

Everest Group PEAK Matrix® for Conversational AI Technology Vendors 2021

Focus on [24]7.ai
September 2021



Background and scope of the research

Conversational AI is one of the key enablers of front-office automation. Businesses across the globe are realizing the importance of conversational AI solutions to serve customers across different channels and meet enterprise expectations, especially during peak demand, as well as support internal processes such as HR support, IT helpdesk, sales, F&A, and marketing. As we are slowly emerging into a post-pandemic world, the demand for self-service solutions such as conversational AI is expected to gather greater momentum. Increasing sophistication of technology, along with successful pilots in the past, are driving popularity of these solutions in the market. Therein lies a huge market opportunity for leading conversational AI vendors to cater to this surging market demand, while continuously improving their product capabilities to make them more powerful, holistic, and amenable for wide-scale adoption. As the impact of conversational AI platforms keeps increasing, it becomes crucial to pick the solution that can meet the current objectives for enterprises while having the capability to accommodate any potential future demands.

‘Conversational AI’ is an ecosystem of advanced technologies and solutions that work in an integrated fashion by interacting with each other and sharing information across systems in a contact center environment. Conversational AI improves overall contact center efficiency, customer experience, and agent experience by leveraging technologies such as Intelligent Virtual Agents (IVA), agent-assist solutions, analytics & insights, and other automation solutions such as RPA. At the heart of any conversation AI offering is powerful artificial intelligence and machine learning capabilities. For the scope of this study, we are covering global leading technology vendors that offer these solutions on independent licensing.

In this study, we analyze the conversational AI technology vendor landscape across various dimensions:

- Everest Group’s PEAK Matrix® evaluation, a comparative assessment of 20 leading conversational AI technology vendors
- Competitive landscape in the conversational AI technology vendor market
- Remarks on key strengths and limitations for each conversational AI technology vendor

Scope of this report:



Geography
Global



Products
Conversational AI



Technology vendors
20 leading conversational AI vendors

Conversational AI products PEAK Matrix® characteristics

Leaders

[24]7.ai, Amelia, Avaamo, and Kore.ai

- Leaders are driving investments in building a conversational intelligence ecosystem for front-office, led by a conversational AI platform. For this, they have made significant investments in areas such as Artificial Intelligence (AI), Machine Learning (ML), enhanced channel support, analytics dashboards, agent-assist, and security solutions
- These players are also partnering with leading technology vendors to offer an automation solution suite for enterprises that can cater to end-to-end automation needs in front-office
- Leaders offer their conversational AI solutions across all leading channels such as voice, chat, email, and in-app. They also serve most of the leading industries globally in multiple languages

Major Contenders

Aivo, Artificial Solutions, CM, Cognigy, Creative Virtual, Druid, Eudata, Haptik, Laiye, Omilia, OneReach.ai, Rul.ai, and Yellow.ai

- Major Contenders have approached the market by building capabilities to target pockets of opportunities across regions, industries, or geographies, and plan to expand on these capabilities to other areas over time to meet their global aspirations
- They are following Leaders by investing in cutting-edge technologies and extending technology partnership with RPA vendors to drive digital transformation for their clients in contact centers

Aspirants

E-bot7, HCL DRYiCE, and ValueFirst

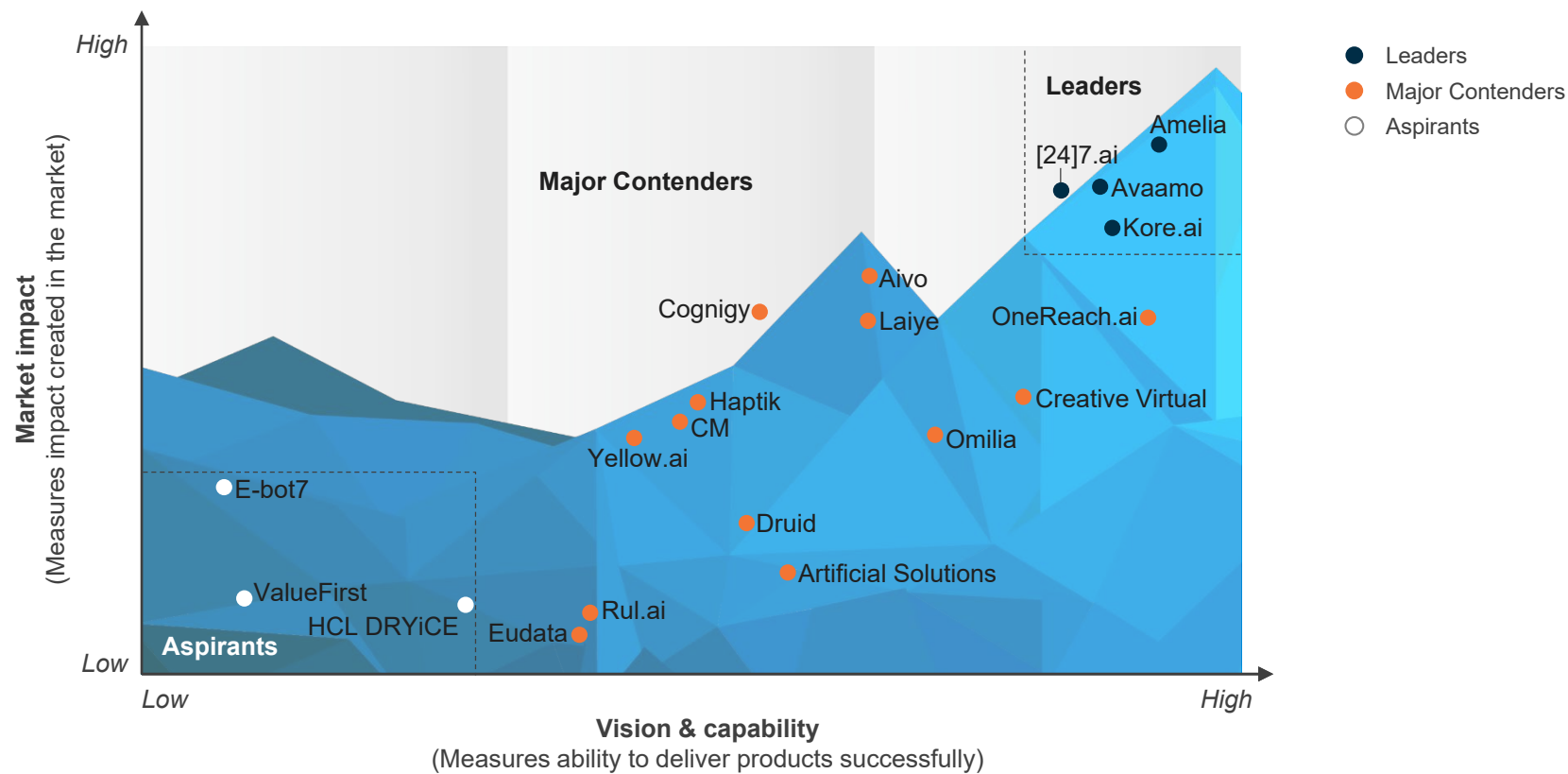
- Aspirants are relatively new entrants in the conversational AI market and are investing in conversational capabilities to build differentiation in the market
- These players have approached the market by offering rule-based or less complex chatbots initially, and enhancing them by adding advanced capabilities leveraging AI and ML over time through internal investments

Everest Group PEAK Matrix®

Conversational AI Products PEAK Matrix® Assessment 2021 | [24]7.ai positioned as Leader



Everest Group Conversational AI Products PEAK Matrix® Assessment 2021



Source: Everest Group (2021)

[24]7.ai | conversational AI profile (page 1 of 7)

Overview

Company overview

[24]7.ai is a conversational AI company that uses AI and ML to understand consumer intent and help businesses create a personalized, predictive, and seamless customer experience across all channels. Through its conversational AI platform, it helps predict consumer intent to create responsive interactions that strengthen relationships and increase brand loyalty.

Key leaders

- PV Kannan, Co-founder & Chief Executive Officer
- Rohan Ganeson, Chief Operating Officer
- Patrick Nguyen, Chief Technology Officer
- Larry Vertin, Chief Financial Officer

Headquarters: San Jose, USA

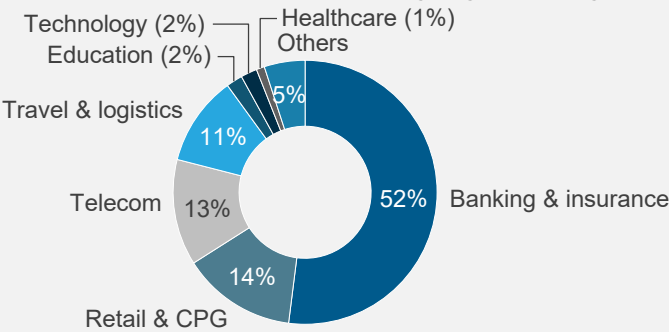
Key clients include: Walmart, Air Canada, AT&T, BlueCross BlueSheild, and EPCOR

Website: www.247.ai

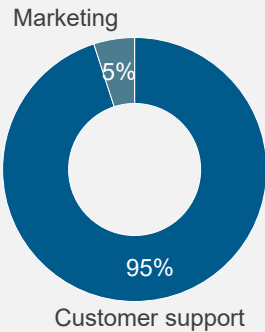
Recent deals and announcements (not exhaustive)

- **2021:** announced several enhancements to [24]7.ai Engagement Cloud to extend its leadership in omnichannel customer experience solutions with new applications, features, tools, and integrations
- **2020:** the company announced the release of [24]7.ai Engagement Cloud, which is an integrated suite of conversational AI services designed to power both voice and digital interactions.
- **2017:** completed the acquisition of Customer Compass to extend the capabilities of the Customer Journey Analytics solution
- **2016:** in 2016, announced the development of the Omnichannel Virtual Agent Platform across voice and digital channels

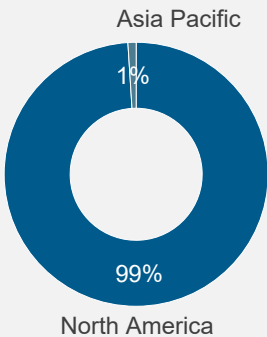
Split of conversational AI volume mix by buyer industry



Split of conversational AI volume mix by process area



Split of conversational AI volume mix by buyer geography



Note: Operational and product/offering-related information as of March 2021, collected as part of the study / based on Everest Group estimates
Source: Everest Group (2021)

[24]7.ai | conversational AI profile (page 2 of 7)

Overview

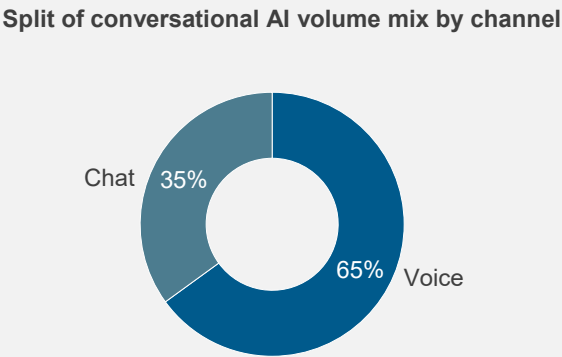
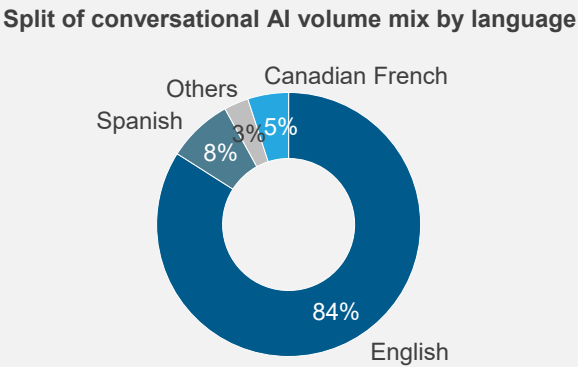
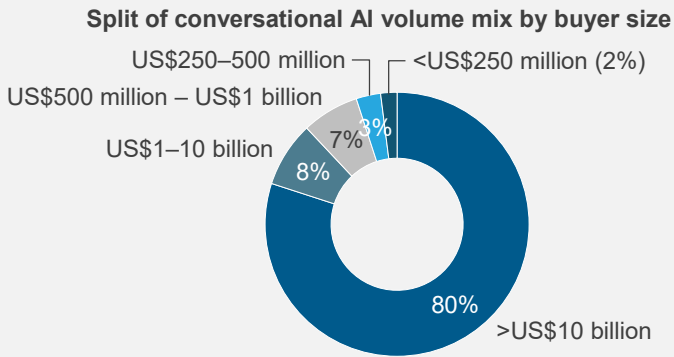
Product overview

[24]7.ai Conversations is a conversational messaging chatbot and IVR solution from [24]7.ai that combines machine efficiency and conversational AI with human experience and insight to foresee and resolve customer issues quickly and efficiently. The product offers omnichannel capabilities, intent prediction with their AIVA technology that better understands consumer intent through behavioral analysis and NLU processing, data-driven analytics, visual content, and many more.

Version number: N/A

Market adoption and capability overview

Description	2020	YoY growth
Volume of interactions handled	1,200 million	N/A
Clients	123	-20%
FTEs	829	21%
Partners/resellers	9	N/A
Key partners/resellers	Infosys, KPMG, and Reveal Group	
Key technology partners	Microsoft, Google, Apple, NextCaller, and BluePrism	

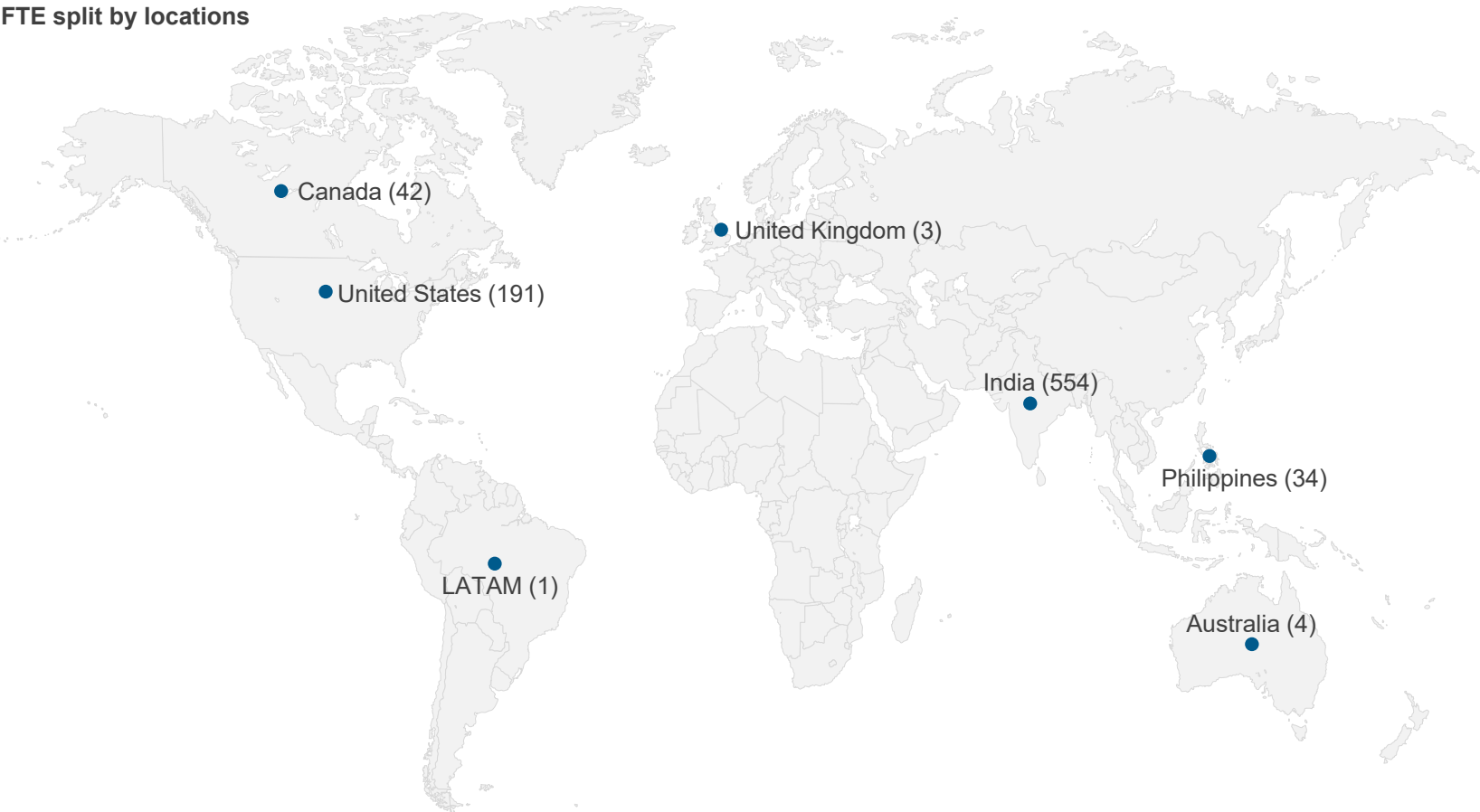


Note: Operational and product/offering-related information as of March 2021, collected as part of the study / based on Everest Group estimates
Source: Everest Group (2021)






[24]7.ai | conversational AI profile (page 3 of 7)

Overview

FTE split by locations



(XX) – Number of FTEs in each location

Split of conversational AI FTEs by function ¹		
	Product development	23%
	Support services	21%
	QA & testing	3%
	Sales	4%
	Others	49%

¹ Includes FTEs in product development, support services (product support, implementation, etc.), and sales & marketing; excludes FTEs in corporate functions such as HR and IT
Note: Operational and product/offering-related information as of March 2021, collected as part of the study / based on Everest Group estimates
Source: Everest Group (2021)

[24]7.ai | conversational AI profile (page 4 of 7)

Capabilities

Capability & offerings

Available In the roadmap Available via formal partnership Not available

Channels supported	Enterprise messenger (Skype, Cisco Jabber, Slack, MS Teams etc.)	Social messenger (FB Messenger, WhatsApp, Telegram, etc.)	IVR	Voice assistant (Alexa, Google Home, etc.)
	SMS	Email	Web / mobile hooks (OK Google)	
Deployment	Off-the-shelf IVA solutions		Platform-based product. Supports Containerization.	Customized solutions for enterprises
Conversation flow development	Visual drag-&-drop development workspace to create flow of conversation	Ability to allow enterprise users to code or configure technical details	Solve customer queries by accessing existing knowledge base of FAQs	Send alerts based on enterprise-defined triggers (time or event)
	Create and send alerts based on customer-defined events	Ability to add business validation rules	Solve customer queries by accessing core database	Ask relevant questions from customers to complete an enterprise-defined task
	Library of pre-built workflows for common conversations			
Conversational intelligence	Provide static response	Provide dynamic response	Provide generated response	Ability to enable customers to switch conversation channels to chat or voice
	Voice conversational capabilities	Voice biometrics for caller authentication		
Sentiment analysis	Ability to assess emotional state from the conversation		Ability to identify sarcasm	
Context handling	Ability of Conversational AI to remember context from previous conversations		Ability to switch context	Ability to remember context across different digital channels
Training of virtual agent	Ability of virtual agent to learn while processing (from exceptions/errors)		Human-in-the-loop training method	Code free selection of training model/algorithm for training
	Ability of software to identify the best training model/algorithm without use of external data scientist		Capability to allow user/agent to manage training models	

[24]7.ai | conversational AI profile (page 5 of 7)

Capabilities

Capability & offerings

Available In the roadmap Available via formal partnership Not available

Agent assist capabilities	In-built agent assist capabilities	AI-based next-best-action capability for assisting agents	Integrated RPA capabilities	Display customer profile to agents for personalized experience
	Skill-based agent routing capability			
Hosting options	Server/on-premise	Private cloud	Public cloud	
Monitoring and analytics	Operational analytics	Customer analytics to cross-sell and upsell	Human workforce analytics	Automatically detect degradation in performance
	Ability of software to continuously monitor its own performance (live-tracking)	Ability to build custom reports	Ability to track and report compliance related issues	Ability to find gaps in agent performance and recommend training
	Speech analytics capabilities			
Pre-built intents	Retail & CPG	Banking	Insurance	Healthcare
	Travel & logistics	Media & publishing	Telecom	Technology
	IT & helpdesk	HR support	Customer support	Finance & accounting
	Sales	Marketing		
Product training and support	By vendor	By partners/resellers	Online training courses	Classroom training
				Provide accreditation for individuals and/or organization
Commercial model	Perpetual licensing	Subscription licensing	Outcome-based	

Key areas of enhancements in the latest product releases (as of March 31, 2021)

- Modeling Tools-Workbench for NL intent models
- Visual Cards-Streamlined sharing of visual forms and digital content
- Digital Agent Assist-Real-time response suggestions
- Unified Desktop-Salesforce widget and data integration

[24]7.ai | conversational AI profile (page 6 of 7)
Everest Group assessment – Leader

Measure of capability:  Low  High

Market impact				Vision & capability					
Market Adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Implementation & support	Technology capabilities	Execution and monitoring	Breadth of services	Overall
									

Strengths

- [24]7.ai offers conversational AI platform through its ‘Engagement Cloud’ offering across industries such as retail & CPG, BFSI, telecom, and travel & logistics. It consists of a visual workflow designer for developing digital and voice conversation flows. Clients have indicated high level of satisfaction with the platform’s ease of use
- It leverages its proprietary NLP engine, with in-built NLG capabilities and libraries of pre-built ontologies and intents for multiple industries. It also offers flexibility in the platform to integrate with other NLP engines such as IBM Watson and Google Dialogflow. Its buyers indicate NLP and intent recognition as its major strengths
- The platform has native voice capabilities along with voice biometrics for caller authentication. A significant share of its interactions are voice-based
- The platform has the ability to switch context during a conversation and remember contexts when switching between different channels. It is also capable of assessing the emotional state of the conversation

Limitations

- [24]7.ai has rich experience serving clients in North America. However, it has limited presence in other geographies such as the UK, Continental Europe, APAC, and LATAM
- Its deployments mostly consist of customer support and marketing use cases. Its experience in catering to use cases in other process areas such as IT helpdesk, HR support, F&A, and sales is relatively untested
- A vast majority of its customers are large enterprises with revenue more than US\$ 10 billion, leaving the platform relatively untested with small and medium-sized customers that are rapidly entering the conversational AI market
- Currently, the platform lacks the ability to extract multiple intents from a sentence and the ability to identify sarcasm
- The platform does not have advanced data ingestion capabilities such as understanding free-flowing text and automatically generating FAQs

[24]7.ai | conversational AI profile (page 7 of 7)
Everest Group assessment – Leader

Measure of capability:  Low  High

Market impact				Vision & capability					
Market Adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Implementation & support	Technology capabilities	Execution and monitoring	Breadth of services	Overall
									

Strengths

- The platform has advanced agent-assist capabilities, through which agents get real-time assistance for the next-best action. Capability to make recommendations for cross-sell and upsell can also be configured in it, which works on the principle of text mining
- It has pre-built connectors available with multiple enterprise applications such as Cisco, Genesys, Avaya, Salesforce, Microsoft Dynamics, and Oracle
- Its centralized analytics dashboard is embedded in the engagement cloud offering and allows clients to track operational metrics as well as customer and human workforce analytics. It has advanced capabilities such as speech analytics, custom report building, and tracking of compliance-related issues
- Along with usage-based commercial model, it also offers progressive outcome-based pricing option to its clients
- Buyers appreciate its time-to-market, customer support, and feedback implementation

Limitations

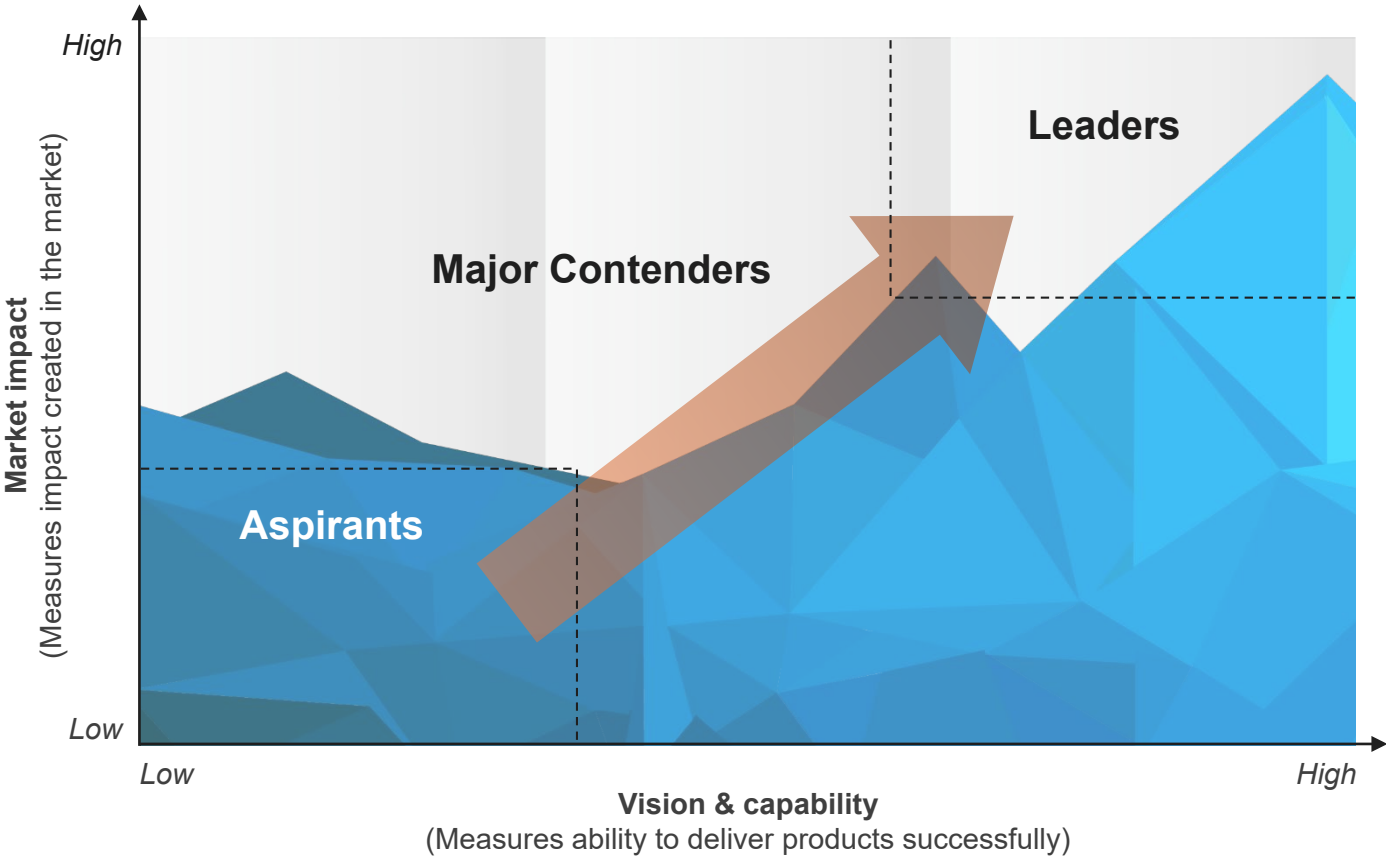
- [24]7.ai has a limited number of technology partners, resellers, and implementation partners. While it has an alliance with Blue Prism, partnering with other leading RPA vendors will allow it to offer pre-built integrations with these automation solutions and attract new clients
- Buyer feedback suggests that [24]7.ai can further enhance analytics capabilities and offer suggestions to clients on how to improve the process as well

Appendix

Everest Group PEAK Matrix® is a proprietary framework for assessment of market impact and vision & capability



Everest Group PEAK Matrix®



Products PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

Market adoption

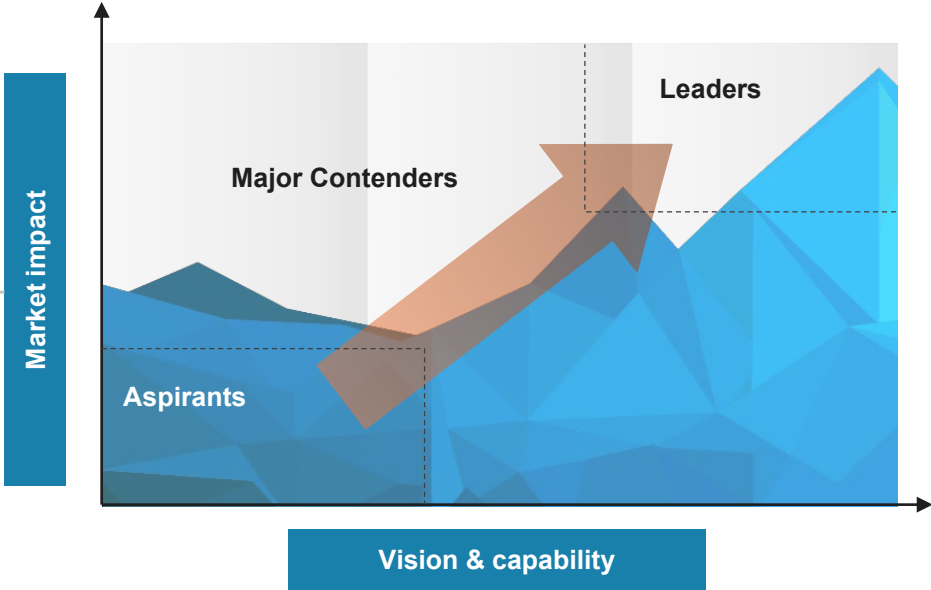
Number of clients, revenue base, and YoY growth

Portfolio mix

Diversity of client base across industries, geographies, environments, and enterprise size class

Value delivered

Value delivered to the client based on customer feedback and other measures



Measures ability to deliver products successfully. This is captured through five subdimensions

Vision and strategy

Vision for the client and itself; future roadmap and strategy, and progressiveness and flexibility of commercial models

Implementation and support

Hosting type, pre-built intents, visual workflow designer, interoperability, deployment type, and security and compliance

Technology capabilities

Technical sophistication and breadth/depth across Natural Language Processing (NLP), conversational intelligence, intent extraction, agent-assist, training, and sentiment analysis

Execution and monitoring

Analytics capabilities and client training & support

Breadth of services

Channels supported, language coverage, and process coverage

FAQs

Does the PEAK Matrix® assessment incorporate any subjective criteria?

Everest Group's PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging service provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information). In addition, these results are validated / fine-tuned based on our market experience, buyer interaction, and provider/vendor briefings

Is being a “Major Contender” or “Aspirant” on the PEAK Matrix, an unfavorable outcome?

No. The PEAK Matrix highlights and positions only the best-in-class service providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition

What other aspects of PEAK Matrix assessment are relevant to buyers and providers besides the “PEAK Matrix position”?

A PEAK Matrix position is only one aspect of Everest Group's overall assessment. In addition to assigning a “Leader”, “Major Contender,” or “Aspirant” title, Everest Group highlights the distinctive capabilities and unique attributes of all the PEAK Matrix providers assessed in its report. The detailed metric-level assessment and associated commentary is helpful for buyers in selecting particular providers/vendors for their specific requirements. It also helps providers/vendors showcase their strengths in specific areas

What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?

- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers/vendors include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own “profile” that is published by Everest Group as part of the “compendium of PEAK Matrix providers” profiles

What is the process for a service provider / technology vendor to leverage their PEAK Matrix positioning and/or “Star Performer” status ?

- Providers/vendors can use their PEAK Matrix positioning or “Star Performer” rating in multiple ways including:
 - Issue a press release declaring their positioning. See [citation policies](#)
 - Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
 - Quotes from Everest Group analysts could be disseminated to the media
 - Leverage PEAK Matrix branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with the designated POC at Everest Group.

Does the PEAK Matrix evaluation criteria change over a period of time?

PEAK Matrix assessments are designed to serve present and future needs of the enterprises. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality as well as serve the future expectations of enterprises



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