



KPMG ANALYSIS

Unified Communications Coming, but Not Until the Next Decade

November 9, 2007

By Dave Pelland, Managing Editor, Digital Insider

Technology companies are racing to bring Internet telephony, collaboration tools, voice mail and instant messaging onto a single screen -- a concept known as "unified communications" -- but widespread adoption is probably three to five years away.

Unified communications (UC) involves different elements, but generally refers to how workers can initiate voice calls, instant messages (IM) or videoconferences on computers or wireless devices within e-mail clients, customer-relationship systems or other applications.

In a common scenario, a worker using an e-mail or IM client could see if a colleague is available (known as "presence"), and initiate a voice call with a mouse click. If the colleague accepts, each person's desk or mobile phones would ring.

"Unified communications gives you the ability to take your corporate directory and integrate it with presence information so you can see if people are online and how they want to be [contacted]," says Lynn Lucas, director of mobility solutions at Cisco Systems. "They might be in a meeting, but maybe they can text or IM."

Unified communications also includes technologies such as automatic routing of voice calls from a worker's desk to their mobile phone, and a single electronic in-box for voice, e-mail and instant messages.

"Voice is going to be an important part of enterprise business applications and processes," said Blair Pleasant, principal analyst with research firm CommFusion, at the VoiceCon conference in New York. "You're going to be able to make telephone calls from your documents or applications. Whatever application you use to do your job is going to be communication- and telephony-enabled."

Technology companies see unified communications as a way to capitalize on the migration of voice communications to Internet protocol. Adding voice features to productivity applications or databases makes them more valuable. Similarly, networking equipment vendors want to integrate voice features to distinguish their products from the competition.

The concept of unified communications received a boost on Oct. 16 when Microsoft announced a platform designed to route IP-based voice traffic, instant messaging and Web conferencing.

Corporate Collaboration

MORE...

[IFRS for Technology Companies: Closing the GAAP?](#)

AUGUST 14 A KPMG white paper examines industry-specific issues for technology companies considering a transition to International Financial Reporting Standards.

[The Consumer Electronics Boom](#)

AUGUST 6 A new KPMG white paper identifies the critical issues inhibiting faster time-to-market for consumer electronics and semiconductor manufacturers.

[Wireless Carriers Put Money in Mobile Banking](#)

JULY 29 Cell phone carriers are targeting mobile banking applications for growth.

[Selected Technology Company Earnings](#)

JULY 25 Slowing economic conditions in the United States affected the results of several technology companies in the second quarter.

[Companies Taking Green-Tinted Look at Data Centers](#)

JULY 18 As corporations become more environmentally aware, they're looking at their data centers and PCs to reduce energy consumption and carbon footprints.

[Social Media: a New Political Animal](#)

JULY 10 Social media is reaching beyond the traditional corps of political pros and playing a major role in the fall elections.

[KPMG's Quarterly New and Emerging Markets Magazine](#)

JULY 2 In this issue, KPMG examines how the wireless revolution is shaping everyday life in emerging markets to its logistic systems.

For corporate users, UC can promote collaboration among teams based in separate locations, increase the productivity of knowledge workers and reduce the costs associated with workers awaiting information.

"The people who have been implementing it are the ones that need collaboration for specific teams, such as R&D [workers] who are geographically dispersed and need to work together and share documents," Pleasant said.

Unified communications also promises to reduce costs for audio and video conferencing, long distance and mobile roaming, according to Ross Sedgewick, director of global applications portfolio marketing for network equipment supplier Siemens.

Unified communications is not considered a single technology, but rather a way to incorporate various functions in a seamless interface.

"Unified communications is a philosophy, it's not a product," CommFusion's Pleasant said. "There's no such thing as a 'UC product.' It's a solution or a way of getting [the features] you want, but it's not going to be a product for a long time."

Unified communication remains mostly in the pilot stage. Over the next two years, some companies are expected to introduce UC to specific groups, such as sales teams and executives who need to be on call for customers or business partners.

But broader use is not expected for several years, as more enterprises adopt Internet telephony, and voice and IM functions are integrated into applications.

"Most companies are likely to start slowly with unified communications by gradually introducing IP telephony and adding new messaging features to their networks," said Charlie Henderson, director of marketing for communications provider Aastra Intecom.

As voice calls are integrated with customer relationship management applications and databases, unified communications could include the use of information about a caller or his company to determine the importance of a call. For instance, companies can ensure that a call from a major client's purchasing agent gets forwarded efficiently to the proper sales rep.

Most companies are expected to start with a UC-related technology known as single-number reach, in which a single call allows a person's desk phone and mobile device to ring at once.

Unified communications also includes visual voice mail, which allows users to scroll through a list of voice-mail messages and pick which ones they listen to.

"If the fourth call is from an important client, you can answer that one first," says Cisco's Lucas. "You don't have to take a serial approach to voice mail."

Potential Obstacles

Because unified communications could alter traditional business communications, technology providers hope to address a number of potential issues that could hinder

adoption.

Some people may be uncomfortable at the idea of being available around the clock, so workers will need to be able to add rules and permissions to dictate how and when they can be reached.

In addition, companies are working to remove as much complexity as possible user interfaces, according to Sam Koury, regional director of communications provider ShoreTel.

"These products will have to be as reliable and easy to use as a desktop phone," Koury said. "If workers can't easily understand how to use advanced messaging features, they're likely to avoid the tools. UC products are neat and productive as long as when you pick up the phone, you get a dial tone."

To print this article or share it with a colleague, click an option below.

[Print this Article](#)

[E-Mail this Article](#)

PLEASE RATE THIS ANALYSIS

Quality of Analysis

1 2 3 4 5
POOR EXCELLENT

Comments or Questions

e-Mail Address (optional to enable Insiders to reply)

[Submit](#)

© 2008 KPMG LLP, a U.S. limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International, a Swiss cooperative. All rights reserved.

[Privacy](#) | [Legal](#)