The Future of Unified Communications & Collaboration
South Africa

Key findings from a major global Dimension Data and Ovum study
UCC uptake in South Africa is ahead of the global curve, with further investment imminent

Overall, the South African large enterprises we spoke to are ahead of the global trend when it comes to UCC investment. Our results show that 91% of large South African firms have a strategic plan in place to evaluate and implement at least some UCC applications in the medium term, similar to firms elsewhere. These results point to a relatively aggressive approach when it comes to UCC and its constituent technologies. South African enterprises have typical uptake rates higher than their global peers in key new areas such as personal video, social software, team workspaces, and UC clients on smartphones/tablets (mobile UC), and report a sustained interest in maintaining or extending that investment.

South African employees bring their own smart devices to work, and generally employers in the region support this

Our research shows that more than 74% of South African employees who own smartphones and tablets bring these to work and use them for work. When asked about BYOD, almost one third of South African enterprises indicated support for any employee-owned smartphones and tablets, with 53% indicating support for those which have arrived in the organisation with official vetting. However, almost a third of respondents indicated they had no plans to support ‘any device’ BYOD at all, with almost a quarter planning no official BYOD policy.

Managed services is set to become a much more popular delivery method for UCC in South Africa

Currently, about half of UCC deployments are premise-based and managed internally, typically ranging up to 60% for some UCC applications. But the fact that South African enterprises are willing to consider managed models (either premise-based, public or private cloud) in over three quarters of cases for future investment indicates that South African decision-makers will expect their UCC providers to offer a robust array of managed options.
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our methodology

Dimension Data commissioned a major primary research study among both IT decision-makers and users in order to measure both user and enterprise UCC priorities. We interviewed over 1,320 enterprise ICT decision-makers (those who had a very significant influence for recommending voice, UC and collaboration tools, or those who were directly responsible for their procurement) in 18 countries. Simultaneously, we conducted web-based interviews of 1,390 employees. Our user survey demographics mirrored the countries, industries, and size bands covered in our decision-maker survey, as did our questionnaire.

In order to focus on South Africa, we spoke to 45 large businesses with headquarters in the country and 56 South African employee users of UCC solutions. We focused our demographic inclusion criteria on employees rather than desktops. This is because over the previous five years, UCC has shifted from the desktop and associated deskphone towards a more user-defined environment in which UCC services are consumed by employees across a variety of devices in a number of locations. All participating companies had more than 1,000 employees.
Enterprises view UCC strategically, and have budgets to invest

Until recently, UCC was mostly synonymous with the corporate PBX, and the idea of formulating and rolling out a UCC strategy, even among large firms, was alien even just a few years ago. However, our research indicates a surprising shift: 78% of IT decision-makers report they have both a current strategic plan and a budget for at least some components of UCC. It is clear that Unified Communications is being treated as a strategic opportunity by many large businesses. This is good news, but will also bring additional pressure on IT decision-makers to measure and demonstrate positive results from UCC investments.

Users are consulted, but rarely have influence

Decision-makers report that line of business managers, local managers, and users are frequently consulted for UCC investment planning, but in contrast only 20% of respondents felt users contributed to the UCC strategy in a significant way. There is a great deal of risk inherent in not granting significant weight to user expectations and requirements, since our research also indicates that user uptake is a critical success metric for UCC investments.

The BYOD challenge should be approached as part of an overall enterprise mobility strategy

An important element of a UCC strategy is to support UCC applications on the majority of, if not all, devices used for enterprise collaboration, including on mobile phones and tablets. In emerging markets such as Brazil, China, India and South Africa itself, more than 70% of employees who own a smartphone or tablet report using it for work. But less than 30% of enterprises say they support any employee-owned smartphones or tablets. Our global research results indicate that it is clear that in general companies are keen to do something, but reactions and plans vary and are still in a formative state.

Standard UC, mobile UC clients, and social collaboration are key

Decision-makers report keen interest in further investment, and concrete plans in the next year, across the array of UCC applications. But three stood out: standard UC (unified messaging, presence, softphone), mobile UC (UC client on smartphones and tablets), and enterprise social software. 22% of large enterprises report plans to roll out standard UC within a year, and 22% have such plans for mobile UC. Social collaboration uptake will double in two years, and by 2015 the majority of large businesses will have deployed an enterprise social collaboration tool as part of an overall UCC strategy.

Cloud will come, but managed UCC is here

Between 21% and 36% of UCC applications are currently premise-based but managed by a third party, and there is good interest in cloud: 20% of enterprises plan to seriously consider cloud for UCC deployments in the next 24 months. But there is even greater interest in the managed model. In two years, between 34% and 42% of our large enterprise respondents would seriously consider UC as a premise-based, but managed service. Businesses should not ignore the cloud options, especially as more become available for large enterprises, but it is clear they are also looking for a services partner to manage their evolving UCC assets and investments.

Firms are failing to assess user requirements

While decision-makers believe users have a good understanding of UC clients and enterprise social collaboration tools, with 75% estimating their user base is at least somewhat familiar with business social tools, and a surprising 85% believing users are at least somewhat familiar with mobile UC clients, only 42% of users surveyed have even heard of UC clients. It is clear that further user consultation and profiling is required, but our research also reveals something dangerous: 21% believe their users all have the same requirements, and 13% don’t see the value in profiling. This lack of user awareness poses a risk to the success of UCC, especially since decision-makers indicated that they are basing UCC investments on improved business processes and productivity.
south africa in context

UCC uptake and priorities: South Africa

South African enterprises prioritise UCC applications in line with global organisations. Similar to our global results:

- **IPT** is a highly adopted UCC technology, and in fact, at 87% penetration rates, South African enterprises are ahead of the global IPT adoption trend (globally, enterprises report a 75% IPT penetration rate).
- Similar to the global trend, instant messaging (IM) and audio web conferencing are also popular UCC services, with a 58% uptake rate for IM (66% globally) and 64% for audio/web conferencing (62% globally).

Overall, the South African large enterprises we spoke to are ahead of the global trend when it comes to UCC investment. Our results show that 91% of large South African firms have a strategic plan in place to evaluate and implement at least some UCC applications in the medium term, similar to firms elsewhere. These results point to a relatively aggressive approach when it comes to UCC and its constituent technologies. South African enterprises have typical uptake rates higher than their global peers in key new areas such as personal video, social software, team workspaces, and UC clients on smartphones/tablets (mobile UC), and report a sustained interest in maintaining or extending that investment. It is notable that mobility plays a critical role in an African context, where fixed access may be more limited (and expensive) than in other developed markets.

Because South Africa resembles more of an advanced market than a developing one in terms of UCC investment, we would naturally expect incremental adoption plans to be lower than the global average across the range of UCC applications. This is largely the case, but IM and Lync-based voice are notable exceptions. 22% of large South African businesses interviewed plan to invest in IM in the next year, compared to 12% globally, and 20% have plans to explore Lync-based enterprise voice in the next year, compared to 16% globally.

Our results show that 91% of large South African firms have a strategic plan in place to evaluate and implement at least some UCC applications in the medium term, similar to firms elsewhere.
Figure 1: UCC uptake in South Africa

Which of the following do you have now, or expect to have in the future?

- **Telephony (IP-PBX)**: 87% have now, 7% expect to have in 12 months, 4% expect to have in 24 months, 2% have no plans.
- **Telephony (Microsoft Lync Voice)**: 38% have now, 20% expect to have in 12 months, 4% expect to have in 24 months, 38% have no plans.
- **Instant messaging and presence**: 58% have now, 22% expect to have in 12 months, 4% expect to have in 24 months, 16% have no plans.
- **Standard UC (unified messaging, presence, softphone, etc.)**: 38% have now, 13% expect to have in 12 months, 13% expect to have in 24 months, 36% have no plans.
- **UC client on smartphones and tablets (softphone, presence, video)**: 53% have now, 11% expect to have in 12 months, 9% expect to have in 24 months, 27% have no plans.
- **Audio / web conferencing**: 64% have now, 16% expect to have in 12 months, 2% expect to have in 24 months, 18% have no plans.
- **Personal video (e.g. video clients, personal video terminals)**: 40% have now, 11% expect to have in 12 months, 13% expect to have in 24 months, 36% have no plans.
- **Room based video conferencing or telepresence**: 53% have now, 13% expect to have in 12 months, 13% expect to have in 24 months, 21% have no plans.
- **Consumer applications (e.g. Skype, Twitter, Facebook)**: 56% have now, 9% expect to have in 12 months, 2% expect to have in 24 months, 33% have no plans.
- **Enterprise social software (e.g. Yammer, WebEx Social)**: 33% have now, 13% expect to have in 12 months, 18% expect to have in 24 months, 36% have no plans.
- **Team workspaces and content tools (e.g. SharePoint)**: 56% have now, 13% expect to have in 12 months, 7% expect to have in 24 months, 24% have no plans.

Source: Ovum
Enterprise mobility and BYOD – a conservative approach

One of the major focuses of our research was to understand the impact of an increasing number of mobile smartphones and tablets in the enterprise – whether corporate or employee-owned – on UCC strategy and deployment. One of our key findings was that UCC success is increasingly measured by user uptake. The key to UCC success increasingly lies in users’ hands, quite literally.

As more employees bring their own devices to the workplace, and use them for key tasks, enterprises are investing in systems and solutions to manage, secure and support such devices. When asked about BYOD, almost one third of South African enterprises indicated support for any employee-owned smartphones and tablets, with 53% indicating support for those which have arrived in the organisation with official vetting. However, almost a third of respondents indicated they had no plans to support ‘any device’ BYOD at all, with almost a quarter planning no official BYOD policy.

This is broadly in line with global results, where an additional 27% of firms expect to support corporate-approved BYOD in the next twelve months (compared to 24% in South Africa), and one third of firms have no plans to support BYOD. With 74% of South African employees who own smartphones or tablets, and who work for organisations with more than 1,000 employees, reporting that they use their own smart device/tablet for work, it looks as if South African enterprises are developing BYOD policies in sync with the working practices of their employees.

But that said, there is an opportunity for South African firms to better leverage the devices which their employees are already bringing to their jobs, and as mobility becomes an inherent part of business.
of UCC and a key component for guaranteeing its successful deployment and uptake, this opportunity will become more of a requirement. The figure below, which is in line with global results, illustrates that while core UCC applications are generally supported on corporate-owned smart devices, they remain unsupported on the vast majority of employee-owned devices in the enterprise. With current mobile device and mobile application management software, extending these applications to all mobile devices, irrespective of contract ownership, is a very viable option.

**Figure 3: Mobile UCC support – South Africa**

Device support – Which UC&C applications do you support on the following devices? Check all that apply

<table>
<thead>
<tr>
<th>Application Type</th>
<th>Support for corporate-owned smartphones/tablets</th>
<th>Support for corporate-approved employee-owned smartphones/tablets</th>
<th>Support for any employee-owned smartphones/tablets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instant messaging and presence</td>
<td>69</td>
<td>24</td>
<td>20</td>
</tr>
<tr>
<td>IP-PBX/UC client</td>
<td>51</td>
<td>18</td>
<td>11</td>
</tr>
<tr>
<td>Web and video conferencing</td>
<td>42</td>
<td>18</td>
<td>11</td>
</tr>
<tr>
<td>Consumer applications (e.g. Skype, Twitter, Facebook)</td>
<td>51</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Enterprise social software (e.g. Yammer, WebEx Social)</td>
<td>42</td>
<td>11</td>
<td>16</td>
</tr>
<tr>
<td>Cloud-based business and productivity applications (e.g. Microsoft 365, custom business applications)</td>
<td>44</td>
<td>11</td>
<td>11</td>
</tr>
</tbody>
</table>

Source: Ovum
South African interest in managed services reflects a global trend

One of the most significant trends which our global research revealed is that enterprises are seriously considering third-party managed services for premise-based UCC solutions. South Africa is no exception, with South African ICT decision-makers expressing an interest in, and openness towards, managed services for future UCC investments.

However, the results below also shed light on some uniquely South African considerations:

- South African ICT managers are even more focused on managed services when it comes to future UCC delivery models than their global counterparts, with roughly 25% more South African decision-makers indicating they would seriously consider premise-based systems managed by a third party in the future compared to respondents from other regions.

- South Africans are also more open to seriously considering both public and private cloud delivery options than their global peers, and again resemble North America and Europe more than emerging markets in that regard.

Currently, about half of UCC deployments are premise-based and managed internally, typically ranging up to 60% for some UCC applications. But the fact that South African enterprises are willing to consider managed models (either premise-based, public or private cloud) in over three quarters of cases for future investment indicates that South African decision-makers will expect their UCC providers to offer a robust array of managed options.
Figure 4: UCC delivery in South Africa – a decision-maker view

If you are considering new investment in the following in the next 24 months, which of the following delivery methods would you seriously consider? Check all that apply.

- **Telephony (IP-PBX)**
  - Premise-based and managed internally: 6%
  - Premise-based and managed by third party: 24%
  - Dedicated hosted or private cloud: 65%
  - Multi-tenant hosted or public cloud: 6%

- **Telephony (Microsoft Lync voice)**
  - Premise-based and managed internally: 13%
  - Premise-based and managed by third party: 30%
  - Dedicated hosted or private cloud: 43%
  - Multi-tenant hosted or public cloud: 17%

- **Instant messaging and presence**
  - Premise-based and managed internally: 23%
  - Premise-based and managed by third party: 32%
  - Dedicated hosted or private cloud: 39%
  - Multi-tenant hosted or public cloud: 16%

- **Standard UC (unified messaging, presence, softphone, etc.)**
  - Premise-based and managed internally: 17%
  - Premise-based and managed by third party: 17%
  - Dedicated hosted or private cloud: 63%
  - Multi-tenant hosted or public cloud: 8%

- **Audio / web conferencing**
  - Premise-based and managed internally: 16%
  - Premise-based and managed by third party: 13%
  - Dedicated hosted or private cloud: 72%
  - Multi-tenant hosted or public cloud: 9%

- **Team workspaces and content tools (e.g. SharePoint)**
  - Premise-based and managed internally: 20%
  - Premise-based and managed by third party: 23%
  - Dedicated hosted or private cloud: 53%
  - Multi-tenant hosted or public cloud: 10%

Source: Ovum
Further reading

This report provides a snapshot of our global research into UCC and explores some results which illustrate how global trends are affecting the South African market. While most trends have a direct, and similar, impact on local enterprises as they do on large businesses in more mature markets, we have also taken the opportunity to tease out some differences between the South African and global UCC landscapes.

For further information and insight, please request our full global report, Strategic, User-driven and Managed: the Future of Unified Communications & Collaboration, from your local Dimension Data contact.
About Dimension Data

Founded in 1983, Dimension Data plc is an ICT services and solutions provider that uses its technology expertise, global service delivery capability, and entrepreneurial spirit to accelerate the business ambitions of its clients. Dimension Data is a member of the NTT Group.

www.dimensiondata.com

About Dimension Data’s 2013 Global UCC Study

In August 2007, Dimension Data commissioned research firm, Ovum (then Datamonitor), to conduct a primary research study on the attitudes towards unified communications, its adoption and perceived benefits. 390 IT Managers and 524 technology users from 13 countries were interviewed. This year’s study has drawn even greater levels of participation with over 2,700 respondents from 18 countries. The report provides managers with a tool to understand current market conditions and identify best practices. The content of the report is ideally leveraged in the development of a UCC strategy.

www.dimensiondata.com/Solutions/UCC

About Ovum

Ovum is an independent ICT analyst firm with international presence. Ovum occupies a unique position with detailed insight across the increasingly overlapping worlds of enterprise technology and telecommunications. We provide our clients with independent and objective analysis that enables them to make better business and technology decisions.

This research project was led by Ovum’s Enterprise Communications practice, which examines companies’ adoption of communications services, working alongside Ovum’s Consumerization practice that examines the rising tide of smart consumer devices and their impact on the enterprise IT function and its broader business.

www.ovum.com
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