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## ***On-Premises Corporate Unified Communications Market, 2010-2014***

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### **SCOPE**

This study provides an analysis of the On-Premises Corporate Unified Communications market in 2010 and its potential growth over the next four years. The study provides a detailed analysis of market trends, drivers, barriers, and opportunities.

The study provides data on current worldwide installed base, vendor market share, revenues, and forecasted market growth (i.e. revenues) from 2010 to 2014.

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

This report deals only with the on-premises corporate Unified Communications market. Hosted UC solutions offered by service providers are covered by our *Hosted Unified Communications Market, 2010-2014* report.

### **METHODOLOGY**

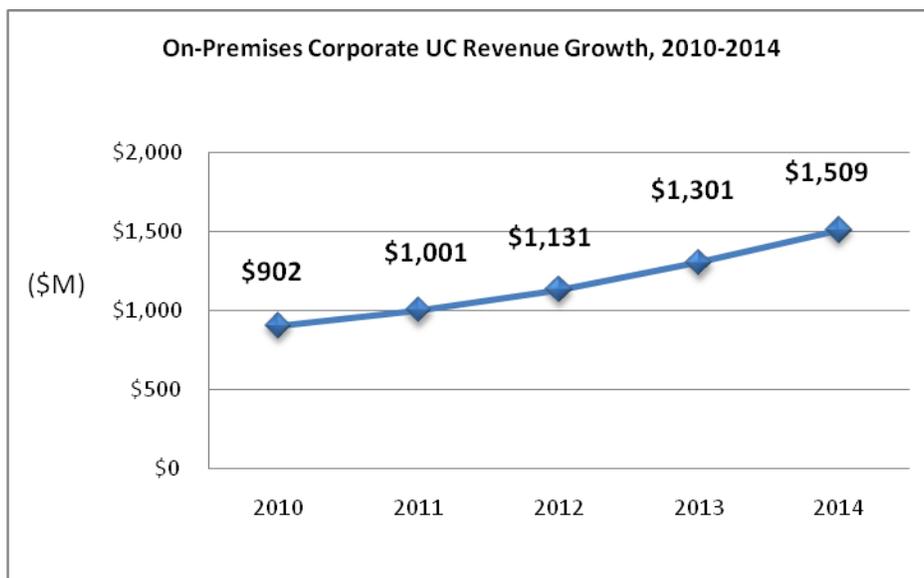
The data and analysis in this report is based on primary research conducted by The Radicati Group, Inc. It consists of data collected from vendors and corporate enterprises via interviews and surveys.

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

## EXECUTIVE SUMMARY

- The Unified Communications market is comprised of solutions and/or services that offer voice, messaging, presence, mobility, and conferencing capabilities that can be accessed and managed through a single interface. The purpose of UC is to improve user productivity by streamlining office communications.
- In the past year, the Unified Communications market has maintained steady growth and continues to promote cutting edge technology and features to present new ways to streamline office communications. The two main drivers in UC adoption have been the desire to improve productivity as well as the need to support full connectivity for an increasingly mobile workforce.
- We consider the five most important UC components to be: Voice, Messaging, IM/Presence, Mobility, and Conferencing.
- There have been a number of major mergers and acquisitions that have reshaped the UC market landscape in the past year.
  - Avaya completed its acquisition of Nortel in early 2010, and has been working to incorporate Nortel's assets, technology, and installed base into its UC portfolio. Avaya's acquisition of Nortel has large implications for the UC market as a whole, and it remains to be seen if it will help consolidate Avaya's position as the UC market leader in terms of both installed base and revenue share.
  - AVST also acquired Active Voice from NEC in early 2010, offering Active Voice's Repartee and Repartini UC solutions for mid-sized businesses and SMBs respectively.
- Healthcare, government, and education have become key vertical industries for UC adoption. These industries have great demand for streamlined mobile communications and have been driving stronger mobile integration into UC solutions.
- Telepresence is a major new trend coming from a handful of UC providers. Companies such as Cisco and CommuniGate have come out with HD audio and video conferencing capabilities. The goal of telepresence is to emulate the face-to-face meeting experience with high quality video and voice technology. While this is a relatively new trend that has yet to see tangible uptake, we see strong potential in this area going forward.

- The ability to access the corporate network and stay connected while away from the office has been a key driver for UC adoption. As a result, rich mobile features are in high demand. Users want to be able to work away from the office and have feature parity between their mobile devices and their desktop. Most UC solutions offer feature parity on the telephony level, and many UC solutions offer mobile clients for smartphones and browser clients for web access.
- Worldwide revenues are expected to reach \$902 million by the end of 2010. Over the next four years, the On-Premises UC Market revenues are expected to grow at an average annual rate of nearly 14%, totaling \$1.5 billion by 2014.



**Figure 1: Worldwide On-Premises Corporate UC Market Revenue, 2010 - 2014**

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