Multinationals keep the UC ball rolling

Executive summary

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In a nutshell

Our recent research with multinational corporations (MNCs) shows that, despite fierce budget constraints, they are upping the pace of unified communications (UC) implementation and integration. IP telephony rollout has progressed painfully slowly in these huge organisations, but many individual UC applications are now deployed, with a strong focus on video in the coming year. Extending to mobile devices is a priority for many.

The integration of IP telephony and software collaboration platforms is really under way now, with some companies undertaking company-wide projects. Cisco and Microsoft are dominating current implementations, with some MNCs looking for a single vendor for both IP telephony and software collaboration in future. While much has been said about cloud computing, these corporations still seem uncertain about its future role.

This report presents the results of a survey of MNCs' progress with IP telephony, UC applications, UC integration projects and cloud computing. It presents the views of 23 major multinational corporations – all members of the EVUA – that took part in this research in October/November 2009. We have been tracking these companies and their progress with convergence and UC over a number of years.

Key messages

Almost all have a global IP strategy, and global vendor partnerships are in place

Almost all the organisations taking part in this survey have a global strategy for the implementation of IP telephony. More than 40% have a global IPT strategy including a roadmap for implementation throughout the company or group – a big change since last year (see our 2008 report *The UC agenda for multinationals moves towards the integration phase*). Almost all have selected a global equipment vendor for IP telephony – also a substantial increase since last year; some also have a global implementation partner in place. Most say they are satisfied with their global partners' performance; where they are not satisfied, the main issue has been poor project management.

IP telephony implementation is proceeding despite budget constraints

Almost all the interviewed EVUA members have now started IP telephony implementation and most large MNCs continue to take a cautious approach. Just under half currently have fewer than 20% of desk phones connected to an IP PBX globally. Feedback from the companies involved confirms that IP telephony projects, while proceeding slowly, were ring-fenced to some extent from cost-saving initiatives implemented during the recent financial constraints.

Further consolidation in voice providers

Cisco continues to build a strong presence among MNCs and has been the main beneficiary of the consolidation of PBX suppliers brought about by the move to IP. This year we have seen still more consolidation among IPT providers, with some companies re-evaluating their choice of Nortel, and others evaluating Microsoft's IP voice capabilities with a view to integration with OCS.

More move to managed IP telephony, but little interest in hosted voice

Many service providers are launching managed and hosted IP PBX services for enterprises. While interest in managed IP telephony services is growing, there is still little interest in hosted voice. Satisfaction levels with IP telephony implementations in terms of overall QoS/performance over the past year are reasonable. Voice quality and reliability problems continue to be the main area of concern, but for a minority of companies.

Network convergence projects are under way; MPLS is the technology of choice for almost all

While almost all the companies we spoke to are using VoIP in the WAN, the extent to which the network is VoIP-enabled (with VoIP access to the WAN) remains limited and is increasing only slowly. Many now use the Internet as part of the corporate network but only for low-priority traffic; there is little interest in using the public Internet for inter-site voice.

Strong growth in telepresence and other video applications

Web collaboration and instant messaging are currently the most commonly deployed UC applications. There has been growth in the usage of video applications over the past year – particularly telepresence, which has been identified as an area of investment in a time of fierce budget constraints.

Projects to integrate IPT platforms with software collaboration platforms have progressed

Another area of growth in the coming year will be the deployment of a single directory across IP telephony and collaboration, which is reflected in the number of companies proceeding beyond the trial stage in UC integration projects. A number of companies are in the process of company-wide rollout of integrated software collaboration and IPT platforms, with some projects already completed. A number of these involve common directory and presence. Cisco and Microsoft platforms dominate in these UC integration projects.

Some enterprises are looking for a single vendor for UC

Less than half of the MNCs surveyed this year would look for a single vendor for both IP telephony and software collaboration in future (i.e. half do not see this as important). Around half of the companies in this survey also believe that both types of vendor (i.e. IPT and collaboration tools) will succeed as a single UC supplier, although more are backing the software platform vendors this year. Around half also expect to have implemented Microsoft OCS within a year and, while there are few firm plans to use its voice capabilities as a replacement for IP PBXs, this would be considered an option by some.

Mobility is seen as an integral component of UC

Improved productivity of the mobile workforce and cost savings through better call routing are the top two drivers of mobile UC among MNCs. Many of these companies are planning to deploy more mobile UC applications within the coming year, with particular interest in telephony presence features; click-to-call from mobile applications; and single voicemail, single number and simultaneous ringing for fixed and mobile. The EVUA members we spoke to believe the software collaboration vendors and IPT vendors will dominate in mobile UC, although many see an important role for mobile operators, SIs and device vendors.

Uncertainty about the future role of cloud-based services

The MNCs in this survey will have been inundated with supplier messaging on the future delivery of services in the cloud. However, we found no consensus on the likely role of cloud services; around half are interested in some applications delivered as cloud-based services, while half are either not interested or uncertain whether they would use them at all. The main concerns identified are security and SLAs (e.g. for reliability) of the cloud services, but other factors are also important. While the respondents seem open to various supplier types, it is clear that all suppliers will need to articulate the benefits of cloud services to MNCs more clearly.