

IntelliCom Market Dashboard Spotlight:

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**Will Virtualization and Cloud Support Elevate CIO Consideration of UC?**

Enterprise voice decision-making has traditionally been a highly discrete process taking place through a dedicated individual or telecom department. Although mainstream adoption of IP Telephony has helped drive the integration of the telephony function into broader IT organizations, voice and Unified Communications (UC) are not necessarily top-of-mind concerns for the CIO today. Indeed, these technologies have been notably absent among several recent CIO forums that our organization has attended. And while UC providers have been trying to position their solutions to a wider audience of IT and business stakeholders for a number of years now, they and their channels still struggle to reach outside of the traditional roles they have sold into. But a couple of architectural trends that have recently risen to the forefront may help elevate voice and UC platform consideration.

Virtualization is one of the key priorities of enterprise IT organizations today, and certainly on the radar screen of the CIO. It is a key enabling technology of the data center consolidation, disaster recovery, and private cloud initiatives that many organizations are pursuing across their IT infrastructures. Although the ability of virtualization platforms to support real-time applications like voice is a fairly recent development, it is now creating substantial opportunities to position software-based voice and UC solutions as part of broader virtualization efforts that have high visibility with the CIO and line-of-business stakeholders already engaged in these efforts. I recently attended Mitel's business partner forum, and their alliance with VMware is clearly being positioned as a way to help VARs move up the stack and gain greater executive visibility for the virtualization-enabled voice and UC solutions they have jointly brought to market over the past two years.

Hardly a day goes by without some vendor making an announcement on a new cloud solution they are bringing to market or an eye-opening projection on expected adoption appearing in the press. Although loosely defined and overhyped in many cases, "the cloud" is clearly a trend the CIO is paying attention to – if only because they are being asked about it by their own senior management. Recent surveys we have jointly conducted with TMCnet do not indicate an overwhelming desire among organizations to implement an all-cloud model. But they do show a high degree of receptivity to layering incremental, cloud-based UC capabilities on top of existing premise-based solutions. CIOs currently formulating their cloud strategies are often looking to do so in a way that maximizes the value of existing investments. That's clearly the thinking behind HP's recent announcements on support services they are bringing to market to help enterprises most effectively blend premise-based solutions with private cloud capabilities and public cloud services in appropriate segments.

As enterprise voice and UC solutions increasingly evolve to a series of virtualization- and cloud-enabled software applications with linkages to broader Collaboration and business applications previously deployed elsewhere in the IT environment, remaining legacy voice channels still operating with a box mentality that positions them as individual point solutions will come under increasing pressure. The "VAR of the future", as Mitel referred to them at their recent event, needs to drive a more strategic discussion with IT and other parts of the enterprise. With marketing the tangible business value of incremental UC solutions to the right stakeholders otherwise still an uphill climb in many cases, tapping into current IT megatrends like virtualization and the cloud provide a clear opportunity to gain greater executive consideration.



Frank Stinson is a Partner and Senior Analyst with IntelliCom Analytics and leads the firm's *IntelliCom Market Dashboard (IMD)* and *IntelliCom Market Performance Dashboard (IMPD)* research programs. In this role, Stinson provides clients with ongoing strategic assessments of the positioning, direction, and market performance of leading Business Communications providers in the context of key trends transforming the industry. The rapidly unfolding shift to software-centric communication architectures now underway is central to this analysis, along with the UC and business application integration initiatives that leverage them.

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