li>Get peace of mind knowing your platform is always secure and compliant with the latest enterprise regulations including GDPR, HIPAA, FedRAMP and more.</li> </ul>

**Important:** These are just five examples of how an enterprise CPaaS solution can help you respond to common business pain points. Every organization is different, so always take the time to consider how CPaaS can address your specific challenges.



## Step #4: Complete a supplier comparison

A clear, well-researched provider comparison is essential in every good business case to demonstrate a full understanding of the supplier landscape. So, before you start calculating the costs and ROI, be sure to assess the market and compare potential CPaaS partners and vendors.

This comparison should provide insight into each provider and its solution, including key features and benefits, along with details like estimated onboarding times, global reach, API support, pricing, and whether it can integrate with your existing systems. And, of course, you'll want to compare whether each provider offers a managed service or if you need to deploy, iterate, and optimize it yourself.

Your comparison shows that you have performed your due diligence and carefully evaluated the market to determine the best fit for your business. It also provides a means to reflect on your own choices and which solutions show the most promise.

You may want to provide [vendor case study](#) examples to show which suppliers have a proven history solving challenges similar to your own. This adds extra weight to your business case by demonstrating the real-world value CPaaS solutions have provided other organizations.





## Step #5: Calculate ROI

Let's face it, money talks. Your stakeholders will, likely above all else, want to know what their return on investment will be. Decision makers will use ROI metrics to decide if your business case is worth moving forward, and if so, which vendor is used and how the project is executed.

We recommend calculating the implementation, maintenance, and licensing costs your preferred CPaaS provider requires in a set period, typically a year or two. You should also factor in training, staffing, and onboarding costs and whether the provider covers any of these as part of a OpEx model. Many CPaaS providers can calculate this for you.

Once you have calculated the predicted costs and revenue impact of moving to CPaaS, you need to show your ROI as a percentage. This will help you show the ROI in terms of cost savings or revenue generation, which can make for a powerful business case.

In this section, you'll find an in-depth example of the cost savings you can achieve using call deflection.



## Do not attend (DNAs) reduction with CPaaS



A leading high street optician used automated appointment reminders to reduce customer DNAs worth £625,000 in lost revenue each year - 25% of its total annual turnover.

The optician reduced its DNA numbers by 250,000 annually, providing an annual ROI of 2060% - and gross benefit of £ 9.75 million each year.

## Call deflection value – in numbers

The best CPaaS platforms can empower your customers to resolve issues quickly in their favorite channels without picking up the phone. By offering intelligent self-service chatbots and proactively solving issues before they escalate, you can more easily deflect calls that would otherwise demand agent time and resources.

Here's how a leading utilities company used call deflection to reduce the costs required to field the 110,000 customer repair calls its 45 service agents received yearly.

### After call deflection with CPaaS

- 6.8% annual service agent turnover
- 44,000 annual repair cases proactively deflected
- £540,000 estimated annual savings from proactive deflection
- 13,200 annual repair cases reactively deflected
- £162,000 estimated annual savings from reactive deflection

The company also estimates a total of £720,000 in annual savings.

### Before call deflection with CPaaS

- 15% annual service agent turnover
- £12.27 cost per handling each repair call
- £1,350,000 cost for handling all annual repair calls

Having assessed the CPaaS opportunity, the organization predicted it could proactively deflect 40% of its repair calls by empowering its customers with more information and communication options and deflect 20% using reactive IVR technologies.

# 40%

deflection of repair calls with improved communication

# 20%

deflection of repair calls using IVR technologies

# 44k

annual repair cases proactively deflected

# £720k

estimate in annual savings using call deflection

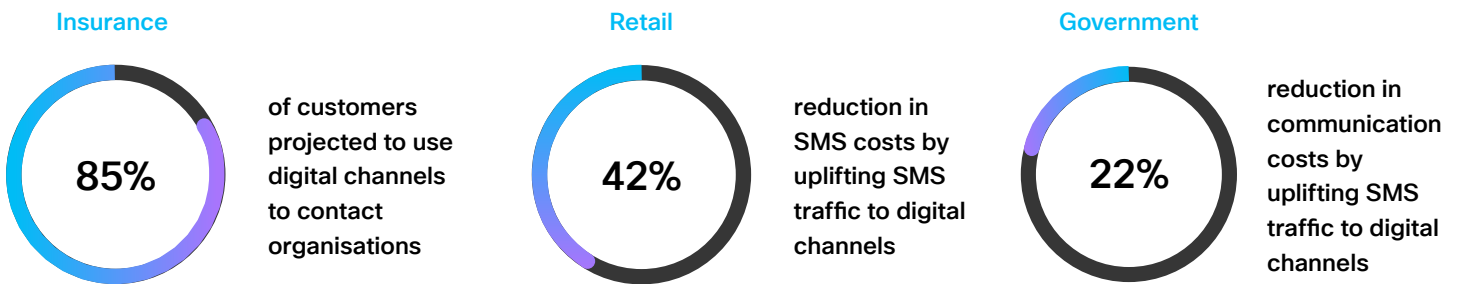
## Leading organizations estimate big with CPaaS

A leading insurance provider estimated an ROI of £830,000 over a 36 month period by rerouting callers to alternative digital channels such as SMS and WhatsApp. It also expected to deflect an average of 20-30% of calls, with 85% of customers projected to use digital channels to contact the organization in the future.

Likewise, a leading big box retailer estimates that it will save almost £9 million a year by deflecting just 20% of its incoming voice calls to Apple Messages for Business and live chat and sending proactive notifications to 10% of its customer base.

It also predicted that by uplifting 50% of its SMS traffic to digital channels such as RCS, WhatsApp and Apple Messages for Business, it could reduce its total SMS costs by 42%, saving it approximately £87,000 annually.

Plus, a government organization heavily dependent on SMS and whitemail channels for public communication has estimated remarkable OpEx savings with CPaaS. By uplifting 35% of its SMS traffic and 40% of its whitemail communications to digital channels such as RCS and Apple Messages for Business, it expects to reduce its monthly communication costs by 22% - totaling more than £20 million.





# CPaaS ROI by Industry

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Learn how organizations like yours used CPaaS to improve customer engagement, reduce operational costs, and drive growth.



## Public Sector

Reduced call deflection figures and scaled up its multi-channel support from two to 20 call centers in just over two years.

- 2.6 million messages managed annually on WhatsApp and Messenger
- 10% growth in customer interactions year on year



## Healthcare

Optimized appointment management with automated reminders.

- 27% reduction in missed appointments
- 57% reduction in postal delivery costs
- 4.1% 'did not attend' rates, down from 5.8%



## Telecommunications

Received approximately 7 million customer messages to its self-serve SMS short code '611611' for more information, enabling it to scale back call center costs and resources.

- 22 million subscribers
- 30% reduction in call center traffic



## Banking

Introduced automated promise to pay alerts to better manage debt collection and reduce voice call costs with an interactive SMS scheme.

- 85% of respondents made a payment within seven days of receiving notifications
- SMS warm up messages increased first time pick-up rates from 20 to 30% to 50 to 60%



## Utilities

Achieved an average total cost saving of £4 million a year with its appointment management solution, including:

- 20% through inbound call reduction savings
- 25% through print and outbound voice savings
- 15% through missed appointment prevention
- 40% through automation

## Step #6: Establish a full onboarding and training plan

An onboarding roadmap will add credibility to your business case by showing stakeholders that you have identified how to deliver value quickly, mitigate risk, and deliver long-term value.

As socioeconomic uncertainty leads to tighter budgets, it's crucial that you outline if (and how) onboarding will disrupt mission-critical operations, and what you can do to mitigate any financial impact.

You must also outline the expected timeline, resources required, and key teams involved – and how you will continually monitor progress and optimize resources to ensure a seamless CPaaS onboarding.

As enterprise CPaaS easily integrates with your existing apps and tools using APIs, users can get started quickly and easily. Plus, the most effective solutions require little IT expertise to create, reuse, and tweak configurations across multiple applications and customer journeys.

To help raise awareness and drive engagement, we recommend allocating dedicated solution ambassadors across the organization. By visibly embedding CPaaS into your operational culture from the top down, employees will be more likely to recognize its value to the business and their own work. IT can play a strong supporting role here too, as the democratization of IT will help them promote change and user autonomy in line with your executive business goals.

Some CPaaS providers offer professional services packages including onboarding support and automated maintenance and update support. This removes the need to manage a comprehensive training program and frees more time to focus on getting value from your new platform.



## Step #7: Consolidate everything in an executive summary

An executive summary must detail the key points of your business case, including the problems you aim to solve, your proposed solution, and your execution strategy.

Not every stakeholder will have the time to refer back to your business case in detail, so an executive summary should tell them everything they need to know at a glance. Think of it as an elevator pitch that can be shared quickly and succinctly.

Your executive summary should be written after you've developed the other sections of your business case and sit at the start of the document. To make it more digestible, use bullets or lists to help stakeholders understand the core challenges you've identified and the major features and benefits of CPaaS.

And, as we noted earlier, be sure to articulate the benefits in a way that everyone can understand - for example, saving the business money.

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Follow these seven steps to build a compelling business case for CPaaS and kickstart your connected communications strategy.



**Are you ready to build your business case?**

To speak to one of our experts, [click here](#)

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