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WAINHOUSE Research

Q4 2015 UC ITDM Survey – UC Deployments

North American Mid-to-Large Enterprise - Summary Results

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Objectives and Methodology

WHAT
we wanted to learn

Understand behavior in relation to conferencing and in relation to unified communications as well as preferences and plans for these products and services over the next few years:

- Current UC solutions, technologies, and applications used for business collaboration and communication
- The state of UC licensing and feature deployments
- Attitudes toward UC solutions and their impact on enterprise collaboration
- Expectations and planned changes for the next 1-3 years

HOW
we learned it

Survey: “2015 UC Enterprise Survey”
n=100
Geography: North America
Fielded 10/26/15 – 11/11/15

Participation Criteria

- Work in commercial enterprises – Medium, Large (>500 employees)
- **IT Decision Maker** for Unified Communications for business communication: familiar with their enterprise’s UC strategy and product decisions and have input into the purchases and related products.

Key Findings

1. Cisco Unified Communications Manager (CUCM) + Jabber environments edged out Microsoft UC environments in terms of UC solutions deployed in a production environment. WR expects this shift is due to a focus on Cisco Jabber *deployments*, compared to a focus on Microsoft UC *adoption*.

2. Just under one third of enterprises report they have two or more UC platforms supporting their end users. This number is nearly identical to the previous survey's results.

3. Overall deployment of UC licenses remains a challenge for many enterprises – with 40% of purchased licenses reported as un-deployed by this survey population.

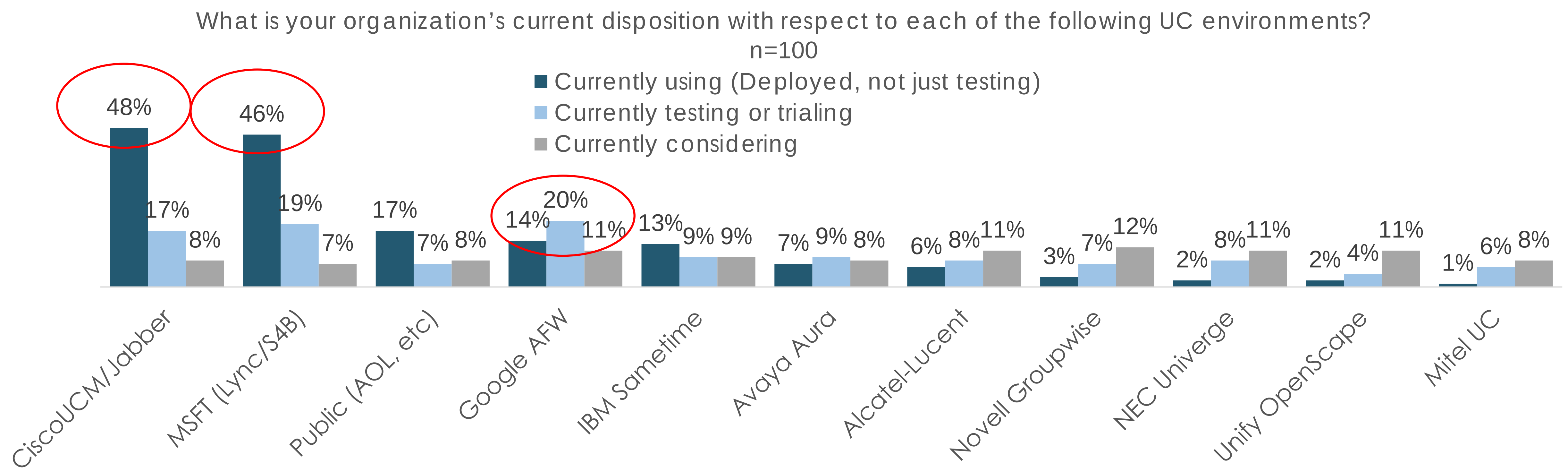
4. Audio and Web Conferencing services are reported deployed to the majority of end users by over 50% of responding ITDMs. This represents a material increase since the previous survey, and is likely fueling the increasing offset against traditional, standalone audio conferencing services.

5. UC-enabled enterprises are placing a significant focus on mobile services and expect to deploy more smartphones and tablets than any other type of UC devices over the next 24 months. This trend is fueled, in part, by expectations of younger workers who are entering the workplace.

UC Deployments – by Vendor

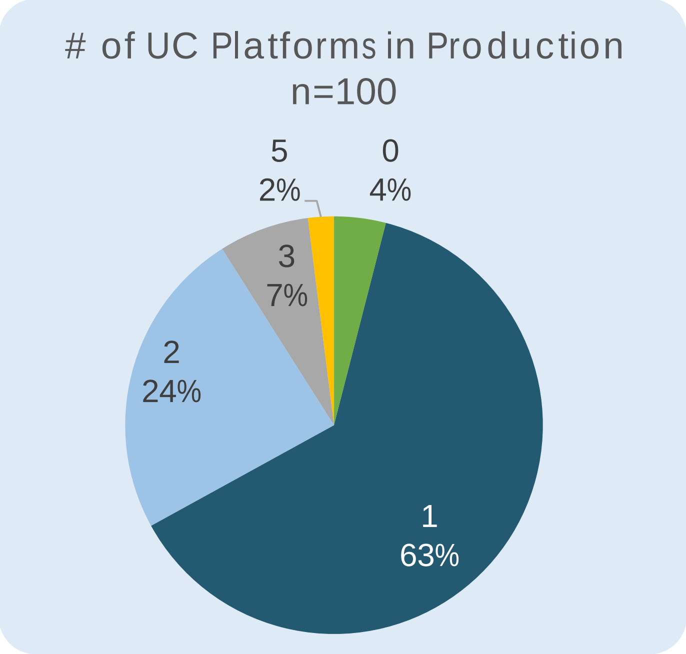
We asked ITDMs which UC platform they were currently using, testing, or considering.

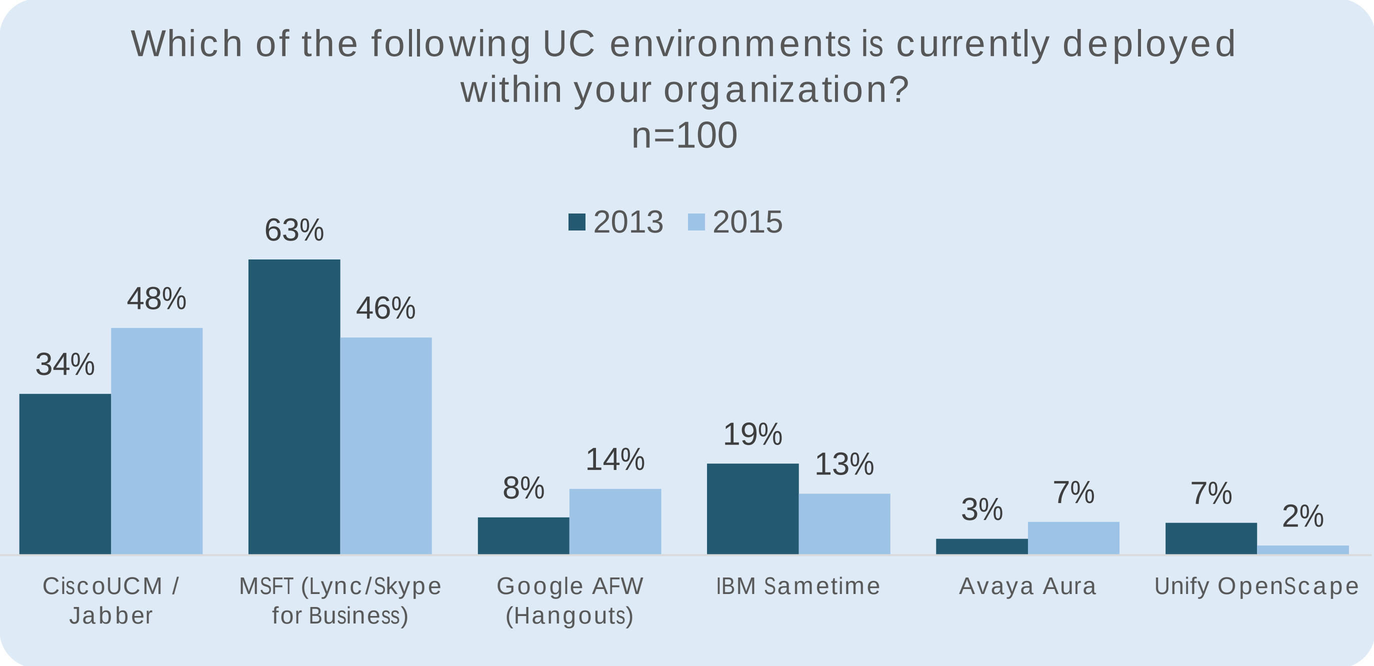
- Cisco Unified Communications Manager (UCM)/Jabber and Microsoft Lync/S4B are the most commonly **deployed** UC solutions – with Cisco edging out Microsoft for the first time in this survey's history.
- Google Apps for Work (AFW) is reported as the most **tested** UC environment – edging out Cisco and Microsoft in this area. AFW is also more tested than used, which indicates enterprise interest in Google's platform, but a continued lack of UC deployment.



UC Environments – YoY Deployment

- While nearly two-thirds of enterprises have just one UC platform, a third deploy more than one - and these numbers have not changed much since 2013.
  - 32% of enterprises reported two or more UC platforms in production in 2015. This number was very close to 2013 when 36% reported two or more UC platforms in production.
- However, the story has changed when we look specifically at which environments are being deployed.
  - Cisco UC deployments experienced the largest increase, growing by 14% since the previous survey. Microsoft, by comparison, decreased by 17% over the same period.

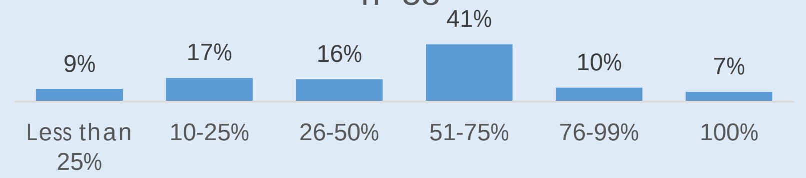




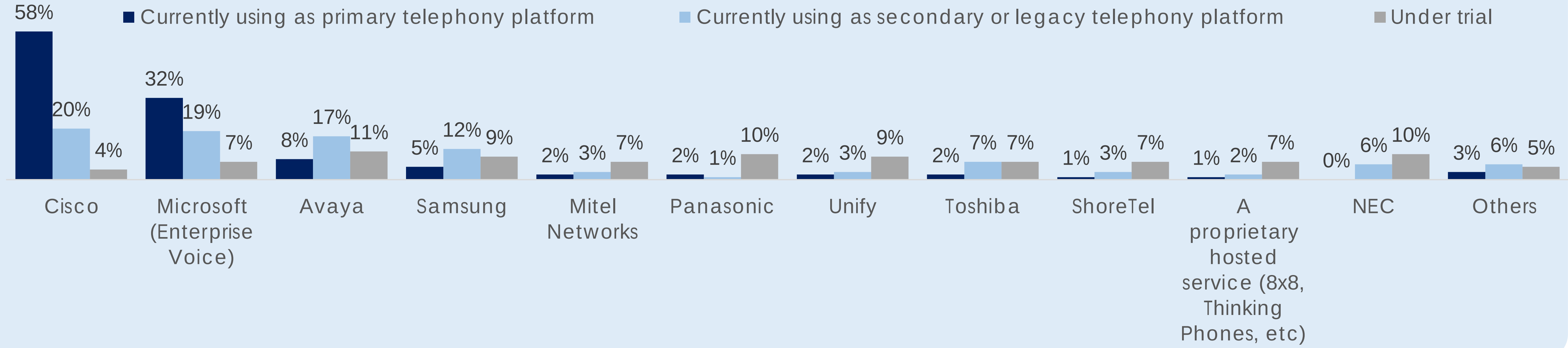
PBX/IP PBX Solutions

- Cisco is the most commonly deployed PBX/IPBX solution, followed by Microsoft Enterprise Voice.
- While nearly twice as many are deploying Cisco as a primary platform over MS Enterprise Voice, these two solutions, along with Avaya, represent similar proportions as a secondary platform, which indicates organizations are mixing and matching across departments/groups/locations.
- We also asked those ITDMs using Microsoft Enterprise Voice as a primary PBX what percent of their users had access to it, and the average responses fell to within 51% and 75% of the organization.

What percent of your organization is using Microsoft Enterprise Voice as their primary telephony solution?
n=58



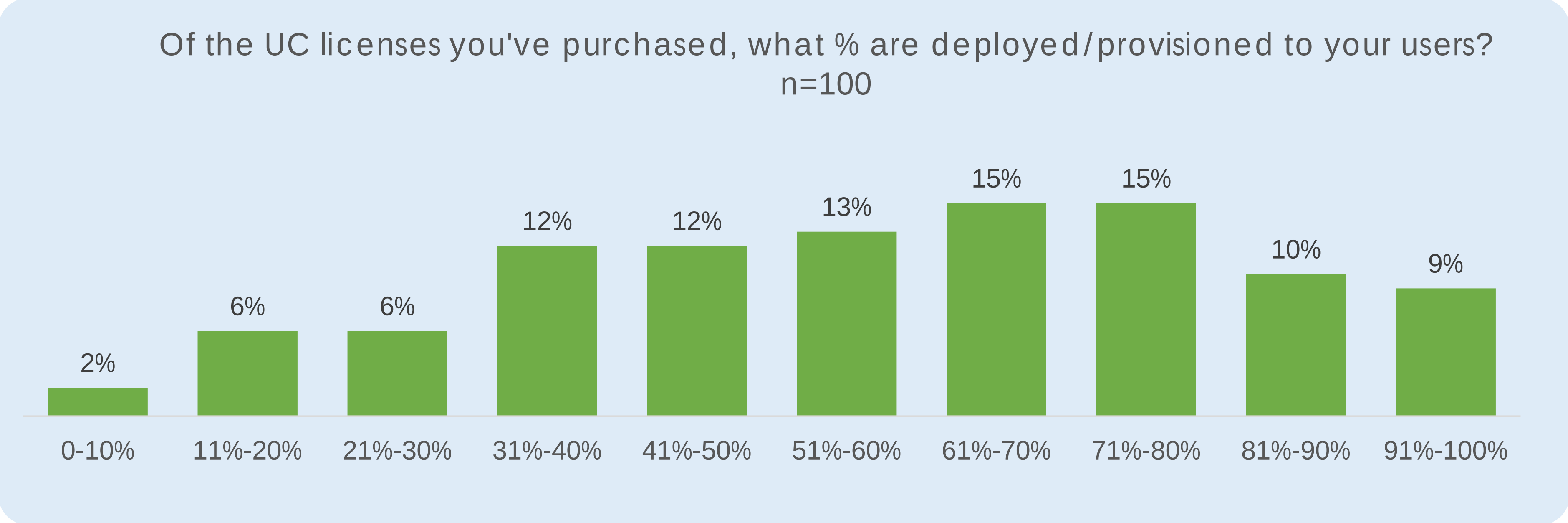
What is your organization's current disposition with respect to each of the following PBX/IP PBX solutions?
n=100



UC License Deployments

Some organizations buy blocks of licenses for use inside their organizations, but do not deploy/provision them all, or do not deploy them all at the same time. We asked ITDMs what percent of their current, purchased UC licenses have been deployed/provisioned to end users:

- The average percentage deployed is 60%, 4 out of 10 licenses are not provisioned.
- Only 6% of responding enterprises have deployed 100% of their purchased UC licenses.

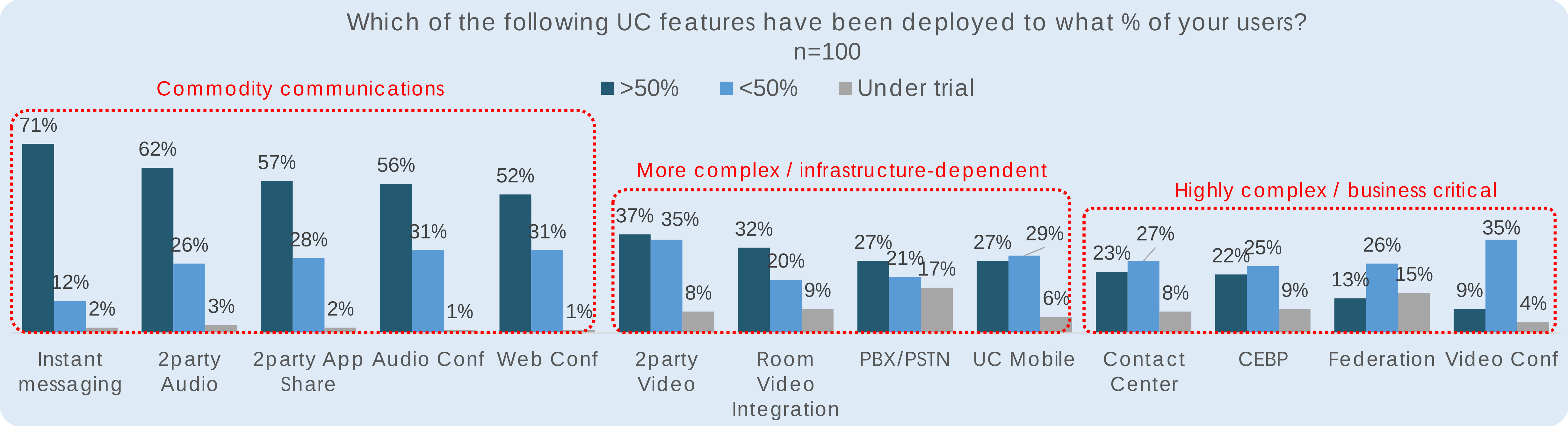


- Average = 60%
- Full Deploy = 6%

UC Features Deployed

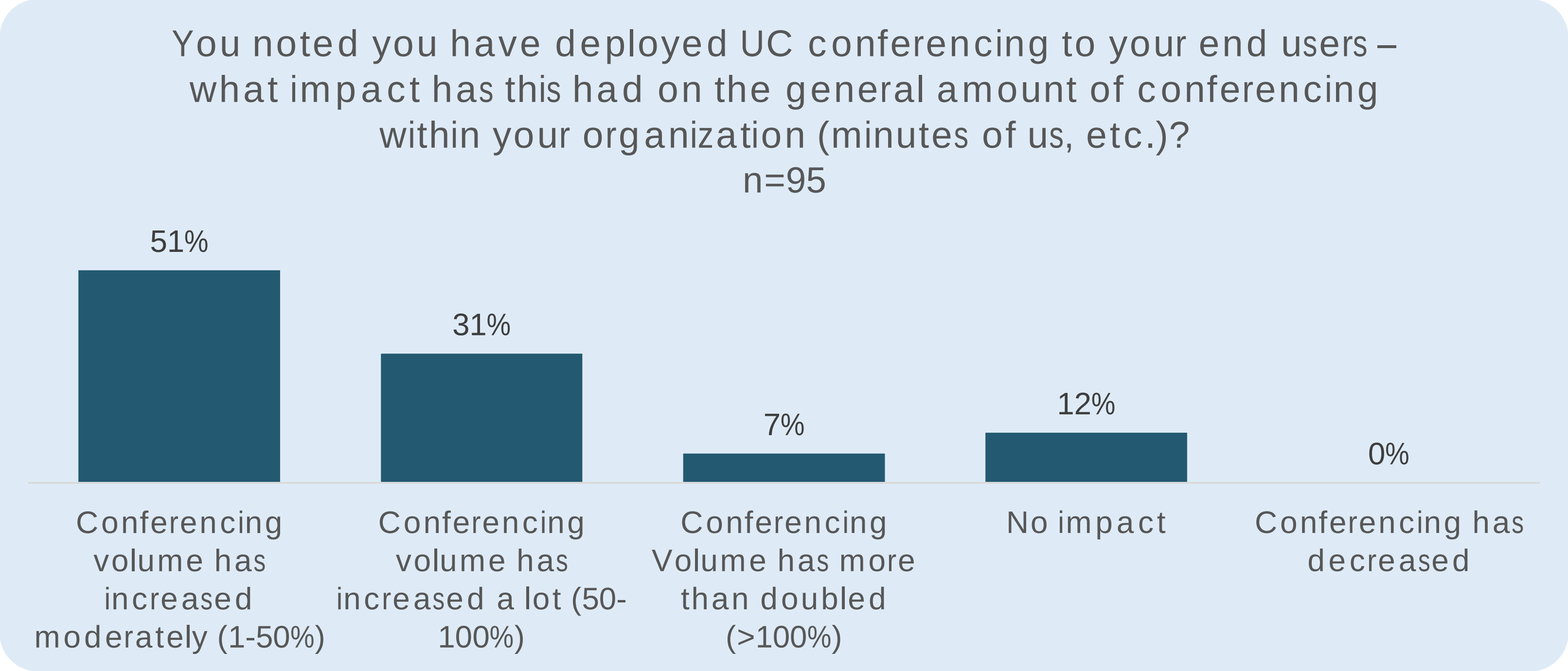
Results indicate that UC features consistently fall into clear groupings for those most commonly and most widely deployed:

- Commodity communications include simple features that are easy to support and / or are most familiar to end users (IM, peer-to-peer audio and app sharing, audio and web conferencing) – these are at the top of the deployment range.
- Mid-range deployment features include those which require more complex equipment (2-party and room-integrated video) and technologies which require a longer development cycle and integration with existing systems (PBX/PSTN, UC Mobile).
- Features at the low end of the deployment scale are generally more complex (CEBP, Federation) and / or support the most business-critical elements within the enterprise (Contact Center, Video Conferencing).



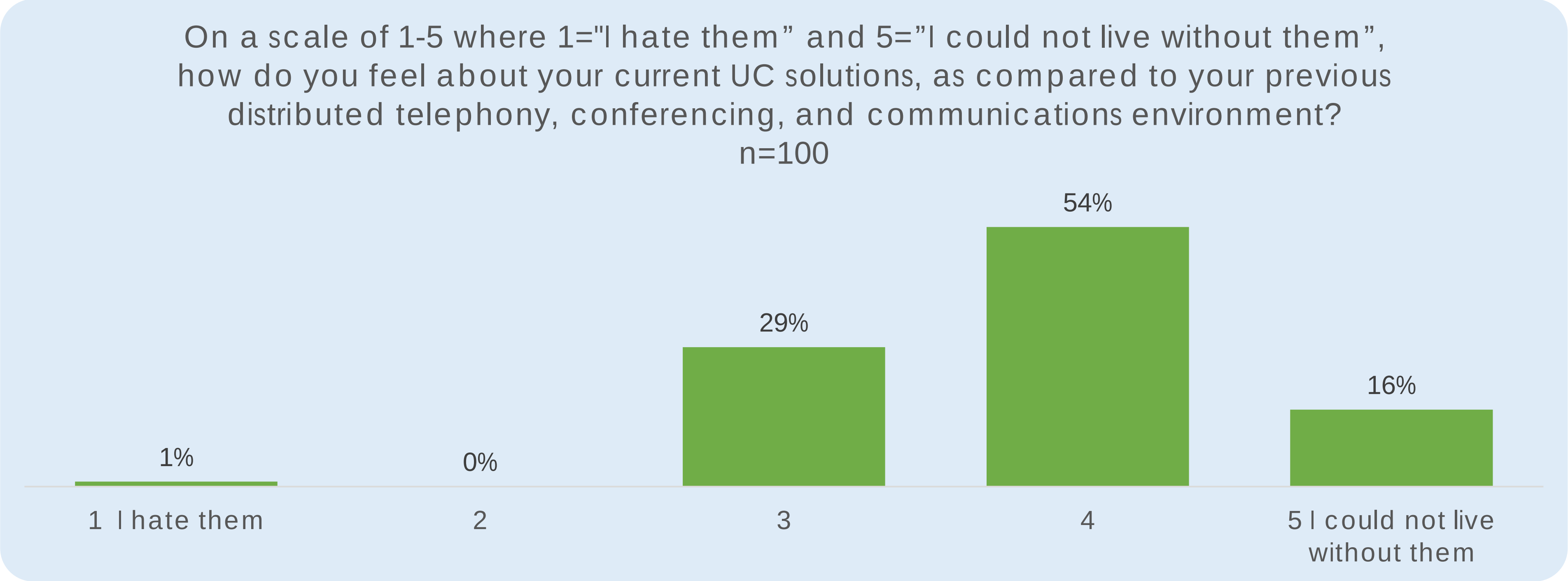
UC Impact on Conferencing

- The majority (88%) of ITDMs deploying UC conferencing have indicated that the new conferencing experience generates an increase in conferencing volume within their organizations.
- Just over half (51%) of responding organizations experienced a moderate increase of 1-50% after deploying the UC conferencing feature.
- However, more than a third (38%) report the increase in conferencing has been significant – above 50%.



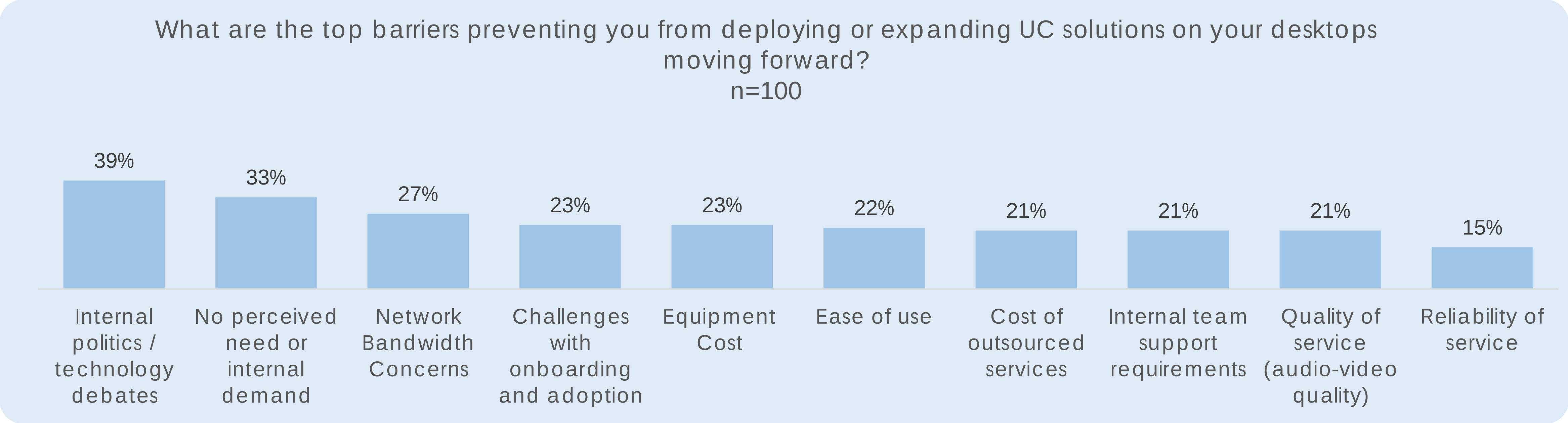
Attitude toward UC

- In addition, the majority of those deploying UC feel positively about the new communication experience, as compared to their old environments.
- Among these, more than two-thirds (70%) feel very positively (top 2 box) towards their UC solutions, trending towards “I could not live with them”.



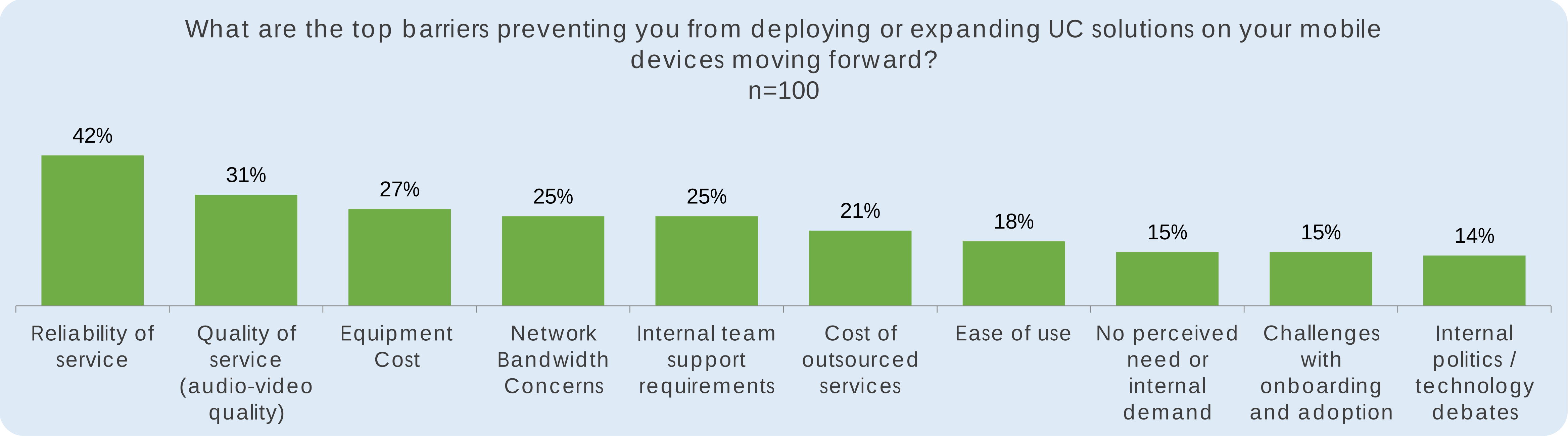
Barriers to UC - Desktops

- Top barriers to expanding the Desktop UC experience relate mainly to the organization and network – internal politics or debates on technology, concerns about a lack of internal demand, and the all-too-common “network impact” concern.
- These barriers are followed by a long tail of similarly weighted concerns that begin with adoption challenges, equipment costs, ease of use concerns, tapering off to a range of service-based challenges.



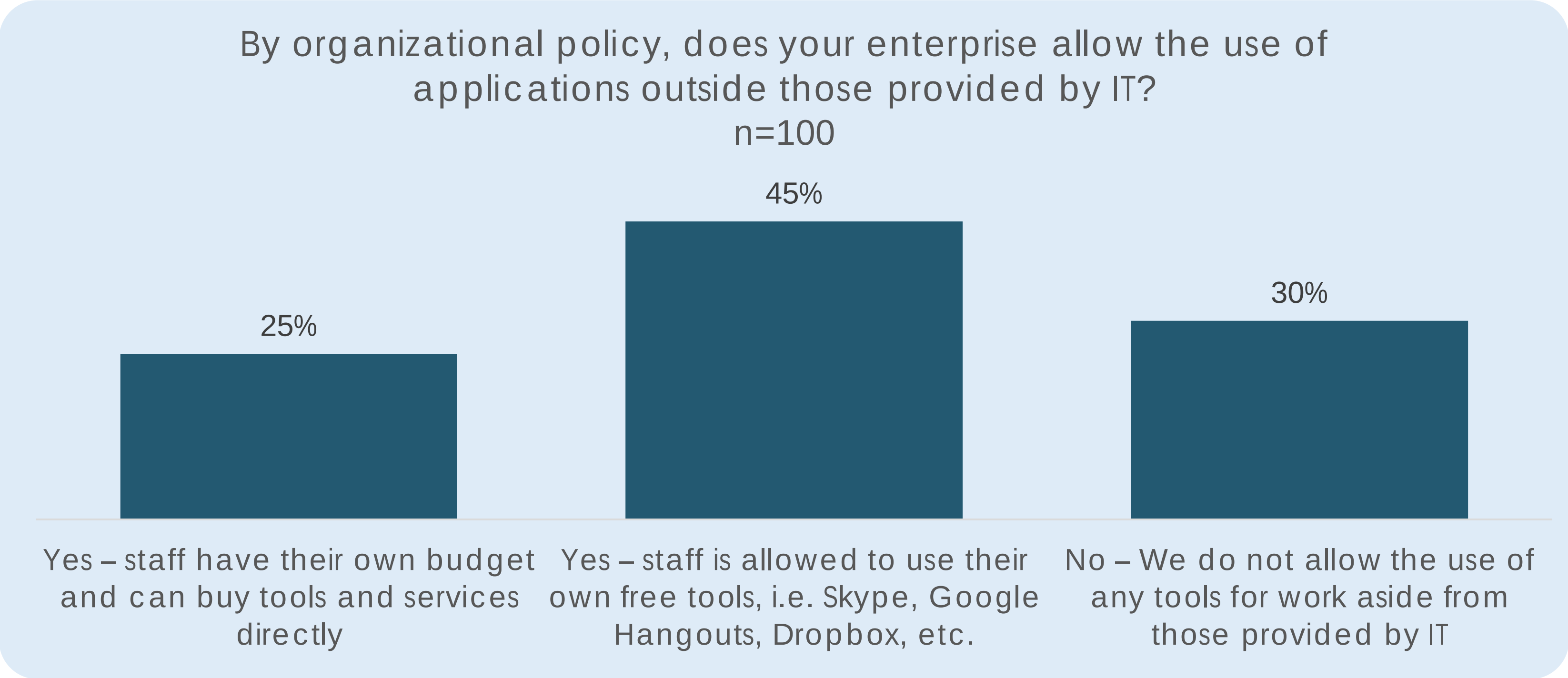
Barriers to UC – Mobile Devices

- Expanding Mobile UC services is hampered by a different set of key challenges, as compared to those slowing Desktop expansion. Here, challenges around reliability and quality of service are the top barriers.
- Equipment costs, bandwidth, and a tax on internal support teams follow, and are tightly grouped.
- It is interesting to note the barriers that are clustered to the right, representing the least ITDM concerns: ease of use, lack of demand, challenges with adoption, and internal politics. Overall, end users appear to easily consume, use and manage services on their mobile devices – and there is likely very little debate on the merits of increased mobility.



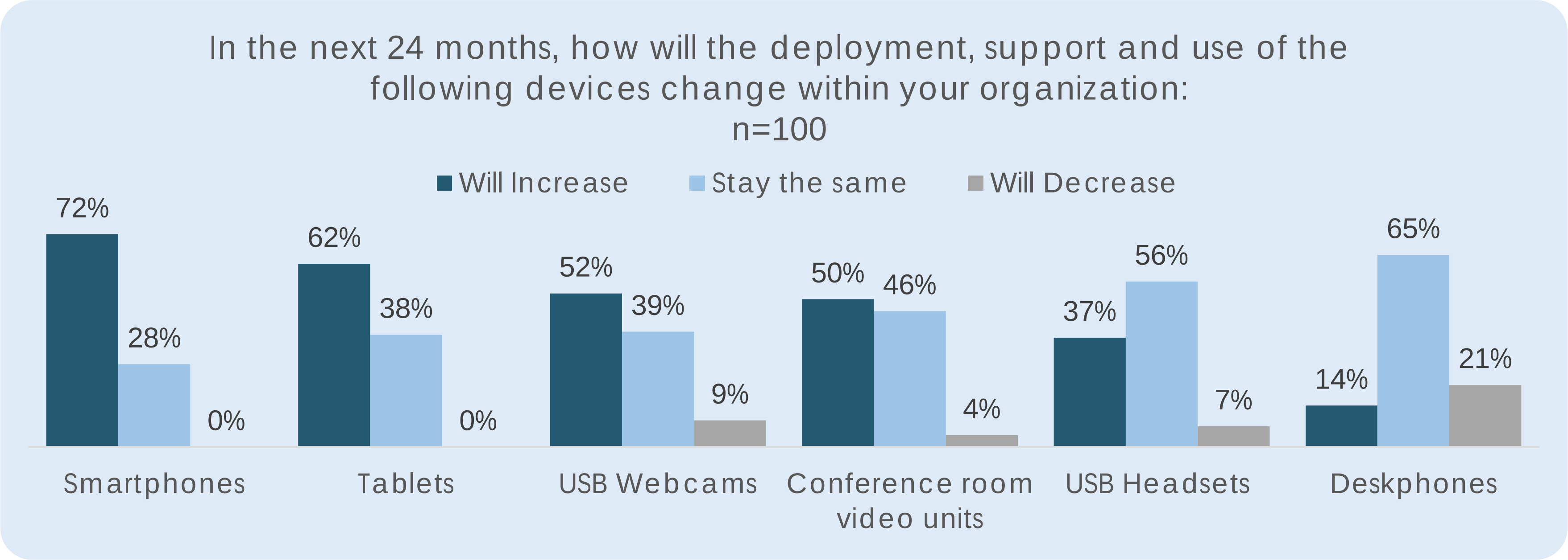
External Application Use

- Most enterprises allow their employees to use external apps and tools of their choice at work, though free tools are still more acceptable than those requiring budget.
- While results show a trend towards allowing external tools at work, nearly a third of organizations still do not allow tools other than those provided by IT, indicating security and data stability are still of concern for many.



Next 24 Months – Devices and Peripherals

- Over the next 24 months, increasing mobility will be the focus for most organizations, with 72% noting an increase in smartphone deployments and utilization, and 62% noting an increase in tablets.
- Directly following in priority are UC accessories, with USB Webcams and Conference Room Video units expected to increase in roughly half of responding enterprises. USB headsets are expected to increase or stay the same in over 90% of enterprise respondents.
- Deskphones, however, were reported as the device most likely to decrease over the next two years, and the least likely to increase, with just over 20% of ITDMs expecting a drop in deskphone utilization.



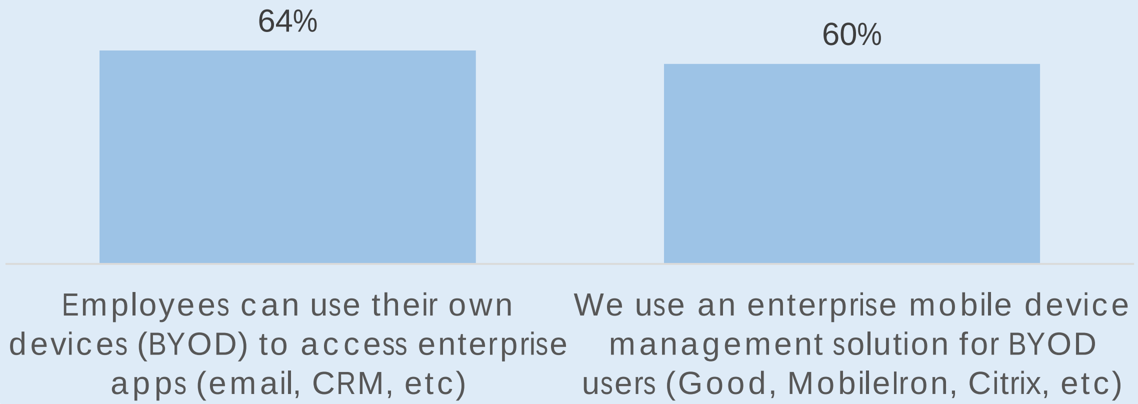
Mobile Devices in the Enterprise

- IT Decision Makers indicate, on average, just under half of employees are currently provided a mobile device paid for by their organizations (47%).
- 64% of survey respondents noted their organization allows those employees who do not receive a corporate device to use their own devices (BYOD) to access enterprise applications.
- In addition, 60% of responding enterprises leverage a mobile device management (MDM) solution for BYOD users – implying MDM solutions are applied in the majority of BYOD environments.

Average % of employees who receive a mobile device paid for by their organization:

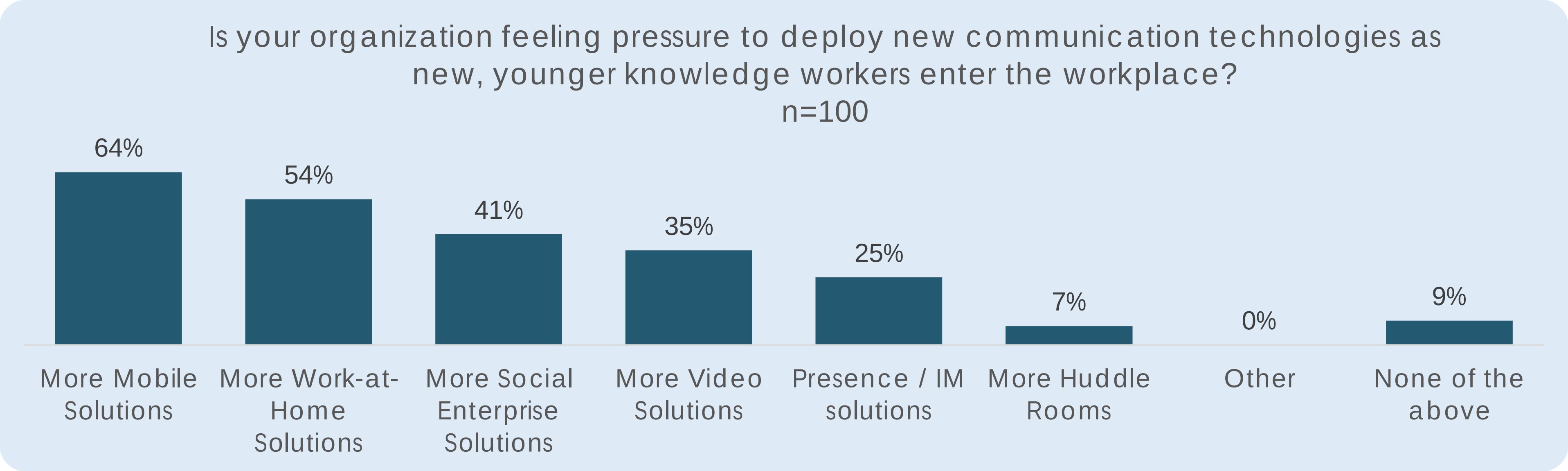
47%

For those employees who do not receive a mobile device, which of the following apply to your environment?
n=100



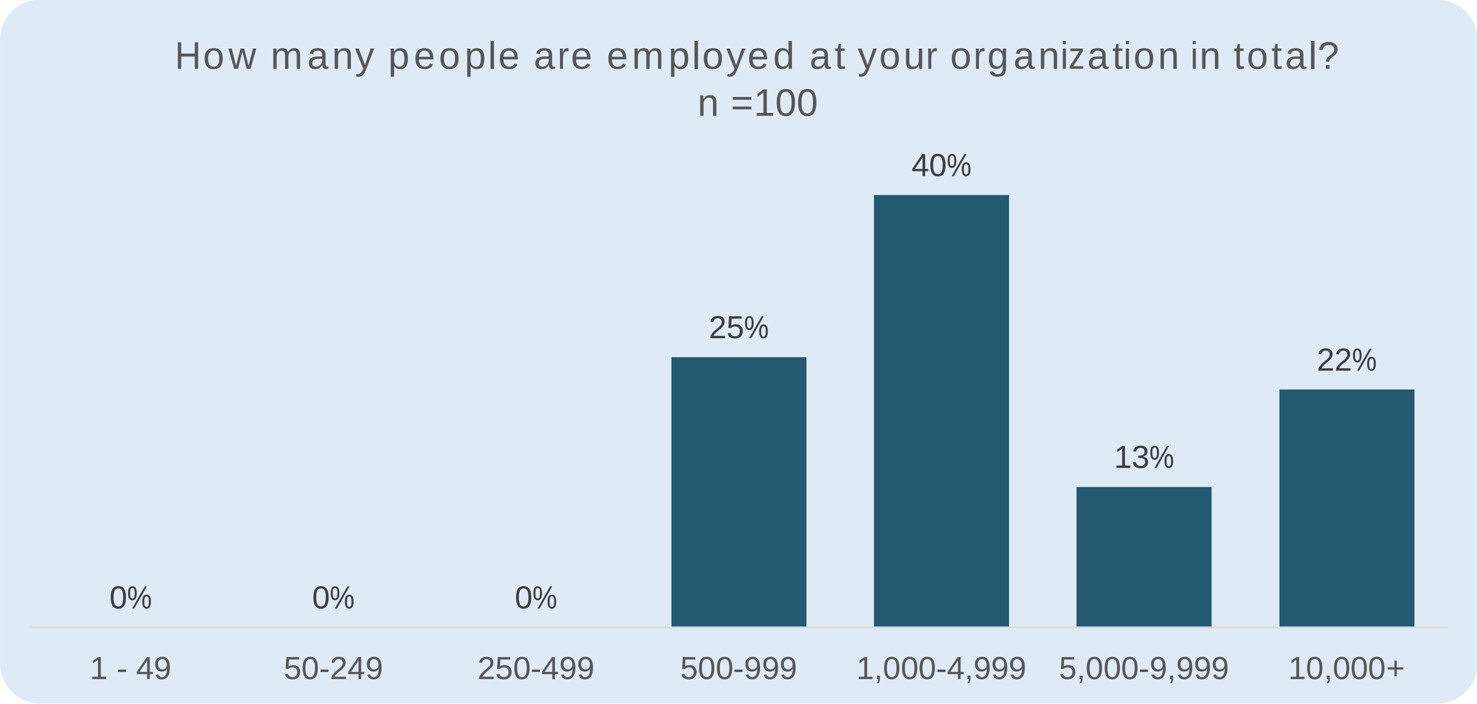
Younger Worker Influence on Communications

- Younger workers are driving deployment of new technologies in the enterprise, most commonly mobile, telecommuting and social enterprise solutions.
- ITDMs indicate some solutions such as video, presence/IM and Huddle Rooms are driven less by younger workers, this possibly indicates their stronger interest in new emerging solutions such as persistent collaboration often oriented more toward mobile use than desktop (64% asking for more mobile solutions).

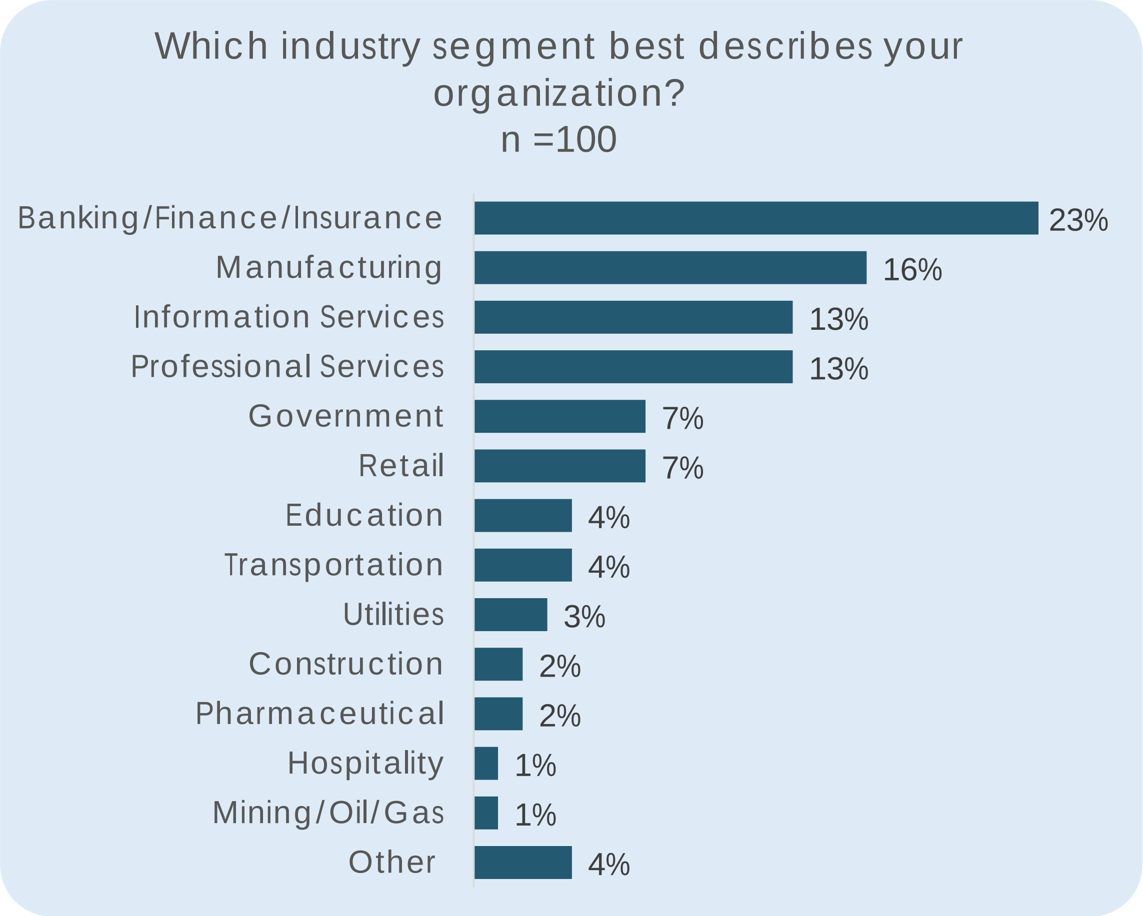


Appendix

Company Size



Vertical

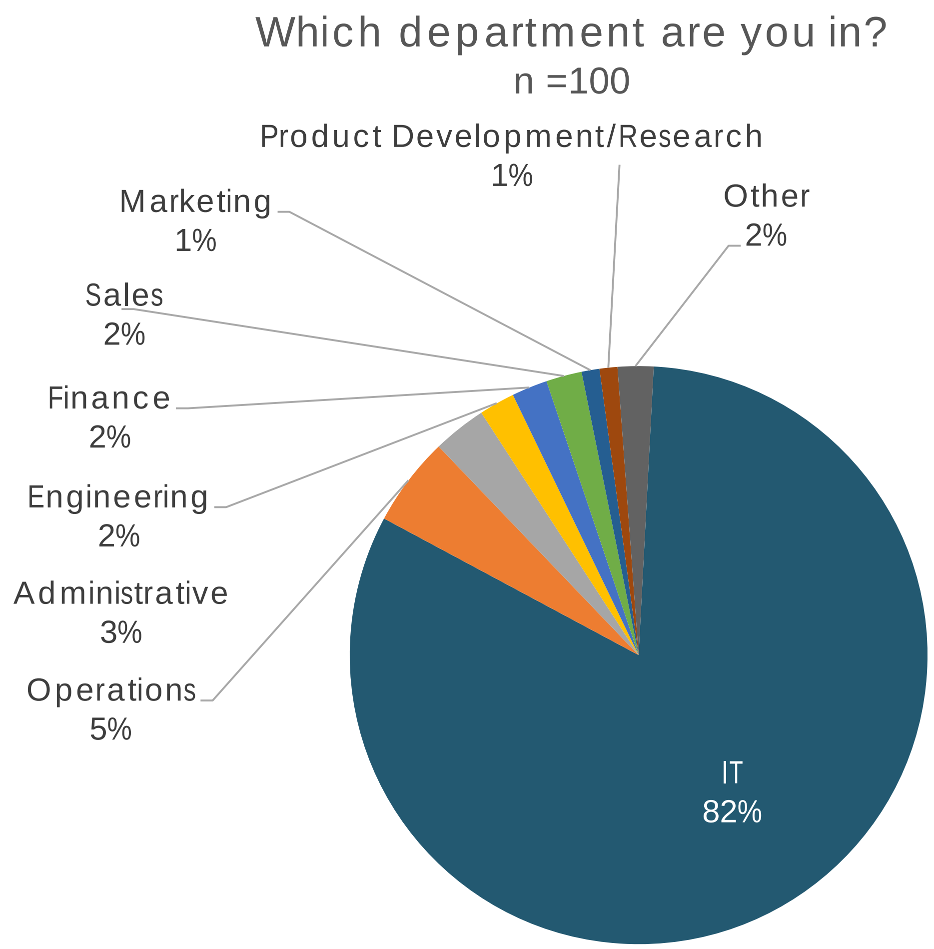

Which industry segment best describes your organization?
n =100
Banking/Finance/Insurance 23%
Manufacturing 16%
Information Services 13%
Professional Services 13%
Government 7%
Retail 7%
Education 4%
Transportation 4%
Utilities 3%
Construction 2%
Pharmaceutical 2%
Hospitality 1%
Mining/Oil/Gas 1%
Other 4%

Location

In what country are you personally located?
n =100

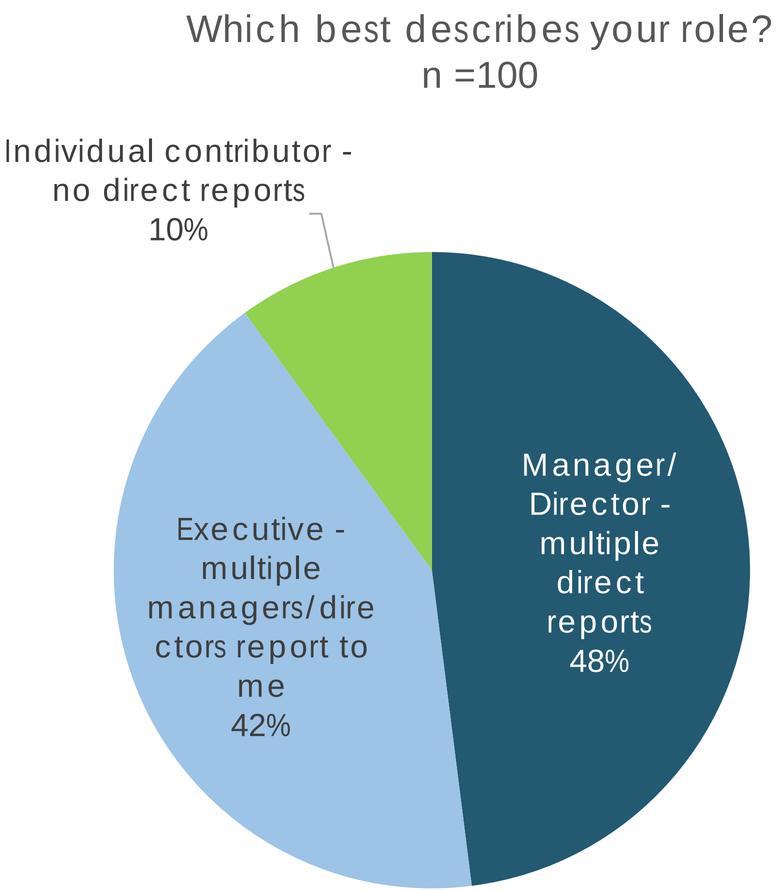
Response	Percentage
North America	100%
Asia/Pacific/India	0%
Europe/Middle East/Africa	0%
Latin/South America/Caribbean	0%
Rest of World	0%
North America	0%

Department



Which department are you in?
n =100
Product Development/Research
1%
Marketing
1%
Other
2%
Sales
2%
Finance
2%
Engineering
2%
Administrative
3%
Operations
5%
IT
82%

Role



Which best describes your role?
n =100
Individual contributor - no direct reports
10%
Manager/ Director - multiple direct reports
48%
Executive - multiple managers/directors report to me
42%

Thank you

2015 UC ITDM Survey
Summary Results