



Messaging in the SMB Market, 2005-2008

Report Focus

This report focuses on the North American small-to-mid-size business (SMB) market, which for the purposes of this report is defined as organizations of between 20 and 1,500 employees. The goal of this report is to assist vendors and others to increase their understanding of market developments in the SMB messaging space and to help them gain insight into key trends that will shape this market for the next several years. The primary data source used for this report was a major survey of North American organizations that Osterman Research conducted specifically for this report during May 2005. Data from other recent Osterman Research surveys were also used to provide comparisons between the SMB and enterprise markets.

Key Findings Presented in this Report

- The SMB space is not a monolithic whole: in fact, in the context of their messaging requirements, larger SMBs operate more like enterprises than they do smaller SMBs.
- The most serious messaging management problems reported by SMBs are adware/spyware, spam and the growth in messaging storage.
- Message stores are growing significantly among SMBs.
- Anti-virus and anti-spam capabilities are more widely deployed at the server and gateway level within enterprises, and more widely deployed at the desktop within SMBs.
- Two-thirds of SMBs currently operate an email security infrastructure that consists of point, best-of-breed security solutions. However, most SMBs would prefer a unified email security infrastructure rather than operate a series of point solutions.
- About three in five SMBs believes that they have a need to implement policies for compliance that are specific to their organization based on the industry in which they participate or other factors.
- About two out of five SMBs employ IM for both business and personal use, one out of five SMBs use this communications medium for business-only use, and one in seven SMBs use it for personal use only. However, one-quarter of SMBs do not allow the use of IM in their organizations. Nearly one out of four SMBs have been impacted or infected by a worm or virus that has entered their network through a public IM system.



- Enterprises are about three times as likely as SMBs to believe that the least risky strategy for data retention is to delete all email and IM content on a regular basis. However, SMBs are twice as likely not to have come to a decision about the least risky strategy for data retention.
- About one-half of SMBs believes that it costs no more than \$10 per user per month to provide messaging services to its users, a figure substantially below the actual, in-house cost of providing messaging services.
- When SMBs were asked to rate which vendors and messaging platforms they would consider for migration (even if they were not in the market to do so), they gave strong preference for three particular vendors.
- Three out of five SMBs would prefer to purchase messaging systems from large vendors, while nearly two out of five SMBs believe that messaging systems from smaller vendors may not be sufficiently scalable to meet their long term requirements.

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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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