



SaaS Messaging Market Trends, 2010-2013

Report Focus

This report presents the results of a detailed research program into preferences and plans for hosted, SaaS and managed messaging capabilities among North American organizations over the period 2010-2013. It focuses on various types of SaaS messaging-related capabilities, including complete messaging services, messaging security services and archiving services, among others.

The goal of this research and report is to provide vendors, investors and others interested in the SaaS messaging market with actionable information that they can use to develop marketing plans and to more accurately focus their efforts on understanding and penetrating the market for hosted and managed services. Accompanying this document, and provided earlier to subscribers to the Osterman Research Subscription Service (ORSS) 2010, is the complete data set from the primary survey that was conducted for this report.

SaaS is Growing in Popularity

Osterman Research forecasts that the majority of messaging users will continue to be served by on-premise infrastructure through the forecast period discussed in this report. That said, the SaaS market is growing in popularity for a variety of reasons:

- It can reduce the total cost of ownership for managing messaging-related services, even for very large organizations.
- In most cases, it provides a more predictable and consistent cost of ownership than on-premise systems.
- It allows easier migration to new messaging-related services. For example, migrating from one version of an on-premise messaging platform to another can be very expensive, and so migrations are often delayed until the need to migrate becomes critical. When using SaaS services, on the other hand, the difficulties and costs associated with migration will typically not be borne by customers.
- It can provide greater fault-tolerance and less chance of downtime than when using on-premise systems.

Although the SaaS delivery model for messaging and related services has been available for more than a decade, it has only been since late 2008 that demand for these services has gained significant traction. The economic downturn that began in Fall 2008 prompted many decision makers, when faced with significant cuts in their IT budgets, to seriously consider using SaaS services as a means of maintaining service levels, but at lower cost.



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About Osterman Research, Inc.

Osterman Research, Inc. provides market research, cost modeling, benchmarking and related services to vendors of messaging and collaboration products and services.

We help vendors, IT departments and other organizations make better decisions through the acquisition and application of relevant, accurate and timely data on markets, market trends, products and technologies. We also help vendors of technology-oriented products and services to understand the needs of their current and prospective customers.

Part of what makes us unique is our market research panel: a large and growing group of IT professionals and end-users around the world with whom we conduct our research surveys. This allows us to conduct surveys quickly and accurately.

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