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## Trends, Predictions of Hosted Telephony, UC Market Part 1



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There's a lot going on in the hosted telephony and unified communications (UC) space right now – specifically, important trends being seen that are shaping and forecasting what can most likely be seen in 2013 and years to come. Oftentimes, how these markets grow impact respective market such as SIP communications. In light of this, I was able to sit down with Ken Dolsky, program director, InfoTrack at T3i Group, a research and advisory firm specializing in the worldwide telecommunications industry – and what was revealed was quite interesting.

Dolsky began by explaining to me some key differences between small and medium enterprises (SMEs) as compared to larger ones, where business needs and goals can starkly differentiate. Large enterprises, for example, saw an increase in hosted telephony usage of about nine percent over the last three years, whereas it saw an increase of about five percent for unified communications. “The trend was certainly that large enterprises were looking at hosted more so than medium enterprises,” he explained to me.

So what's driving this trend? Many point to the rapid growth of cloud computing, which has been no small ordeal over recent years, and will continue to make waves as we welcome the New Year.

“I think there are a lot more choices and I think it's a lot more complicated for people now to make these decisions,” Dolsky says, adding that this is why such things as virtualization in the data center are becoming increasingly popular.

“The forecasts show very high growth for hosted, but part of that is because it's a very small base,” Dolsky notes. “But I think virtualization is going to take a bite out of that.”

Because hosted communications enable such things as companies to eliminate dependency on standalone systems while still maintaining control, Dolsky believes quite a few businesses could look at this and think to themselves, “This gives me the best of both worlds! I'm doing this for all of my other IT applications...why not do it with voice?”

Another trend that Dolsky has seen in the industry so far includes smaller business customers sticking with hosted solutions and not really taking the time to explore comparisons between customer-premises equipment (CPEs) or virtualized solutions. “They just want hosted,” says Dolsky, adding that this may be a form of complacency, as they know it will work, that it's cost-effective, and at the end of the day, that's good enough for them. This will certainly continue moving forward, he says.

Stay tuned for part two to see this concluding portion of trends and predictions!