

The Aragon Research Globe™ for Unified Communications and Collaboration, 2018

Shifting to People Centric Collaboration

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Summary

Aragon Research releases its second Aragon Research Globe™ for Unified Communications and Collaboration. It examines 15 major providers in a market that focuses on voice, video, messaging, and collaboration. The shift to people centric collaboration means there will be more focus on seamless connectivity as offerings become more intelligent.

Introduction

The market for Communications and Collaboration is in flux. Intelligence is becoming the norm for video room systems, and Chatbots and agents are poised to accelerate the shift towards multi-modal interactions. Voice, video, and messaging Communications and Collaboration will drive the future of this market. In 2017, more providers invested in their messaging platform as the demand for Chatbots started to pick up. As messaging becomes a larger part of the Communications landscape, Mobile Collaboration is poised to take on a larger enterprise role, by way of shifting email to more of a confirmation tool.



Topic: UCC

Issue: Who are Unified Communications and Collaboration providers and how will they evolve?

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– Shifting to People Centric Collaboration

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Introduction

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Moreover, the convergence of content types under [UCC](#) will be greatly enhanced by a categorized and dynamic, ontology-driven knowledge framework that goes beyond search. Once the framework supports are in place, UCC will accelerate its momentum at an even greater rate than it already is today. This Research Note identifies the new elements of UCC, how enterprises can plan for the shift to multi-modal communications, and evaluates fifteen major providers in the market.

Communications and Collaboration: A Market in Transition

Voice and email communications are still the primary modes of interaction within the enterprise today, but messaging is closing in on email. Enterprises, however, are still in the process of establishing an enterprise standard. Video meetings are increasing, and launching video meetings from email or a chat session is considered a standard capability.

Today, business leaders want faster outcomes and are seeking providers that can deliver on this. The need to integrate Collaboration and Communication capabilities with other business applications is one of the ways that enterprises can transform into a full-fledged digital business.

Unified Communications has always encompassed a voice-led product offering, but as the market has shifted, buyers want more than voice; UCaaS providers continue to grow due to this demand. That said, buyers also want video, collaboration, and mobile access, as Aragon identified in our first Unified Communications and Collaboration (UCC) Globe in 2017. UCC is the term that describes what we refer to as real-time Collaboration. However, while UCC Platforms provide voice, video, collaboration, mobile, and more, the term itself emphasizes features over functionality.

The UCC Platform is Still Formulating

The go-forward approach to UCC will be an integrated offering that leverages multi-communication options. Email will be sidelined as Messaging becomes integrated and, in many cases, will be the launch point of a conversation. However, this will not occur for several more years.

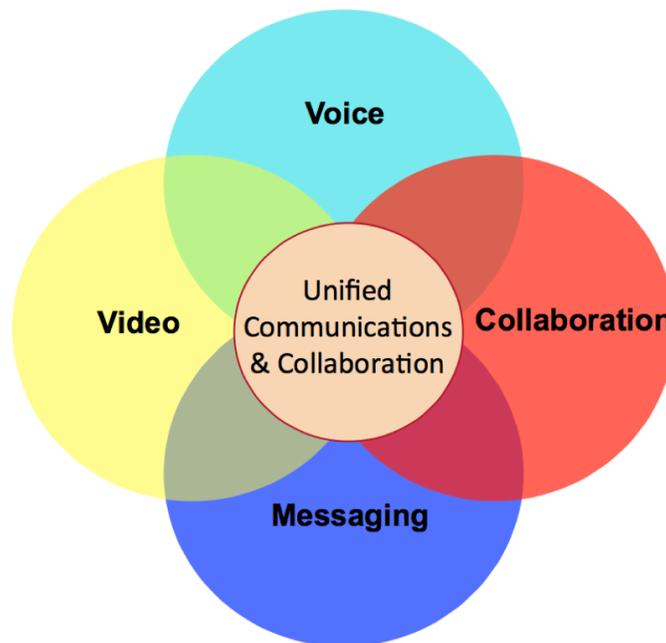


Figure 1: The key elements of the new Unified Communications and Collaboration market.

The differentiating characteristic will be the platform play. There will be multiple angles to the platform and many vendors will try to leverage their core strengths. Google has made a significant makeover of its UCC Portfolio that features its Hangouts Chat. Microsoft is also focusing on Mobile Messaging via Teams, and leveraging partners such as Polycom. Fuze and RingCentral have also been retooling their platforms with enhanced Mobile Collaboration capabilities.

People Centric Collaboration is About Making it all Seamless

Aragon feels that there is a need to put people at the center of UCC, which is more about People Centric Collaboration than channel specific UCC. Use cases will help to drive this, as will the addition of intelligence using predictive and prescriptive analytics. There are many business use cases for UCC because of the increased demand for omni-channel forms of communication. For example, sales reps know that today's customers are busy, and trying to schedule a sales appointment has become much harder. Customers might not have time to look over every email or return a missed phone call – and they might not want to, either. When it comes to outreach, the efforts made must be omni-channel and take into account the technology that customers increasingly want to use – such

as messaging and video. Phone calling and emailing are only part of the communications equation. A UCC platform will provide different areas of the business with multiple forms of outreach capabilities in order to successfully compete in today's digital world.

At its core, People Centric Collaboration is about enabling seamless Communications and Collaboration. It allows for calls that are both voice-based and video-based; it enables meetings with users and rooms; it is about the shift from Instant messaging to Mobile messaging, which we have termed Mobile Collaboration. However, not all have been quick to recognize these changes in the market, particularly the impact of mobile messaging.

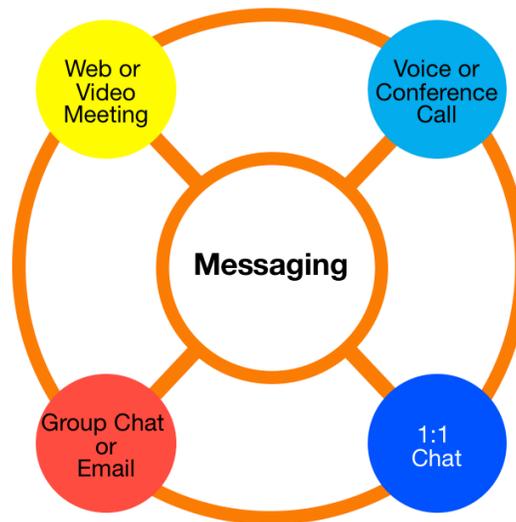


Figure 2: People Centric Collaboration means being able to seamlessly switch to the right method of interacting with others.

The Key Elements of the UCC Platform

The demand for the key elements of the UCC platform is being influenced by current shifts in the market:

Voice

Voice Services Are Shifting to SaaS and Hybrid

While the market focus on Voice Communications is large, shifting to Cloud based Voice offerings is the new battle cry. Voice Communications is not as dominant as it used to be due to the demand for video and messaging. That said, it still comprises an integral part of the UCC platform.

Today, the benefits and the innovation that a Full Cloud UCaaS offering provides are clear. Hybrid Cloud served as a bridge, but going forward, the costs of keeping old and new systems aren't always beneficial. The reason more Voice services are shifting to SaaS and Hybrid is because this form provides the best of both worlds: it allows for leveraging of on-premise infrastructure while offering flexibility that the Cloud offers on a go-forward basis.

The number of players offering Unified Communications as a Service (UCaaS) is growing due to the cloud, and so is the pressure on traditional on-premise PBX suppliers. Microsoft's focus on Voice in Office 365 has helped RingCentral and Fuze gain traction, and voice may also be the reason that Cisco bought Broadvision.

In many cases, enterprises want to replace an aging PBX, and the shift to Cloud has served as a revenue engine for many providers. On top of all that, demand for Cloud based Voice capabilities on a Global basis is becoming the new normal for providers.

Video

Users Expect Enterprise Video Capabilities

The growing demand for video has raised knowledge worker expectations for seamless, high-quality, real-time video interactions with colleagues and partners. The BYOD and consumerization phenomena have made video accessible to anyone, anywhere, and at anytime. People want the same level of access in their professional lives as they have in their consumer lives to get their work done, and this has placed high expectations on video for enterprise use.

Today, mobile video can be as good as a Room Based System and this means that connecting remote workers is becoming easier and more reliable. In some cases, video on a tablet device can actually match a room offering. We think that video will become more critical as video analytics gains popularity.

Being able to conduct a high-quality video call, either in the office or remotely, is becoming a top priority, especially in lines of business like sales, where it can be challenging to establish a personal interaction with a remote customer. Frictionless and just-in-time video capabilities, like Live Pitch for sales users, are becoming especially popular as a way to communicate on-demand in an increasingly personal manner. Users want more live video and increasingly, video will not be limited to conference rooms.

Video Mobility: From Mobile to Rooms

With mobile devices offering the capability for an HDR Immersive Video meeting, the new competitive frontier will be about Video Mobility: enabling video meetings from anywhere and on any device. The caveat is that video experiences on mobile devices can vary, as does the ease of accessing meetings. This has led lower-cost solutions to acquire substantial capabilities. Basic web conferencing features are now essentially table stakes.

Today, it has become the new norm to support mobile, desktop, and room devices for meetings, and to allow seamless switching between devices. Some providers, like Avaya, Cisco, Google, Highfive, and Microsoft, are offering their own intelligent Room Systems. Others are accomplishing this by partnering with providers such as Logitech and Huawei.

In the near future, Aragon expects new use cases to arise in 2018 as video endpoints become fully mobile, with cars and drones playing a larger role.

Collaboration and Messaging

Mobile Collaboration: Messaging is Now Front and Center

Messaging has become one of the starting points for communicating between team members and customers. Apple iMessage is one of the top ways consumers interact—and business users are following suit. Today, Slack is being challenged by offerings such as Google Hangouts Chat and Microsoft Teams (see the [Tech Spectrum for Mobile Collaboration](#)). In 2017, more providers jumped into Mobile Collaboration and overall, we saw more investment in those offerings. Some providers still need to act on adding this capability since Aragon expects that mobile messaging will challenge email and phone calls for the top communication method in the enterprise.

Mobile Collaboration is also poised to become a business platform on-ramp where e-commerce and business can be conducted. The vision and the execution around Chatbots is gaining speed and new products are coming online to take advantage of this trend. This shift means that the power struggle to own Mobile Collaboration is on. Inevitably, this will have a growing impact on the UCC Market, because more people have mobile devices, and prefer the immediacy of messaging-based interactions.

Chatbots Come Online

Chatbots, which really need to mature to become full Digital Assistants, are becoming more of the norm. Most major providers have a Chatbot Engine and we expect others to partner or acquire Chatbot capabilities in 2018. One mistake many buyers and vendors make when it comes to a Chatbot is that they don't understand that it is a window into an application.

The vision for People Centric Collaboration is to have a Communications Digital Assistant (i.e. an AI Chatbot) with the ability to help schedule or begin a call, start recording, schedule and launch meetings, make adjustments for any encountered errors, or other commands. AI Chatbots will be able to accomplish more tasks for people in the quest to make Collaboration and Communications more seamless. Aragon feels that by YE 2021, 40% of UCC Providers will offer an AI-based Digital Assistant to automate Collaboration and Communications engagement, and make it more seamless.

Prediction: *By YE 2021, 40% of UCC Providers will offer an AI-based Digital Assistant to enable a more seamless Collaboration Experience.*

The Landscape of UCC

There are different ways that vendors will build out their UCC Portfolio. Most will start from their core strengths. The different types of entry points are:

1. Providers who have most or all the elements of UCC, offered as a bundle
2. UCaaS providers who focus on Voice, but are adding other UCC elements
3. Mobile Collaboration providers who are adding UCC functionality
4. Web and Video Conferencing providers who are expanding from their core Video offering

Many of the providers evaluated in this Globe report are at different stages of an Integrated UCC offering. All have different strengths across their portfolio. Partnerships and integrations are an area to watch for enterprise buyers.

UCC Consolidation Is Starting to Slow Down

Consolidation in UCC now shows some signs of slowing down. In recent years, the need to have a full UCC Platform caused many providers to consolidate because the fastest way to accomplish this was to acquire a customer base. Private equity also made a major move into UCC and this trend will continue, albeit at a slower pace. Cisco's purchase of Broadsoft, Mitel's acquisition of ShoreTel, and Avaya making a move to buy Cloud Contact Center provider Spoken are all examples of previous consolidations.

Enterprises need to realize that we are at the forefront of change in UCC. The ability to switch between UCC modalities is front and center. Given the need for an integrated experience, and the ability to switch communication types, enterprises should focus on the UCC providers that can deliver at least two or more UCC capabilities.

Aragon Research Globe Overview

The Aragon Research Globe graphically represents our analysis of a specific market and its component vendors. We do a rigorous analysis of each vendor, using three dimensions that enable comparative evaluation of the participants in a given market.

The Aragon Research Globe looks beyond size and market share, which often dominate this type of analysis, and instead uses those as comparative factors in evaluating providers' product-oriented capabilities. Positioning in the Globe will reflect how complete a provider's future strategy is, relative to their performance in fulfilling that strategy in the market.

A further differentiating factor is the global market reach of each vendor. This allows all vendors with similar strategy and performance to be compared regardless of their size and market share. It will improve recognition of providers with a comprehensive strategy and strong performance, but limited or targeted global penetration, which will be compared more directly to others with similar perspectives.

Dimensions of Analysis

The following parameters are tracked in this analysis:

Strategy reflects the degree to which a vendor has the market understanding and strategic intent that are at the forefront of market direction. That includes providing the capabilities that customers want in the current offering and recognizing where the market is headed. The strategy evaluation includes:

- Product
- Product strategy
- Market understanding and how well product roadmaps reflect that understanding
- Marketing
- Management team, including time in the job and understanding of the market

Performance represents a vendor's effectiveness in executing its defined strategy. This includes selling and supporting the defined product offering or service. The performance evaluation includes:

- **Awareness:** Market awareness of the firm and its product.
- **Customer experience:** Feedback on the product, installs, upgrades and overall satisfaction.
- **Viability:** Financial viability of the provider as measured by financial statements.
- **Pricing and Packaging:** Is the offering priced and packaged competitively?
- **Product:** The mix of features tied to the frequency and quality of releases and updates.
- **R&D:** Investment in research and development as evidenced by overall architecture.

Reach is a measure of the global capability that a vendor can deliver. Reach can have one of

three values: *national, international or global*. Being able to offer products and services in one of the following three regions is the third dimension of the Globe analysis:

- **Americas** (North America and Latin America)
- **EMEA** (Europe, Middle East and Africa)
- **APAC** (Asia Pacific: including but not limited to Australia, China, India, Japan, Korea, Russia, Singapore, etc.)

The market reach evaluation includes:

- Sales and support offices worldwide
- Time zone and location of support centers
- Support for languages
- References in respective hemispheres
- Data center locations

The Four Sectors of the Globe

The Globe is segmented into four sectors, representing high and low in both the strategy and performance dimensions. When the analysis is complete, each vendor will be in one of four groups: *leaders, contenders, innovators or specialists*. We define these as follows:

- **Leaders** have comprehensive strategies that align with industry direction and market demand, and effectively perform against those strategies.
- **Contenders** have strong performance, but more limited or less complete strategies. Their performance positions them well to challenge for leadership by expanding their strategic focus.
- **Innovators** have strong strategic understanding and objectives but have yet to perform effectively across all elements of that strategy.
- **Specialists** fulfill their strategy well, but have a narrower or more targeted emphasis with regard to overall industry and user expectations. Specialists may excel in a certain market or vertical application.

Inclusion Criteria

- A minimum of \$6 million in primary revenue for Unified Communications and Collaboration or a minimum of \$8 million in revenue in a related market (Voice, Video Conferencing, Collaboration and Mobile Collaboration/Messaging).
 - UCC as defined by Aragon is an evolving market. A vendor needs to have at least two of the modules to be evaluated. UCC Modules include: Voice, Video Conferencing, Collaboration, and Mobile Collaboration/Messaging
- **Shipping product.** Product must be announced and available.
- **Customer References.** Vendor must produce customer references in each hemisphere that the vendor participates in.

Aragon Research evaluates markets and the major technology providers that participate in those markets. Aragon makes the determination about including vendors in our Aragon Research Globes with or without their participation in the Aragon Research Globe process. This determination was not applied to this report as all vendors participated in the Globe process.

Noteworthy vendors not included in this report

The following vendors were not included in the report but are notable:

- **Amazon**
 - Amazon offers Chime, which is focused on Mobile Collaboration and Messaging.
- **AT&T**
 - AT&T Collaborate is an OEM version of Broadsoft.
- **BlueJeans**
 - Bluejeans offers Web and Video Conferencing, featuring Dolby Voice, and also supports Meetings, Webinars, and Room Systems.
- **PGI**
 - PGI offers Web and Video Conferencing and Voice Services.
- **Zoom**
 - Zoom offers Cloud based Video Conferencing with multiple use cases, including Meetings, Webinars, and Room based Systems.

The Aragon Research Globe™ for UCC, 2018
(As of 4/5/18)



Figure 3: The Aragon Research Globe Unified Communications and Collaboration, 2018.

Leaders

Avaya

Avaya exited Chapter 11 in December 2017, and now has a clean balance sheet and a new management team, led by recently announced CEO Jim Chirico. Avaya Equinox is now the flagship UCC offering that consolidates older brands into one intuitive platform. Avaya has been building its own solutions portfolio and has leveraged all of its acquisitions to build out a robust, API-based UCC platform. To make this happen, Avaya leverages the Breeze Client SDK and harnesses the power of several Avaya offerings including Aura, IP Office, and Scopia, which, when combined together, offer one of the most robust collaboration and communications platform offerings. The recently announced addition of team collaboration capabilities to Avaya Equinox is a solid example of Avaya embracing the People Centric Collaboration experience.

Avaya still focuses significantly on Contact Center, and in 2018, it announced that it had purchased Seattle-based Spoken Communications. Avaya also announced that it was introducing its Chatbot called Ava, which had previously been an internal pilot. Avaya is now fully committed to Cloud, and its video-based offerings work out of the box or can be integrated into existing, client-facing applications. While Avaya has a large on-premise install base, the shift to Cloud positions it well for the future.

Strengths

- UCC Platform
- Video User experience
- Extensive Video Portfolio
- Highly reliable telephony and UC
- Partner network and ecosystem

Challenges

- Migrating large install base to new Cloud offerings

Cisco

Cisco offers a complete UCC Portfolio that is led by its Cisco Spark Cloud based UCC Platform, which brings together its offerings that span Messaging, Meetings, Room and Video endpoints, voice calling, white boarding, and team Collaboration. Cisco's UCC Platform integrates with Cisco's core UCC offerings, including Cisco Unified Communications Manager, Business Edition, Cisco Hosted Collaboration Solution, and WebEx. Cisco offers one of the most complete sets of voice and video conferencing platforms that integrates with Cisco Spark cloud-based team collaboration, and provides enterprise class security, interoperability with other standards-based communications systems and devices, and extensibility via Open API, SDK, and integrations.

Cisco made a major move in 2017 with the acquisition of Broadsoft, which in one move, strengthened Cisco's UC Cloud offering and a large number of UCC focused Channel Partners. Cisco's challenge will be to keep the Broadsoft channel intact; currently, all signs indicate that it is. With Cisco's broad UCC portfolio and the Cisco Collaboration Flex Plan, enterprises have a range of options that combine on-Premise, Hybrid, and Public Cloud deployments, and the flexibility to mix, match, and integrate services as the business evolves.

Strengths

- Cisco and WebEx brands
- High quality Video and Voice across devices, including mobile
- Video Rooms and Endpoints
- Flexible Cloud, Premises, and Hybrid Deployment Options
- End-to-End Encryption
- Cisco Spark mobile and platform capabilities

Challenges

- Integrating Broadsoft with Cisco Spark

Fuze

Fuze, based in Boston, expanded its management team in 2017 with the addition of Colin Doherty as CEO. Fuze has a complete UCC platform that offers a seamless user experience across all UCC modalities. This focus has allowed Fuze to continue its growth, particularly in medium and large enterprises. Its Cloud native platform includes cloud-based voice, HD Video Conferencing, and messaging, thus providing a seamless experience for both desktop and mobile environments. Fuze has continued to push the envelope on ease of use and has also expanded its video conferencing capabilities. With the convergence of web and video conferencing, Fuze offers a complete collaboration experience that includes business voice, persistent chat, presence, and content sharing in a single app for distributed teams. In late 2017, Fuze launched Fuze Web, bringing UCC capabilities to Chrome and Chromebooks. In addition to its desktop and mobile apps, Fuze Rooms offers a full, intuitive video meeting experience for conference rooms, and webcasting. Finally, the Fuze Data Platform powers AI, automation, and machine learning, and delivers a unified source of real-time communications data to help enterprise leaders drive strategic business initiatives.

Fuze has received a total of U.S. \$334 million in investments, and \$104 million in May 2017. This should provide the path to an IPO and fuels international growth and product innovation. As Fuze offers a seamless experience across voice, video, and messaging in desktop, mobile, and room environments, it has been replacing multiple vendors in new deals by consolidating the formerly disparate tools all into the easy-to-use Fuze platform.

Strengths

- UCC Platform
- Voice and video quality
- Large Enterprise Deployments
- Video conferencing across desktop, mobile, rooms

Challenges

- Awareness outside of U.S.

Google

Google has continued to refine its Google Hangouts Platform that was refocused in 2017 with Hangouts Meet for Voice and Video and Hangouts Chat. Chat is focused on the growing Mobile Collaboration market and is tightly integrated and packaged with Google's flagship cloud office offering, G Suite. Both Hangouts Chat and Hangouts Meet scale well and run on mobile and desktop devices. Additionally, Google Hangouts Platform offers full integration with other Google apps like Google Drive, Gmail, and Calendar, allowing users to launch straight into a full video or voice call. Integration with Gmail ensures that Google enterprise users now have a full range of collaboration capabilities, from asynchronous to real-time.

In February 2018, Google announced its Hangouts Meet hardware kit, a robust Room offering at an attractive price. The Hangouts Meet hardware kit provides two options: a Huddle room configuration with a wide field-of-view 4K video camera or a PTZ camera that is ideal for rooms up to 20 people. It also added its Jamboard, which offers buyers a set of options for room deployments and AI-powered AutoDraw. Google Hangouts Meet supports both voice and video calls and offers interoperability with legacy H.323, the SIP-based videoconferencing room systems. The ease of shifting from messaging to a full meeting is one of the advantages of Hangouts, which fosters enhanced collaboration between users. Google leverages partners to meet customer requirements for Voice and this has helped it to win larger UCC focused deals.

Strengths

- Enterprise penetration with G Suite
- Partner ecosystem
- Mobile Messaging
- Collaboration Applications
- Video quality
- Ease of use

Challenges

- Dependence on partners for voice requirements

Microsoft

Microsoft has made Microsoft Teams the lead brand for its UCC offering, leveraging all the Skype for Business functionality and delivering it in a modern desktop and mobile UX interface with full support for Mobile Messaging. Clients can run either Teams Client or SfB clients for now. For On-Premise, Skype for Business continues with its new release, coming in the second half of 2018. The push in the enterprise is for bundles that Microsoft offers (Teams with Office 365). While E3 provides basic Collaboration and Messaging and Video Meetings, it is the E5 suite that is required to make it a full Cloud PBX. The Teams client works well and is seamless across operating systems (iOS, Android, Windows, Mac, and Skype Room Systems).

Microsoft Teams is positioned to become the center of the universe for Office 365, even though today, Outlook Email Clients dominate. That said, Teams has a full Chatbot framework, which will allow enterprises to build Chatbots to automate work tasks. When fully enabled, Microsoft Teams is a full Cloud PBX. The ability to provision numbers quickly and easily is one of the attractive features for administrators. Microsoft can now offer meetings in a variety of sizes, from a meeting between a few individuals to a meeting with 250 attendees. The Skype for Business ecosystem is huge, with Microsoft enabling group video from nearly any device. Microsoft has a growing partner ecosystem to deliver additional services for Voice and Video that are tightly coupled with Skype for Business.

Strengths

- Microsoft brand
- Video Meetings, Webcasts
- Global PSTN Conferencing Coverage
- HD video quality on point-to-point calls
- Overall collaboration applications
- Global footprint
- Full hybrid scenarios enabling migrating strategies to the cloud

Challenges

- Making all SfB Services available in Teams

RingCentral

RingCentral has a full UCC Platform with a lead offering of its flagship Cloud-based PBX platform, along with its Mobile Collaboration offering, RingCentral Glip, a team messaging and collaboration tool. In 2018, Glip will become fully integrated as part of RingCentral Office. In 2017, RingCentral previewed its unified platform and began a beta roll out for select customers. The company also saw continued growth, partially due its complete product portfolio, which includes RingCentral Office, voice and video conferencing, mobile messaging, and Cloud Contact Center capabilities. The Glip application, which now includes options for chatbots, means that enterprises can ramp up their digital transformation efforts.

RingCentral has been very focused on global expansion, with a complete offering called RingCentral Global Office available in 37 countries, and virtual numbers available in 80 countries. Its new native analytics capabilities, which launched in 2017, provide insights into common issues interfering with connectivity. Since it was launched, RingCentral Global Office has been adopted by more than 600 customers. In 2018, RingCentral announced its new collaborative Meetings offering that provides Web and Video meetings integrated with Glip. The RingCentral app marketplace offers over 150 pre-configured integrations for both voice and messaging. This makes RingCentral more of an ecosystem and is an approach others should emulate.

Strengths

- UC Cloud capabilities
- RingCentral Brand
- Team Messaging and collaboration functionality
- Ease of configuration and deployment
- App Store Integrations

Challenges

- Partners for video capabilities

Unify

Unify, the Atos brand for communications software and services, made 2017 a year to focus on its Cloud Voice rollout with its new OpenScape Cloud and more Data Centers in Europe and the U.S. Its UCC portfolio includes OpenScape UC and its innovative Circuit platform is the on-ramp to all of the UCC services that Unify offers. OpenScape Cloud now provides a roadmap for existing and new clients that want Cloud, On-Premise, and Hybrid Cloud options for Communications and Collaboration. Circuit, the Mobile Collaboration platform, also supports messaging, voice, screen sharing and video, including integration with OpenScape.

Between Circuit and OpenScape Cloud, Unify has a UCC Platform with a full stack of Cloud Capabilities. Circuit also provides extensive integrations via its PaaS offering. Partner integrations include Box, Google, Microsoft, and Salesforce. Unify has made strong investments in Circuit, which positions it well going forward, given the shift to more Messaging-based Collaboration. Unify's new focus on OpenScape Cloud, combined with the strength of Circuit, creates its roadmap that positions it well for the future.

Strengths

- UCC expertise with OpenScape
- Messaging capabilities
- Vertical industry solutions
- PaaS platform with Circuit
- Cloud deployment options

Challenges

- Overall focus on video

Contenders

Huawei

Huawei is a global brand in the Communications and Collaboration space and has been building out its portfolio of UCC and video conferencing solutions, including some strong capabilities in real-time video analytics. Huawei offers a complete one-stop Cloud Enterprise Communications Platform for IP Telephony, Unified Communications, and Video Conferencing, which features cloud-based, converged, and open architecture and cloud-device synergy. Huawei offers a full set of Video Endpoints that includes its TE Series for Huddle Rooms. More vendors are beginning to partner with Huawei to leverage its Cameras and TE Services.

Huawei is known for its cross-vertical industry expertise and solutions. Its launch of its CloudMCU—which supports virtualization, cloud-based deployment, AVC, and SVC—is helping it win business with its launch of Telecom in countries such as China, Germany, and in the Middle East. Huawei has also leveraged its implementation of the WeChat mobile messaging solution to support video calls, group chat, and file sharing on Huawei mobile devices. Huawei's investment in its Big Data Analytics is already paying dividends with its advanced video surveillance capabilities that include real-time facial recognition.

Strengths

- Video Conferencing Endpoints
- Full UCC platform
- Ecosystem
- Video surveillance
- Analytics
- Vertical solutions

Challenges

- Market awareness in North America

Mitel

Mitel has been focused on consolidation, and acquired ShoreTel in 2017 for U.S. \$430 million. Mitel CEO Rich McBee's strategy of growing via acquisition is starting to work. Mitel offers a complete UCC portfolio with a strength in its on-premises Voice Offerings, Contact Center, and Endpoints and a fully Mobile MiCollab Messaging App that includes MiTeam for collaboration.

Given the ShoreTel acquisition, Mitel now has a larger product portfolio and an increased focus on Cloud and growth in UCaaS seats. MiCloud Connect (formerly ShoreTel Connect Cloud) will work with its Teamwork and Contact Center offerings for an off-the-shelf, multi-tenant, scalable experience—plus MiCloud Flex (formerly MiCloud Enterprise) for multi-instance customizable needs. For on-site, Mitel continues to offer its MiVoice family, which now includes the former ShoreTel Connect Onsite. Finally, Mitel's CloudLink option, which is cloud-enabling technology, allows on-site enterprises to access cloud-based APIs and should be a key catalyst for enterprises that want to leverage hybrid cloud deployments. Initial apps will focus around voice, teamwork collaboration, contact center, and video OTT. Further apps are in development by partners and citizen developers, and are offered in a Mitel marketplace for purchase.

Strengths

- Cloud and On-Premise voice support
- Global Cloud Infrastructure
- Hybrid cloud API marketplace accessible to on-site customers
- Endpoints
- Global partner ecosystem

Challenges

- Balancing Mitel and ShoreTel product portfolios

NEC

NEC, which has a large global presence, offers a full UCC Platform via its UNIVERGE BLUE that offers a full set of capabilities including Cloud Communications (UCaaS), Messaging, Meetings, and Contact Center. With historical strengths in Voice, NEC now offers a full Voice and Video set that supports the needs of small and large enterprises. It also offers its UNIVERGE SV9100 BLUE and SV9500 BLUE PBX for those that still want an On-Premise deployment. UNIVERGE BLUE Video, powered by Vidyo, works well on both mobile and desktop platforms. Later this year, NEC will introduce the UNIVERGE BLUE Team Collaboration offering via partnership that will be announced upon release. Additionally, NEC is in process of expanding its UNIVERGE BLUE offering globally and is beginning in the EMEA market and Australian markets.

In 2017, NEC added NeoFace Analytics to its UNIVERGE offering with facial recognition via NeoFace Welcome and NeoFace Watch, which will help NEC expand its solution portfolio into certain vertical markets, especially those markets concerned with safety and security. In addition, NEC is introducing its Work Flow Engine, which will initially integrate its Facial Recognition solutions with its Unified Communications solutions to provide verticalized workflow optimization for small and large enterprises. Later, this same Work Flow Engine will be utilized to integrate many disparate inputs and outputs and continue to advance beneficial use cases of IoT. Besides its UCC Platform, NEC offers full handsets for large and small enterprises. More importantly, NEC is a full IT Infrastructure provider for Cloud Data Centers (Salesforce recently partnered with NEC). This level of investment and experience will serve NEC well as more enterprises look to leverage UCC offerings via interconnected Clouds.

Strengths

- Cloud and On-Premise voice support
- Global Cloud infrastructure
- Analytics
- Endpoints

Challenges

- Partners for video

Polycom

Polycom, led by Veteran CEO Mary McDowell, continues to focus on its Intelligent Video Conferencing, Voice offerings, and Endpoints. In 2017, Polycom expanded its partnerships, which now include Zoom for Meetings. It also acquired Obihai Technology, whose VOIP Audio capabilities will strengthen Polycom's overall Voice Solutions Portfolio. Polycom has some of the highest quality Voice and Video offerings that are often powered via other Partners' UCaaS offerings. With its flagship endpoints, such as RealPresence Trio, RealPresence Centro, RealPresence Debut, RealPresence Medialign, and RealPresence Group Series, Polycom solidifies its new strategic focus on people centric collaboration. In Huddle Rooms, the Polycom Pano was rolled out in 2017. Pano is challenging others with its full-featured capabilities that leverage existing conference room displays.

Polycom has also continued to leverage its partnership with Microsoft; it powers Microsoft's Video Interoperability service and sells into the Microsoft Skype for Business base. With regards to Mobile, Polycom is solutions-focused, and this enables multiple verticals to be supported, from manufacturing to healthcare. Polycom's renewed focus on user experience and new, innovative collaboration offerings are welcome changes and signal a redirection in strategy. With a continued focus on innovation and more Cloud Services on the way, Polycom has a compelling set of offerings that compliment and integrate with other solutions.

Strengths

- High-quality video and audio
- Licensing simplicity
- Video interoperability
- Microsoft partnership and integration
- Overall ease of use

Challenges

- Dependence on Microsoft for UCC features

Vonage

Vonage, led by Google Veteran and CEO Alan Masarek, has leveraged its growth through UCaaS and CPaaS technology, and key acquisitions and partnerships to now offer a UCC Platform. Anchored by its Voice offerings, Vonage's UCC Platform enhances internal connection and collaboration among employees and enables deeper connections externally via cloud-based APIs. For customers in the enterprise space, the Vonage Enterprise offering also provides customized Unified Communications capabilities including voice, collaboration, video, integration with mission-critical business applications, and advanced contact center solutions.

In March 2018, Vonage announced its cloud-native platform, Vonage Business Cloud, designed to cater to the needs of small and mid-market businesses. It features a new desktop application that includes Voice and Messaging and an upgraded Mobile App with capabilities for enhanced messaging, rich media, and document sharing. Vonage Business Cloud offers integrations with Google G Suite, and CRM applications from Oracle, Salesforce, Zendesk, and many more. The Vonage Business Cloud offering includes a bundle of Amazon Chime, which adds Collaboration and Video meetings, as well as a robust set of Unified Communications capabilities. Vonage also provides businesses with the ability to engage more effectively across SMS, chat, social media, video, and voice through Nexmo, its leading API Platform and CPaaS provider the company acquired in 2016.

Strengths

- UCaaS offering
- Brand recognition
- Integrations
- CPaaS API flexibility

Challenges

- Dependence on Amazon for UCC features for Vonage Business Cloud

Innovators

8x8

8x8 has been growing its core UCaaS offering in response to the massive demand for Cloud PBX Solutions. 8x8 also offers a full contact center solution that is integrated with its UCaaS offering as a single platform. In 2017, 8x8 acquired Mobile Messaging provider SameRoom, which will enable additional capabilities and more integrations with other Mobile Collaboration offerings. One of the ways that 8x8 has been growing is by extending its integrations to other platforms such as CRM. Its integration with Salesforce is ideal for inside sales and support teams.

8x8 Virtual Office features a single, integrated desktop and mobile app experience for telephony, presence, messaging, collaboration, audio and video calls, and conferences. 8x8 offers integrations with Microsoft Office 365, NetSuite Salesforce and Zendesk. Its growing Global Cloud footprint includes data centers in North America, the UK, Amsterdam, APAC, and Brazil.

Strengths

- Cloud based PBX
- Contact Center
- Partner Integrations
- CRM Integration

Challenges

- Focus on video meetings

Nextiva

Nextiva, based in Scottsdale, AZ, is led by CEO Tomas Gorny and has been on a growth curve due to its dedicated focus on customer support and demand for its UCaaS-based business phone service, including Cloud PBX and SIP Trunking. The Nextiva App is its innovative mobility tool that allows business professionals to stay connected on the go. The Nextiva App provides mobile phone service, instant messaging, presence, screen sharing, document sharing, and video conferencing.

Another significant differentiator of Nextiva's offerings is its robust Analytics product. Nextiva Analytics gives both IT and business leaders the insight necessary to view real-time data for their organization. With Nextiva Analytics, users can create custom reports, build custom dashboards, and use data to make informed business decisions for areas such as sales and marketing. Nextiva has a strong vision for the future with the NextOS product suite, which will offer an all-in-one business communication software that includes in-depth analytics and workflow tools. NextOS is expected to be available later in 2018. As Nextiva continues to grow, we expect it to round out its UCC portfolio as it releases NextOS.

Strengths

- Cloud PBX
- Call Center
- Mobile App
- Analytics

Challenges

- International Presence

Specialists

Ribbon

Ribbon, which was created out of the 2017 merger of GENBAND and Sonus, focuses on offerings benefiting Carriers and Enterprises. Ribbon offers a full UCC Suite targeted at business teams and the overall enterprise. It also offers the Kandy CPaaS Platform that enables Ribbon core UCC capabilities to be integrated into existing applications or added to a new digital application. Ribbon's Kandy Business Solutions have emerged as an alternative to other Cloud-based Voice offerings. The high availability design that Ribbon delivers to Carriers is equally appealing to enterprises looking to migrate business critical communications to the cloud. Services include SIP trunks as a Service, Contact Center, Cloud PBX, Enterprise Mobility, and a number of WebRTC centric applications. Its UC client, Smart Office, leverages its Omni Technology, a hybrid client design that leverages an HTML5 and WebRTC media to deliver a native client experience with web client total cost of ownership benefits to both desktop and mobile users.

Ribbon has been quick to show the synergy between CPaaS and UCaaS and has been one of the first to tie its CPaaS offering with traditional UC services with its Kandy Wrappers. Wrappers are pre-packaged assets from the Kandy CPaaS environment that allow enterprises to buy pre-built applications such as Visual Attendant, Truck Roll, and Live Support. With Smart Office UC clients, Kandy Wrappers, and integration of UCaaS and CPaaS, Ribbon is well positioned to make Cloud based UCC a reality.

Strengths

- Cloud based voice and UCC offerings
- Smart Office Suite
- Video conferencing
- Platform and APIs

Challenges

- Balancing focus on carriers vs. enterprise

Getting Started With UCC

Enterprises need to realize that UCC is about an integrated set of Communications and Collaboration capabilities. Most enterprises will have best of breed capabilities from multiple vendors. The need to leverage all forms of Collaboration and Communications is key.

Use cases and needs of specific business units may mean that one provider does not meet all of the requirements of every business unit. At the same time, buyers need to realize that not every UCC Suite can deliver a perfect People Centric Collaboration experience, but most are well on their way.

UCC promises the ability to use different modalities to communicate and collaborate seamlessly. While the integration of the different modalities of Communications and Collaboration is in its early stages, enterprises need examine how internal and external collaboration can be improved by offering users a more seamless and integrated experience.

Aragon Advisory

- Enterprises need to start to evaluate Communications and Collaboration providers beyond their core strengths in areas such as Voice or Video.
- Enterprises should ask UCC Providers for Roadmaps on future offerings.
- Aragon expects the demand for Mobile Messaging to increase and this is part of the evaluation criteria that Enterprises should consider in 2018.
- Enterprises should examine the use cases for UCC, including application integration and mobility support for deskless workers.

Bottom Line

The UCC Market is shifting, and the People Centric Collaboration experience offered by a growing number of Unified Communications and Collaboration Providers means improved work experience, better customer interactions, and higher productivity. The separate realms of Voice and Video are converging, and Messaging is poised to serve as the launch pad for Omni-Channel interactions. Enterprises should continue to look at the possibilities of consolidating at least two of the UCC capabilities into one offering.