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## IntelliCom Analytics: Enterprise Communications Market Shifting to Software-Based Value Model

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The global research and analysis firm [IntelliCom Analytics](#) has released a report which details the enterprise communications market's shift to next generation technology and the subsequent transition to new business models.

On the surface, the report reveals what most people in the industry already know: Enterprises are increasingly abandoning their legacy PBX and 1st generation IP-PBX "closed box" solutions and moving to 2nd generation business communication software (BCS) platforms based on open standards. The report measures this trend through analysis in five key areas: vendor technology direction, solution positioning, go-to-market approach, applications strategy and market performance.

"The stand-alone PBX that we've known for decades is rapidly evolving into a set of software-based applications deployed on industry standard hardware and devices," said **Frank Stinson, director of IntelliCom's Market Dashboard research program**, in a press release.

To date, most enterprises investing in equipment and software to facilitate fixed-mobile convergence are doing so mainly to realize cost savings and to future-proof their systems. But, as the report finds, the shift to 2nd generation BCS platform solutions "recasts these communication investments as strategic business assets."

"Most of today's market leaders are talking about business process integration on some level," Stinson said. "Business Communication Software will foster the tight linkage between communication and business applications necessary to truly deliver seamless solutions."

Stinson added that the feature sets delivered by traditional PBX's "will become increasingly difficult to recognize" as they "become embedded in a broader set of higher-value, business-impacting applications."

According to the report, the supply side of BCS "represents a disrupting force in the industry that will drive profound changes between providers, channels and users."

"This shift impacts a provider's entire go-to-market strategy - from solution development and partnerships, to market messaging and channel readiness," Stinson said. "You can already see that some suppliers and channels are gearing up to exploit this shift, while others are seemingly stuck in neutral, leaving the door wide open for non-traditional competitors to step in. We are going to see some significant market share change hands."

The report is part and parcel of the IntelliCom Market Dashboard – "a comprehensive market intelligence program that provides clients with a single source for objective assessment and insight on the key dynamics that will drive vendor success in this rapidly-evolving market."

According to IntelliCom's website, the Dashboard "examines all of the essential market attributes that contribute to manufacturer competitiveness, including technology direction, product positioning, channel model performance, marketing effectiveness, applications strategy, and market performance."

Dashboard Reports are issued on a quarterly schedule, with each report focusing on a specific sub-set of attributes. All Dashboard Reports provide market performance analysis segmented by SMB, Mid-Market, and Enterprise user segments. Each Dashboard Report includes analysis of current trends and issues pertaining to each quarter's spotlight attributes, and their implications to current and future competitive positioning.

[Patrick Barnard](#) is Associate Editor for TMCnet and a columnist covering the telecom industry. To see more of his articles, please visit [Patrick Barnard's columnist page](#).