

The New Market for Unified Communications and Collaboration

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UCC is the juncture where the market for communications overlaps with the collaboration market. While some technologies remain distinctly in the realm of communications (for example, voice infrastructure, call centers, and so on) and others distinctly collaboration (team workspaces and social software, for example), UCC straddles both areas to include e-mail, audio/Web/videoconferencing, instant messaging (IM), and voice over IP (VoIP) and so on.

Key Findings

- Communications vendors are pushing into the collaboration space as vendors like Cisco, Avaya and Alcatel offer collaboration functionality.
- Collaboration vendors are edging into communications, as suppliers like IBM, Microsoft, AOL and Yahoo offer voice and messaging.
- Existing IT organizational models are coming under strain as previously distinct areas increasingly overlap.

Recommendations

- Review your current communication and collaboration systems and processes and then undertake pilots or trials that could lead to improved processes.
- Be cautious in adopting the collaboration facilities of a traditional communications vendor, and vice versa. Ensure that they provide sufficient support and don't conflict with existing installations.
- Companies must proactively implement the organizational changes that anticipate the coming technology and market changes.
- When evaluating solutions, understand where the core strengths of the vendors lie and where they intend to go in the future. Ask vendors for their long term UCC strategy road maps and details on how the strategy will be executed through those road maps.

WHAT YOU NEED TO KNOW

IT executives must proactively plan how they will react to the emerging UCC market and not be led by vendors or simply react to end user demands. A vendor introducing a new capability should not automatically lead to deployment, even if it (apparently) doesn't cost anything extra, especially when it could conflict with products and capabilities already installed. Doing nothing will lead to confusion between vendors and to potential conflict between different organizational roles.

ANALYSIS

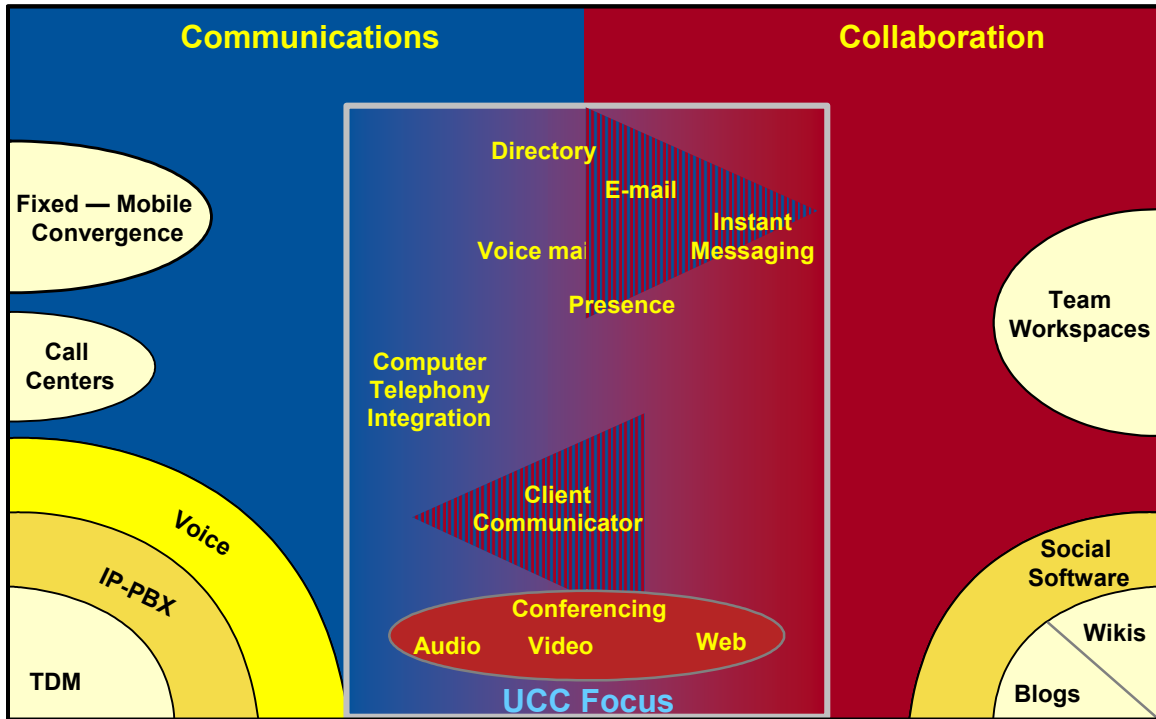
The clearly divided world where communications and collaboration technologies were provided by separate vendors and tended to by different people in enterprise IT organizations is quickly disappearing. Vendors are increasingly providing functionality to address requirements in both areas.

UCC Market Landscape

The existing communications and collaboration markets will not completely disappear into UCC. For at least the next five years, they will continue to exist. UCC is the juncture where these two markets overlap, forming a composite market where they intersect. Some technologies remain distinctly in the realm of communications; for example, voice infrastructure, fixed/mobile convergence, call center support, and so on. Other technologies are clearly collaboration, with little influence on or from communications, such as team workspaces and social software. UCC straddles both areas to include e-mail, audio/Web/videoconferencing, voice mail, IM and VoIP.

Figure 1 shows how concepts and markets relate to each other and indicates where the two areas overlap, with communications vendors pushing into the collaboration space and vice versa. It does not depict an architectural or technical view, nor does it try to provide a complete picture of all areas covered by communications and collaboration. Rather, the items on the left generally have been the responsibility of communications vendors. On the right is collaboration, with technologies and concepts traditionally provided by collaboration software vendors. The area in the middle is getting increasingly blurred as multiple vendors enter it.

Figure 1. Unified Communications and Collaboration Illustrative Market Landscape



IP PBX = Internet Protocol private branch exchange, TDM = time division multiplexing, UCC = unified communications and collaboration

Source: Gartner (November 2007)

This central area is the realm of UCC, where communications and collaboration capabilities are strengthening each other in useful and synergistic ways. Combining communications with collaboration makes both sets of services easier to access and provides at least three specific benefits.

Integration makes it more likely that users will collaborate or communicate. For example, if VoIP is easily accessible from within a collaboration work space, team members are more likely to talk to each other than if they had to look up phone numbers in a separate directory.

Unification enables new ways of working. With easy and inexpensive access to Web, audio and video conferencing from within the context of their collaboration tools, geographically dispersed teams can talk with and see each other while showing other members what they mean. This layer of richer communications adds new ways for teams to work together.

UCC makes better use of shared infrastructure and management efforts. When the collaboration and communications tools are deployed together, they can use common infrastructure like directories, security, support desks and network management, thus reducing costs and increasing efficiencies.

This area of overlap also contains most of the unified communications (UC) coverage. In fact, some vendors describe what Gartner calls UCC as UC. We believe that there are important differences between the two. UC is strongly weighted on the communications side of UCC and has traditionally been provided primarily by communications-oriented vendors. The kinds of developments described here are not simply a result of communications vendors moving into collaboration; the reverse is also happening. In fact, many of the most innovative and market-

changing developments have come from traditional software vendors offering or integrating communications capabilities in their products. The term UCC emphasizes that the developments are coming from both sides.

The move toward a UCC technology market will have profound effects on vendors, IT management and support roles, and user behavior.

Vendor Implications

Vendors have already started moving beyond their traditional spaces, as hardware-oriented vendors try to extend into software and software vendors try to make software do what a combined hardware/software mix currently does. For example, Microsoft offers voice and telephony services as part of its Office Communications Server 2007 (OCS) product in addition to its core IM and presence capabilities. Cisco's \$3.2 billion acquisition of WebEx clearly signals its intention to continue moving beyond networking and voice into the collaboration space. Virtually every traditional communications vendor has some kind of collaboration offering. Likewise, just about every major collaboration vendor either has communications capabilities, or is partnering to integrate them into their offerings.

The forthcoming move to UCC threatens the established status quo between traditional networking and application vendors, as they both move into each others' respective territories. Venerable private branch exchange (PBX) vendors (such as Siemens, Avaya and Nortel) will struggle to remain relevant as organizations increasingly look to suppliers such as Microsoft, IBM and Cisco to deliver a rich and integrated set of UCC services.

Vendors will base their UCC solutions in their area of strength and then expand into adjacent technology areas. They will form partnerships to complete their solutions, or make acquisitions such as AT&T's recent acquisition of Interwise (see "AT&T Advances in UCC With Interwise Acquisition Deal"). The sales strategy will be to sell new functions into their installed base and to look for new clients or new buying centers in the existing client base. Don't expect any of these vendors to have all the answers, nor a totally clean road map, for the next five years.

Organizational Implications

Corresponding organizational support roles are becoming less clear as the technologies and the people tend to overlap. When previously separated markets and organizational responsibilities collide, tensions inevitably follow. We have seen fierce clashes within organizations where voice and network management people feel they need to repel perceived incursions from collaboration managers infringing on their turf, and vice versa. As incumbent products introduce more functionality with every upgrade, we expect to see even more of these disputes.

When collaboration people begin to roll out voice capabilities, and the network managers start providing collaboration facilities (often spurred on by their respective vendors), conflict is almost inevitable.

As with many organizational issues, early communication and consultation is crucial to avoid potential conflicts. Managers should cut this implementation risk by proactively addressing organizational issues before they become acute. Organizations which do not advance to match the changes in the technology can fall into "organizational lag," the effect of which has been a critical business issue for decades. Stated simply, to properly take advantage of technical changes, enterprises must make complementary changes to procedures, policies and compensation. The longer the delay — or lag — before these changes are made, the less effective the enterprise.

Nowhere is the effect of organizational lag more apparent than in how the convergence of voice, data and applications is affecting enterprises. Enterprises that fail to make the necessary changes at the organizational level, especially in terms of administrative policies and management procedures, will be less competitive and, over time, risk failure.

User Implications

Users increasingly see communications and collaboration not as separate activities, but as a smooth continuum of modalities where the difference between talking on the phone and posting on a wiki becomes a matter of choice and preference. The abrupt changes of context which users must endure as they switch between IM, mobile phone, desk phone and wikis, will increasingly disappear, providing benefits of increased productivity.

RECOMMENDED READING

"Key Issues for Unified Communications and Collaboration, 2007"

"A Framework for Unified Communications"

"Microsoft's Unified Communication and Collaboration Gambit"

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