



MOBILITY: THE NEXT FRONTIER FOR UNIFIED COMMUNICATIONS

BY ZEUS KERRAVALA, FOUNDER & PRINCIPAL ANALYST, ZK RESEARCH

Produced by

no jitter

Sponsored by

metaswitch

UBM | TECHNOLOGY GROUP

Businesses Are Now Mobile First

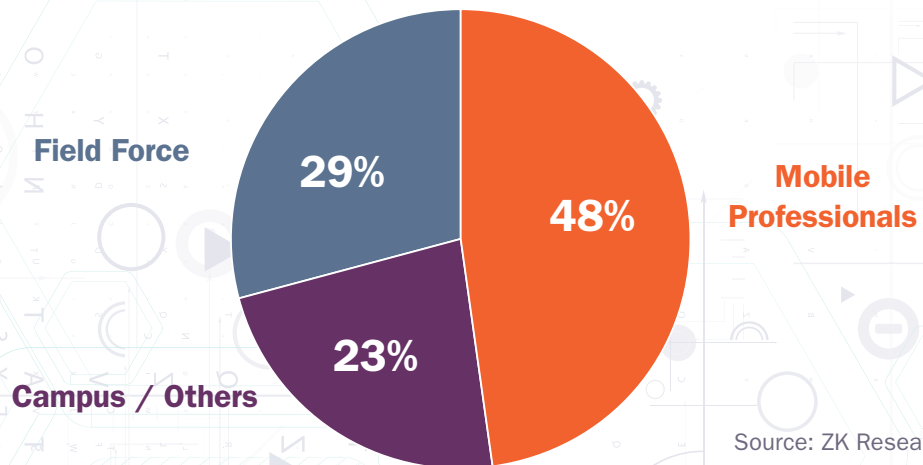
Business and IT leaders understand that in the digital era, competitive advantage is not necessarily determined by the company with the lowest prices or best products. Competitive advantage is determined by an organization's ability to make the best decision, with the right people, in as short a time as possible, regardless of where they are.

52% of all workers and **90%** of knowledge workers are mobile

The desire to capitalize on digital transformation has put an emphasis on mobility, as this enables workers to access more information from more locations, which is why in the past few years, the number of mobile workers has skyrocketed. According to the 2018 ZK Research Mobility Survey, five years ago, just under 30% of workers could be considered mobile, defined as spending more than 20% of their time away from their primary workplace. Now, 52% of all workers and 90% of knowledge workers are mobile.

Additionally, mobile workers today extend past the traditional "mobile professional". **Figure 1** shows that mobile professionals only make up 48% of the mobile worker landscape. The other 52% is composed of a wide variety of other worker types. In the study, mobile professionals were considered to be traditional in-office workers, while field force consisted of delivery drivers, service individuals, and similar roles. Campus/others included education, public safety, factory, and construction.

Figure 1: Mobile workers are diverse



Age demographics also play a role in driving the workforce toward mobility-first. Millennials and Generation-Z were born in the mobile era and think not only mobile-first, but mobile-only. Millennials now account for 34% of the workforce and Gen-Z 8%, but by 2020 these figures will be 42% and 15% respectively. While Millennials and Gen-Z are the first generations to think mobile-only, many older workers have adopted a workstyle where mobile devices are the primary computing device. One proof point of this is that 70% of the overall workforce prefer flexible work hours rather than working the traditional 9-to-5 work day.

Business and IT leaders should give the demand for a flexible, mobile-centric workstyle top priority. Over half the respondents to the 2018 ZK Research Mobility Survey said they would rather work from home or remotely two to three days a week than receive a 10% higher salary. Flexibility and mobility have become opportunities for employers to differentiate themselves for talent while saving money and increasing productivity.

Furthermore, the shift to a mobile world has dramatically changed the application environment, as almost all applications are now designed with mobile workers in mind. Businesses that want to harness the potential of digital transformation need to focus on ensuring that their communications and collaboration tools are designed to be mobile first. This may be challenging because the communications industry has lagged when it comes to mobilizing their applications: While all UC systems feature mobile soft clients, adoption has been poor for reasons described below.

The Challenge with Legacy Communications

UC has a number of challenges in a mobile-first world

Unified communications (UC) has been a market in constant transition for almost two decades now. As the market has evolved, the variety of UC applications has expanded, but the fundamental architecture of the underlying platform has not.

UC was first made available on vertically integrated systems, such as a PBX. These systems were designed to deliver voice to a dedicated handset, and evolved to offer other services to a desktop application. About a decade ago, communications headed to the cloud by shifting the vertically integrated system into the cloud provider's network. The services were delivered "over the top", meaning the Internet is used for transport instead of a private network.

Relocating the PBX into the cloud simplified deployment issues and lowered operational costs, but the end user experience was still designed for a desktop experience in which a traditional handset was the main communications device. This was ideal when workers were fixed to a single location, but has a number of challenges in a mobile-first world. These include:

- **Confusing dialing experience.** Most UC systems include a separate mobile soft client with its own integrated dialer, so if a user wants to place a call from their business number, they must log into the application first. This can be confusing, as most people prefer the native dialer of the mobile phone.
- **Friction to adoption.** There are many barriers in adopting mobile clients, including downloading it, getting credentials to sign-in, navigating a new UI, managing Bluetooth headset control, etc.

- **Inconsistent voice quality.** Voice that is delivered over-the-top of cellular data or WiFi is subject to quality problems caused by the inconsistencies of the Internet versus what is delivered over the managed cellular voice network.
- **Difficult user experience.** Because UC has evolved slowly over time, users often need to run multiple UC applications. For example, it's common to have discrete applications for voice, messaging, on-line meetings and video. On a desktop computer running multiple applications, this is an annoyance but can be done quite easily. On a mobile device, the tasks become significantly more difficult as screen space is limited.
- **Wasted UC investments.** Users generally always choose the easiest possible way to work. In the case of voice calling, if it's easier to make a call by using the native dialer, they will. This means the business is paying for UC tools that are used lightly or not at all when the worker is mobile. For many workers, this can be a majority of the time, wasting companies' UC investments.
- **Lack of user identity control.** With many mobile professionals, it's important for the worker's identity to be tied to the company phone number. For example, if a sales person is always making calls from their personal mobile number and device, the company is at risk of losing contact with those clients if the sales person leaves to go to a competitor. Ideally, the user's identity would only be represented by a company-owned phone number, regardless of whether the worker was in or out of the office.

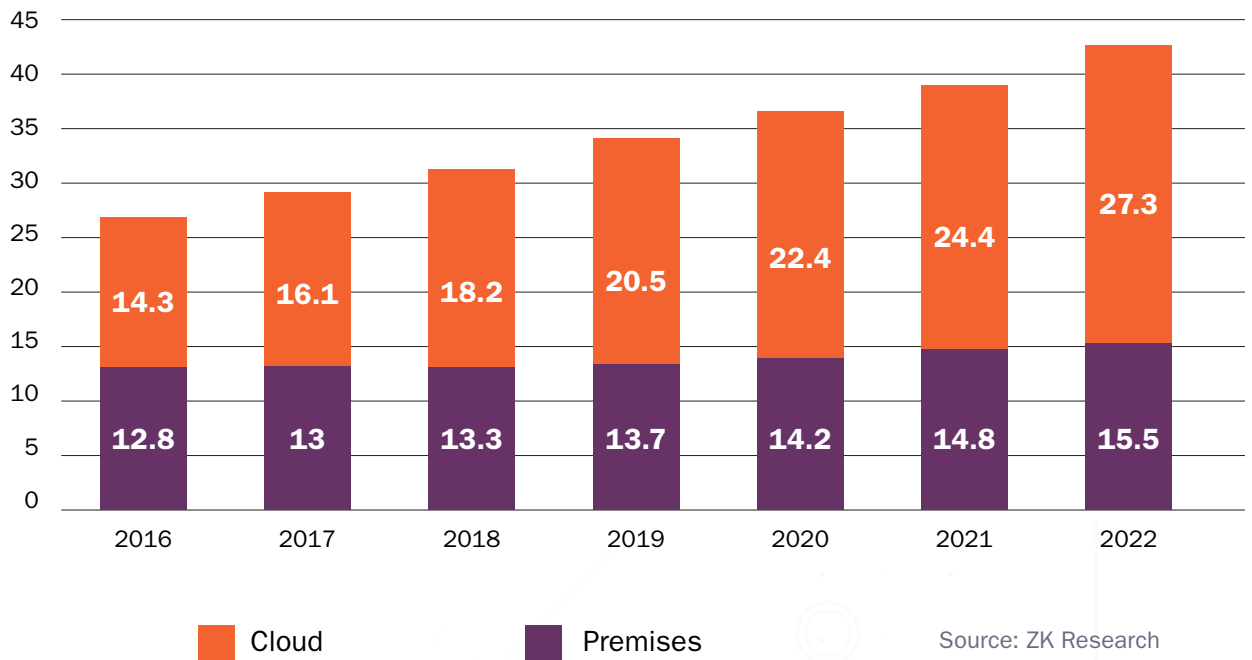
ZK Research forecasts that the global UCaaS market will grow from \$14.3B in 2016 to \$27.3B in 2022

However, at the same time that enterprises face these challenges, the model for the enterprise communications platform is going through a transition—from on-premises systems to the cloud—that may help organizations overcome these obstacles to mobility

Cloud UC Needs To Evolve and Become Mobile First

Cloud UC or Unified Communications as a Service (UCaaS) has seen strong growth over the past five years, which will continue. ZK Research forecasts that the global UCaaS market will grow from \$14.3B in 2016 to \$27.3B in 2022, outpacing the growth in on-premises systems (Figure 2). However, despite the strong growth, the market is still in its infancy; UCaaS seats account for less than 20% of the overall market. Over the next decade, hundreds of millions of existing seats will be converted from on-premises to cloud. Additionally, business UC services will be extended to mobile phones and tablets, expanding the overall addressable market.

Figure 2: UCaaS Is Set To Explode



Now that UCaaS is mainstream, the value proposition needs to change. New technology adoption is typically driven by the financial benefits of doing the same thing cheaper. Upon reaching the mainstream, the value proposition moves away from price to new functionality. UCaaS is no exception.

The initial wave of IP telephony was driven by savings on transport costs, and most organizations left their legacy architecture in place and simply replaced PBXs with IP-PBXs, and TDM phones with IP phones. Once IP telephony became a mainstream technology, vendors figured out what they could do with it that could not be done with traditional solutions. As an example, businesses that shifted to IP based systems could move away from having a PBX in every location and consolidate the call control in a few regional hubs. IP also made it cost-effective to extend on-net calling to telecommuters.

UCaaS has gone through a similar evolution, in which organizations replaced their IP-PBXs with cloud based ones. Now that UCaaS is moving out of the early adopter phase, suppliers need to deliver solutions that enable new functionality; specifically, solutions that are natively mobile versus having mobility retrofitted from a desktop-based product.

This shift in the market will shake up the supplier landscape. The initial wave of UCaaS providers were pure-plays and infrastructure vendors that delivered their capabilities as OTT solutions. Network operators now have a unique opportunity to leverage the ownership and control they have of the network to create a differentiated experience. Enterprises looking for a UCaaS

Suppliers
need to deliver
solutions that
are **natively
mobile**

solution to meet the needs of a mobile first workforce should seek a service provider with the following attributes:

- **Network ownership.** OTT solutions met the needs of the early adopter market but enterprise-class companies with a mobile workforce require a solution that's integrated into the network for better control and security.
- **Multi-identity** features that enable users to continue to use their own phone number for personal calls while using a virtualized business line owned and tied to the employer.
- **Group engagement** features such as instant onboarding, shared communications, single persona or transitional workforce provisioning. This simplifies the process of servicing both permanent and temporary teams.
- **Simple user experience**, enabled by letting workers use the native dialer combined with integrated network intelligence for improved call quality.
- **Business messaging** that enables customers to send SMS text messages to business numbers. This also includes features such as auto-responders, chatbots, and integration with other messaging channels.
- **Other collaboration features** that can facilitate better team interactions including information sharing, video, workflow integration, group presence and updating of posts.
- **Support for a range of IP phones** to meet the needs of different types of workers who remain more fixed than mobile.
- **Management portals** that are both comprehensive and easy to use, to enable enterprise administrators to manage users, features, and related tasks.

Improving
User experience
for mobile
workers will
increase
utilization
of UC

Conclusion and Recommendations

The digital business era has arrived, and speed has become a key differentiator. Businesses need to make decisions, answer customers, and collaborate faster than ever before. This shifts UC from a “nice to have” to a “need to have,” as it becomes a critical tool to let businesses move at digital speeds.

The shift in the role of UC means UCaaS must evolve from being delivered over the top as a best effort service to being tightly integrated with the

network, where quality and security can be controlled better. Also, network integration brings native dialing to mobile devices, greatly improving user experience, which will increase utilization of the UC applications.

It's time for UCaaS to evolve and become mobile-native instead of having mobility as an add-on. As this shift happens, ZK Research recommends:

- **IT leaders need to choose a UC solution that supports a mobile first workforce.** When making a technology decision, it's easy to choose a market leader or incumbent vendor. However, when markets are in transition, this can be the wrong choice. Decision makers need to choose a solution that meets the criteria for a business that is mobile-first.
- **Businesses should embrace consumerization but with corporate controls.** Enabling workers to use personal devices is a must today. This should not be at the expense of maintaining a company's control over a user's identity. Choose a solution that enables workers to have a consumer-like experience when using UC services that are under the control of the IT department.
- **Network operators should use a supplier that provides a cloud-native solution.** Network operators need to step up and implement a UC solution that is integrated into the network. This requires a network operator that's partnered with an experienced, proven software vendor whose solutions are easy to deploy, with a full suite of UC capabilities tailored for today's mobile-first worker.

About metaswitch

Metaswitch is the world's leading cloud native communications software company. The company develops commercial and open-source software solutions that are constructively disrupting the way that service providers build, scale, innovate and account for communication services. By working with Metaswitch, visionary service providers are realizing the full economic, operational and technology benefits of becoming cloud-based and software-centric. Metaswitch's award-winning solutions are powering more than 1,000 service providers in today's global, ultra-competitive and rapidly changing communications marketplace. Metaswitch is redefining the communications and collaboration experience of today's mobile workforce with MaX UC, which delivers a simplified user experience to overcome low adoption of mobile UC apps in the enterprise. For more information, please visit www.metaswitch.com.