



## Enterprise VoIP Market Trends, 2006-2009

### Report Focus

VoIP is an important technology for messaging and telecom administrators to understand for several reasons, since it can reduce the cost of telecommunications and provide a number of other technical and productivity benefits compared to circuit-switched telephony.

The primary data source for this report was a survey of North American organizations that Osterman Research conducted specifically for this report in November 15-18, 2005. The survey fielded a total of 48 questions and was completed with 117 respondents. Respondents to the survey were individuals who are knowledgeable about their organizations' practices and/or potential plans for VoIP.

### Key Findings Presented in this Report

- Osterman Research believes that that the market for VoIP will increase substantially during the forecast period, growing from 13% of all email users in 2005 to 64% in 2009, although most organizations had some users on VoIP as of the end of 2005.
- Nearly three in four organizations report that lower telephony costs are a motivating factor for them to migrate to VoIP, while nearly as many organizations believe that end user productivity and improved communications with remote sites are key motivators.
- Only about two in five organizations has allocated a budget for VoIP-related products and services for 2006.
- Only one in six organizations is more than halfway complete with the convergence of their voice and data networks or are complete with this convergence.
- More than one-half of organizations agree or strongly agree that the security of VoIP systems is a potential issue in their decision to deploy VoIP. The potential for exploits in the VoIP arena could dwarf problems that have thus far been encountered in the email and IM space and could negatively impact growth of the VoIP market.
- While VoIP does offer substantial cost benefits compared to toll calls using conventional telephony, the cost benefit of VoIP is not as significant as many might believe.



- While VoIP does offer substantial cost benefits compared to toll calls using conventional telephony, the cost benefit of VoIP is not as significant as many might believe.
- Only about one-third of organizations would consider using a consumer or other public-oriented VoIP solution as their organization's VoIP system. An even larger percentage would not consider using a VoIP system that lacked integration with the public switched telephone network (PSTN).
- Voice fidelity, adherence to industry standards, software-based VoIP client support and the ability to integrate VoIP with legacy PBX systems are perceived as important or very important attributes for VoIP.
- The ability to encrypt VoIP communications is a major factor in organizations' decision to deploy the technology.
- Ease of use will be the top criterion that organizations use for VoIP handset and soft phone peripheral selection, cited by nine out of ten organizations as an important or extremely important criterion.

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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.

**Enterprise VoIP Market Trends, 2006-2009  
was published in January 2006 and is available for \$1,995**



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