

Microsoft Contact Centre Intelligence: Does AI Still Require a Contact Centre Migration?

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This is not about a single Product Feature or Platform Migration

The market is reacting to news about Microsoft CCI. The core move is that Microsoft has separated its contact centre AI from its contact centre platform. It has taken the agentic capabilities built into Dynamics 365 Contact Center and extended them to work with many other contact centre products through an open connector. Telephony, routing, phone numbers and agent desktops stay where they are. That means Microsoft is no longer limited to the small set of buyers willing to migrate platforms. It is targeting the large installed base running contact centre platforms Microsoft doesn't own.

The named connector targets are Five9, Cisco Webex Contact Center and Avaya, and the reference customer, Siemens Healthineers, is building on its Genesys and ServiceNow platforms.

Use Case: Avaya On-Premise

An Australian organisation runs an on-premise Avaya contact centre, still under contract, with Microsoft 365 and Azure embedded across the business.

Rather than replacing Avaya to access AI, Microsoft CCI offers a potential pathway to introduce conversational AI and enterprise intelligence while retaining existing telephony and routing, subject to integration compatibility.

The business can modernise its customer experience without making a premature platform replacement decision.

Let us be the AI Overlay - Do not replace your existing Contact Centre investments!

Microsoft CCI is going into other contact centre installed bases where customers are currently on a CCaaS or an On-Premise platform and allowing them to now have a pathway to have AI across the contact centre. Against the AI-natives (Sierra, Decagon, Cresta and similar), CCI is the newest and most direct threat, because it replaces their market positioning. It means to sit above any platform and own the AI layer. What Microsoft adds is enterprise governance, an existing procurement relationship and consumption pricing.

The AI-natives keep the edge on outcome-based pricing and on proven depth in production. CCI's quality agent, for now, evaluates historical self-service conversations, with real-time evaluation coming soon, and the Service Operations Agent and agent assist aren't live yet.

Context is the Gold Mine

CCI runs on Microsoft IQ, which combines CRM, contact centre insights and organisational intelligence into the real-time context agents need to reason and act. Agents can also draw on more than 1,700 connectors. Every CCaaS vendor can ground an agent in a knowledge base. Microsoft's advantage is its existing presence across enterprise productivity, identity, data and business applications. CCI potentially brings those capabilities closer to contact centre operations, although accessing information is not the same as having the context, permissions or authority to act on it.

Why is this announcement big for the Asia Pacific market?

The usual argument for moving an on-premise contact centre to CCaaS has had AI as its main selling point: if you want modern conversational AI, you migrate to the cloud first. CCI breaks that link. Telephony, routing, phone numbers and agent desktops stay in place, and the AI comes in from above.

Use Case: Japanese Insurance Provider

A Japanese insurer operates a legacy on-premise contact centre platform that is fully depreciated but remains operationally effective.

Rather than committing to a costly CCaaS migration, Microsoft CCI offers a potential pathway to introduce conversational AI and automated quality assurance while retaining existing infrastructure.

The insurer can invest in improving customer experience without replacing a platform that continues to meet its operational needs. transparent outcome measurement. They allow organisations to understand both the economics of AI and the contribution it makes to customer satisfaction, operational performance and cost-to-serve.

For CCaaS vendors whose Asian growth depends on converting on-premise bases, that weakens their strongest argument.

There's also a channel effect that suits Asia's structure. A lot of on-premise contact centre infrastructure in the region is sold and maintained through telcos and large SIs, which earn steady maintenance revenue on the incumbent platform. A full CCaaS migration threatens that revenue. An AI overlay leaves it intact and gives them something new to implement. So, the channel has much less reason to resist CCI than to resist a cloud migration, and in markets where the telco or SI owns the customer relationship, that matters a great deal.

What to take note of is CCI is a cloud service. The audio, transcripts and customer context it uses are processed in Microsoft's cloud, even if the switch stays in the customer's own data centre. For banks that kept its contact centre on-premise because of regulator expectations or internal data policy will ask the same questions of the AI layer as it would of a CCaaS migration. Those questions are where the data is processed, in which region, whether voiceprints are stored there, and who can access them. So CCI resolves the migration objection but not the sovereignty objection. Buyers in the first group are an easier sale. Buyers in the second still need a clear regional processing story, and nothing in the launch materials says whether CCI can run in-region or on a sovereign or customer-hosted Azure option.

Avoiding a platform migration does not automatically mean a lower total cost of ownership. Buyers still need to assess AI consumption, integration, operational complexity and potential duplication against the capabilities already available from their incumbent provider.

Conclusion: The AI decision is no longer the platform decision

The governance challenge in AI-enabled customer experience is most evident at the points where responsibility transfers between AI systems, human advisers and customers.

Every handoff carries operational, commercial and regulatory consequences. Information can be lost, context diluted, decisions inconsistent and accountability harder to establish. At scale, these failures increase operating costs, reduce customer satisfaction and weaken confidence in AI-driven service delivery.

As AI becomes embedded across customer journeys, the quality of these handoffs will become one of the defining characteristics of mature customer experience platforms.

The question is no longer simply which contact centre platform has the best AI. It is which combination of capabilities delivers the best enterprise outcome, without unnecessary cost, risk or dependency.

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