



Business Communications Market Heats Up with Avaya, Cisco and Microsoft Product Launches

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In an effort to keep pace with its stiff competition in the business communications market, Avaya recently introduced a number of different products and services, including an Android-based touchscreen tablet and a new UC interface called Flare User Experience.

The desktop video device, known as the Avaya Flare, features an 11.6-inch screen, Harman Kardon speakers, a touch-screen interface, an HP camera and many other collaborative capabilities. The launch of the product comes only a short while after Cisco unveiled its Cius tablet, which also supports unified communications and telepresence platforms. Meanwhile, Microsoft is in the process of introducing its next generation unified communications software solution, known as Lync 2010.

“With all three major players in the global business communications market gaining momentum, the future of the industry is worth keeping an eye on. To gain a better understanding of how these new products will affect the market, TMC recently conducted an interview with **Frank Stinson**, Partner and Senior Analyst at IntelliCom Analytics.

TMC: How do you see the battle between Avaya, Cisco and Microsoft unfolding?

Frank Stinson: It will intensify rapidly once Microsoft introduces Lync 2010, which will be the first of its UC solutions packaged and positioned as direct alternatives to third-party IP-PBXs. It always seemed pretty clear that this was where they were ultimately headed, but earlier versions of OCS 2007 lacked sufficiently robust voice features to be considered viable alternatives. Customers will continue to demand and receive a certain level of interoperability to protect existing investments across these competitors, but all notions of Microsoft and any of the legacy PBX competitors being partners at this stage are pretty much out the window.

TMC: How will the Cius and Flare change the teleconferencing and unified communications space? Who will be the victims of these advances?

FS: These new tablet devices provide Avaya and Cisco with a new potential tool for reaching end users and are certainly enjoying some buzz in the market because of that. But they may also benefit from their long-term positioning against Microsoft because they dilute the value of the PC. One of the benefits highlighted for these tablets is their potential to consolidate the desktop for the user. So not only do Avaya or Cisco get to sell a fairly expensive new device to the end user, but they also get to potentially displace the PC - Microsoft's principal user device - in the process. You might not see that happen broadly throughout an organization initially, but senior executives and road warriors might be tempted to go down that path.

TMC: How do you see the Flare User Experience interface being utilized over the next few years? Will it be adapted to fit other devices as well?

FS: The bulk of the buzz leading up to the announcement of the Avaya Flare User Experience was on what has become the Desktop Video Device, but as the separation of the branding demonstrates, Avaya intends to make the Flare functionality available on other devices. This would initially include other devices in Avaya's own portfolio, including new upcoming touch-screen IP phones, but that could conceivably be extended eventually to third-party devices like Avaya has done in the mobility area.

TMC: Do you expect the Cius and Flare to compete with the iPad?

FS: The Avaya Desktop Video Device and Cisco Cius could conceivably compete with the iPad with some users, but I think Cisco and Avaya see these devices primarily as tools for marketing their own UC and collaboration applications directly to individual end users rather than as just a way to penetrate a new segment and take on Apple. They also recognize that individual users will come into customer organizations with their own preferences and existing tablets in many cases. So, it is ultimately in their own interests to extend functionality to these devices as well.

TMC: How close is UC to becoming mainstream in the enterprise space?

FS: UC is currently close to becoming mainstream in terms of entitlement, but not usage. And what I mean by that is Cisco, Avaya, and most of the other major players have implemented bundled licensing approaches over the past couple of years that heavily incent the customer to include UC in any new voice platform purchase or upgrade. In some cases these entitled capabilities are fully deployed out to users, but in many cases they are not. So it is still primarily a push by the vendor, not a pull by the customer. What the vendors are really trying to do right now is reach the individual employee to build pull within these organizations. That's a big part of the thinking behind these new tablet devices and the growing linkages to social networking applications that individual employees may already use.