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On-Premises Email and Collaboration Market, 2009-2013

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SCOPE

This study provides an analysis of the On-Premises Email and Collaboration market in 2009, and its potential growth over the next four years. It provides detailed mailbox installed base, market share, revenues, and forecasted market growth in terms of installed base and revenues, from 2009 to 2013. The study also provides an analysis of key vendors.

All market numbers, such as market size, forecasts, installed base, and any financial information presented in this study represent *worldwide* figures, unless otherwise indicated. All pricing numbers are expressed in \$USD.

Throughout this report, we use the words 'email' and 'messaging' are used interchangeably.

METHODOLOGY

The information and analysis in this report is based on primary research conducted by The Radicati Group, Inc. It consists of information collected from vendors and users in global corporations via interviews and surveys.

Secondary research sources have also been used, where appropriate, to cross-check the information collected. These include company annual reports and market size information from various market segments of the computer industry.

EXECUTIVE SUMMARY

- Over the past 12 months, the corporate Email and Collaboration market has continued to grow, despite the economic downturn. The worldwide installed base of on-premises email and collaboration mailboxes has reached 450 million accounts in 2009, and will increase to 621 million by year-end 2013. This represents an average annual growth rate of 8% over the next four years.
- Many organizations are continually upgrading to more powerful and feature-rich email and collaboration infrastructures, as vendors are continually expanding the scope of their platforms along many dimensions, such as:
 - Improved workgroup collaboration such as calendar sharing, improved contact management, task lists, PIM management, and conversation threading.
 - Enhanced security to protect against spam, viruses and all forms of malware.
 - Integrated IM and presence awareness.
 - Integrated Unified Communications and VoIP functionality.
 - Integration with Social Networking sites.
 - Integrated support for email archiving, improved content search and information retention policy management.
 - Integrated out-of-the-box support for wireless device integration and synchronization.
- Although many of the messaging and collaboration vendors discussed in this study also sell their platforms to service providers for deployment as hosted

solutions, this report focuses only on On-Premises Email and Collaboration solutions offered to enterprises.

- Today, the On-Premises Email and Collaboration market is still dominated by two key players, Microsoft with its Exchange Server and IBM with its Lotus Notes/Domino.
- However, there are also a lot of smaller vendors in this market that have built up loyal and growing customer bases by targeting mainly regional government agencies, the education sector, and SMBs.
- The growing popularity of hosted email solutions is beginning to encroach on the on-premises email market, particularly as major players such as Google and Microsoft have entered the market with very low-cost enterprise-grade hosted email and collaboration solutions which offer very attractive feature sets at price points that are highly competitive with on-premises solutions.
- Nevertheless, many customers of all sizes ranging from SMBs to Very Large organizations (>10,000 users) still question whether the cost benefits of hosted solutions truly outweigh the loss of control and perceived privacy and security risks vis-à-vis on premises solutions. Many mid-size and large enterprise customers are cautiously experimenting with hosted solutions through “hybrid” deployments which combine some use of hosted services along with their on-premises deployments.
- Figure 1, shows the worldwide revenue forecast for the On-Premises Email and Collaboration market, from 2009 to 2013.

On-Premises Email and Collaboration- Revenue Forecast, 2009 - 2013

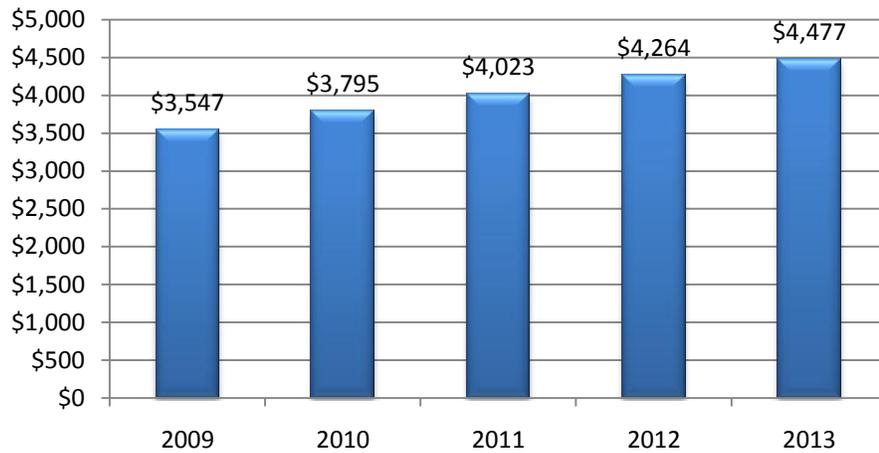


Figure 1: On-Premises Email and Collaboration Market – Revenue, 2009-2013

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