

CONTACT'S MAGNIFICENT SEVEN FOR 2011

IT & COMMUNICATIONS MARKET TRENDS THAT ARE SIMPLE TO UNDERSTAND & USEFUL TO YOUR BUSINESS

“According to the International Data Corporation IT Spending will increase in 2011....There will be growth in productivity tools to support remote workers....Cloud & SaaS will gain traction....Social technologies will be integrated into business applications.”

What does all this mean? And how will it help your business? And what do these predictions actually tell us?

Contact are a leading provider of IT & Telecoms, and we have carried out our own extensive market research, separating the wheat from the chaff, and we are pleased to present you with our ‘Magnificent 7’ trends for the IT & Communications market for 2011.

We aim to provide our clients with concise and useful information, that will explain what technologies your competitors are looking at, and help you reduce cost and grow market share.

This paper will look at the following trends which we believe are business critical in 2011 and will outline their business benefits:

1. Unified Communications Growth in Small and Mid-Size Businesses
2. Smart Mobility
3. Smoom – Social Media Boom
4. Cloudy but Fair
5. App-Y Days
6. Connecting People in new ways
7. Energy and Efficiency Driven by IT

1. UNIFIED COMMUNICATIONS GROWTH IN SMALL & MID-SIZE BUSINESSES

Unified communications (UC) continues to be an emerging technology that continues to gain traction among small and midsize businesses (SMBs). Unified communications has evolved to support not just voice, but video, text messaging and media-rich presence tools and applications.

But until recently, many SMBs concluded that UC wasn't for them, because they lack the resources (both financial and personnel) to invest in UC. However, this mind-set has been changing, as vendors have introduced affordable UC offerings aimed at this market segment.

Pain areas that these solutions address include:

- **Inefficient coordination**—This points to wasted time setting up meetings and possibly queries sent to the wrong individual because you don't know who has the answer.
- **Waiting for information**—Tied in with inefficient coordination, this latency can delay important business decision.
- **Unwanted communications**—In addition to spam, think about the time wasted on forwarded joke email messages, or unsolicited sales calls and other low-priority communications.
- **Customer complaints**—This includes time required to deal with negative customer experiences, which can be a result of not being able to reach you in a timely fashion.
- **Barriers to collaboration**—This item includes difficulties establishing collaboration sessions as well as accessibility problems or not having the right communications tools

SMBs have many of the same business needs as their larger-enterprise counterparts, they require IT solutions that are developed with the specific requirements of smaller companies. SMBs require IT solutions that are easy to purchase, implement, and maintain, providing the needed core capabilities with the ability to add on and grow as needed or when they can afford it.

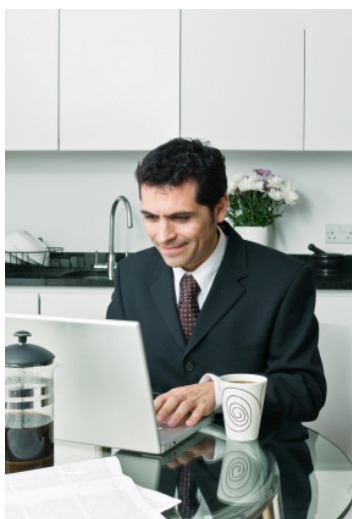
Unified Communications (UC) offers the ability to significantly improve how individuals, groups and companies interact and perform. These products may be made up of a stand-alone suite, or may be a portfolio of integrated applications and platforms spanning multiple vendors. For the SMB market, offerings are typically made up of single-server stand-alone suites meant to be plug-and-play ready. This eliminates the need for additional integration costs and complexity, and typically simplifies the maintenance and management for resource-constrained companies.

UC products are used to facilitate personal communications and to support workgroup and collaborative communications. Some UC products may extend outside company boundaries to enhance communications among organizations, to support interactions among large public communities or for personal communication. Additionally, UC is increasingly being integrated or offered with collaboration applications to form UC and collaboration (UCC).

It's useful to divide UC into six broad communication product areas:

1. **Voice and telephony**—This area includes fixed, mobile and soft telephony, as well as the evolution of PBXs and Internet Protocol (IP)-PBXs. This also includes live communications, such as video telephony.
2. **Conferencing**—This area includes separate voice, video-conferencing and web-conferencing capabilities, as well as converged unified conferencing capabilities.
3. **Messaging**— This area includes e-mail, which has become an indispensable business tool, voice mail and UM in various forms.
4. **Presence and IM**— These will play an increasingly central role in the next generation of communications. Presence services, in particular, are expanding to enable aggregation and publication of presence and location information from and to multiple sources. This enhanced functionality is sometimes called "rich presence."
5. **Clients**—Unified clients enable access to multiple communication functions from a consistent interface. These may have different forms, including thick desktop clients, thin-browser clients and mobile PDA clients, as well as specialized clients embedded within business applications.
6. **Communication applications** - This broad group of applications has directly integrated communication functions. Key application areas include consolidated administration tools, collaboration applications, contact center applications and notification applications. Eventually, other applications will be communication-enabled. When business applications are integrated with communication applications, these are called 'communications-enabled business processes' (CEBPs).

2. SMART MOBILITY



In a world of always on, always connected economies, working practices have changed immeasurably from those our parents were familiar with, and as employment patterns have changed, so too has the relationship between work, home and the community.

As a result many organisations have introduced flexible working practices that allow them to positively influence performance – with the added benefit of reducing the overall carbon footprint of the business.

Mobile technology and flexible working practices help businesses to rationalise expensive corporate real estate, reduce infrastructure costs, increase productivity, attract and retain valuable expertise and to help the environment.

Mobility solutions increase employee productivity, improve responsiveness to customers, control costs by extending the enterprise to mobile devices, and enable your employees to connect, communicate, and collaborate using their mobile devices.

So what is smart mobility?

Participation depends on the quality of the interaction, and maintaining a compelling experience regardless of the location, device, or content being assessed.

Smart mobility embraces richer forms of communication such as video, harnesses the power of social software tools allowed within the business, provides freedom of choice in device and location, allowing secure collaboration both inside and outside the firewall, and offers complete flexibility of deployment between on-premises and cloud-based deployment models.

But above all smart mobility, provides an integrated experience that puts the person back in the center, facilitating greater participation, productivity, and value—whether it be for the customer in a retail store, the mobile salesman, the office project manager, or the patient consulting remotely with a doctor.

3. 'SMOOM' - SOCIAL MEDIA BOOM

SMB's are jumping on the social media bandwagon to help attract new customers and improve customer relationships. But managing marketing, branding and reputation across and between social media (e.g. Facebook, Twitter, blogs, etc.) and other digital marketing venues (email marketing, search engine marketing, etc.) as well as more traditional CRM solutions can be a nightmare

In 2011 more and more businesses of all sizes will be using social media sites, such as Facebook and Twitter, as a way to better engage customers and increase sales. However, just having a Facebook page or a Twitter account is no guarantee of success.

Businesses will start to look using Social CRM SaaS (Software as a Service). These services will benefit your business in a number of ways:

1. Social CRM can help you target your marketing to key segments. By using customers' interests, conversations, location, demographic and other data gathered from various social media sites, marketers can capture and utilise that intelligence to create very focused messaging and offers to motivate their contacts to act.
2. Social media monitoring can help you uncover potential customers and find out which customers are influencers. People are talking about products, brands, product categories, wants and needs at a staggering rate online. Monitoring the social web enables businesses to monitor the chatter and sentiment about their products and services as well as the competition's.

If you monitor conversations online around your brand, products and services, and your competitors, using appropriate keywords, for example, a backpacking products company could search for people talking about backpacking and hiking trips. Gathering these social conversations [in one place like your CRM system] enables you to track the volume of

conversations about your brand or market over time, and then you can use that information to better engage and interact with your customers.

Social CRM helps companies create, optimize and promote content to “get found,” convert and close more business, and link to relevant conversations across the Web in a unified dashboard. This will enable your business to integrate successfully with social media providing opportunities and contacts to help sales, marketing and support people prioritise and focus sales activities and marketing campaigns more effectively.

4. **CLOUDY BUT FAIR!**

Everybody is sure that cloud computing is key to the future of IT, but people often seem unsure quite what it is. In fact, it's an umbrella term for a number of different trends, all involving the internet and its potential to simplify the way we use computers and extend their capabilities.

The "cloud" is the internet, and the term is fitting – it's large, out there somewhere, and fuzzy at the edges. Cloud computing is about putting more of your material out there and less on PCs or servers that a business runs for itself.

You can do this in many ways, but with every vendor claiming to do cloud computing in some form it has become confusing. It is worth understanding terms such as SaaS (software-as-a- service) and PaaS (platform-as a-service) so as to evaluate vendor claims. There are radical differences between the various forms of cloud computing, and they do not all offer the same benefits.

Q: What's the point of cloud computing?

Reasons vary, but often include the desire to outsource the maintenance burden of servers and applications; the need to scale systems up or down on demand; the benefit of being able to access your data from anywhere with an internet connection; and the ability to replace occasional heavy expenditure on IT with regular and predictable operational expenditure.

Q: What is utility computing?

The idea that businesses should not be spending effort and money on installing and maintaining complex hardware and applications, when a specialist can supply those same services on a pay-as- you-go basis. Businesses do not generally generate their own power – utilities are bought when needed. In the same way, the argument runs, essential IT services can be managed better externally.

Q: What is software-as-a-service (SaaS)?

Pre-baked services that you access simply by navigating there in a web browser. Google Mail and Google Docs are examples of this kind of cloud computing.

Q: What is platform-as-a-service (PaaS)?

A set of lower-level services such as an operating system or computer language interpreter or web server offered by a cloud provider, on which developers can build custom applications. Microsoft Windows Azure and Google App Engine are examples of PaaS.

Q: What is infrastructure-as-a-service (IaaS)?

Provision of servers or virtual servers that organisations use on a pay-as- you-go basis. Amazon's Elastic Compute Cloud (EC2) is an example of IaaS. In practice, cloud suppliers often provide additional services alongside IaaS offerings, so the boundary between IaaS and PaaS is ill-defined.

Q: What is a rich internet application (RIA)?

Modern web browsers have fast script engines and rich graphics and plug-ins, such as Adobe Flash, to extend their capabilities. A rich internet application has applications running in the browser that have rich graphics and the kind of sophisticated user interface that at one time would only have been possible in a locally installed desktop application. The term was made popular by Adobe for applications using its Flash plug-in, but it is also sometimes used to describe advanced HTML applications.

Q: What is multi-tenancy?

Cloud-hosted applications where multiple customers share a single application, even though they only have access

to their own data. Salesforce.com is an example. Multi-tenancy is the most cost-effective form of cloud computing, since the software itself is shared.

Q: What is the difference between public, private and hybrid clouds?

Some organisations, especially larger ones, want the benefits of cloud computing but without the risks inherent in trusting their data to a third party. They can achieve this by creating a cloud-like infrastructure in their own data centre. This is called a private cloud. The public cloud refers to providers such as Amazon, Google and salesforce.com, whose shared services are available to all. A hybrid approach uses both public and private services.

Q: What is virtualisation?

Emulating computer hardware in software, so that one or more emulated computers can run simultaneously on a single physical computer. This is a boon for cloud computing: service providers can use hardware efficiently by running many virtual servers on each machine in a data centre. Sometimes virtual machines can be moved between company premises and cloud providers.

Q: Is cloud computing green?

Cloud computing goes some way towards solving a problem called under-utilisation, where servers run constantly with little computing load, wasting money and power. Service providers use virtualisation and other techniques to make full use of their hardware. The downside is that these datacentres are power-hungry, and we are using more of them as demand grows. The hope is that a new generation of more efficient super computers will make cloud computing a truly green option.

Q: What are the risks?

Cloud computing has real benefits, but there are also reasons for caution. Risks include loss of service if your provider has downtime or goes out of business, regulatory problems when personal data is stored internationally, security concerns when users lose control of how their data is protected, one-sided service agreements that give users little redress in the event of a calamity, and lock-in dependency on proprietary cloud applications.

5. 'APP-Y DAYS'

1.2 billion people Worldwide carry handsets capable of rich, mobile commerce providing an ideal environment for the convergence of mobility and the Web. Mobile devices are becoming computers in their own right, with an astounding amount of processing ability and bandwidth. There are already hundreds of thousands of applications for platforms like the Apple iPhone, in spite of the limited market (only for the one platform) and need for unique coding.

The quality of the experience of applications on these devices, which can apply location, motion and other context in their behaviour, is leading customers to interact with companies preferentially through mobile devices. This has led to a race to push out applications as a competitive tool to improve relationships and gain advantage over competitors whose interfaces are purely browser-based.

App's have become a key information source and channel for businesses. Potential customers use this content for figuring out how different solutions can help their business.

SMBs most often turn to search engines, vendor emails and websites to help sort through this confusion, and keep up with information about technology solutions. SMB app stores—aka marketplaces—go beyond search engine listings to provide user-generated ratings and guidance to help SMBs determine best-fit solutions. In 2011, they will become a more important source and channel for SMBs—our survey results show that more than half of all SMBs use or plan to use app stores. Vendors that run their own app stores will need to stay ahead of competitors not only by offering the best selection of applications, but by providing superior information, community, guidance, integration and e-commerce experiences.

6. CONNECTING PEOPLE IN NEW WAYS

In response to today's changing work styles and the need for real-time collaboration, organisations are looking for integrated productivity tools that enable users to communicate from anywhere in a cost-effective and secure manner.

In the past collaboration & convergence technologies have been difficult to integrate, and costly. 2011 brings in the era of simpler deployment, intuitive systems with new easier to use applications.

Some of the new ways of communicating in 2011 will be:

1. Switching between your head-set and laptop or speakerphone, in the middle of a call with device switching.
2. Selecting multiple people in your contact list and initiating a group call. And if you need to add someone else, just 'drag' their name from the list to the call.
3. Leaving the office and taking your call with you on your mobile phone.
4. Your system intuitively testing your network connection before you start a video call or meeting.
5. Going from IM, to voice, to video to app sharing, all within the same client experience.

These solutions will allow your business to:

1. Find and communicate with the right person more quickly.
2. Create a more interactive work environment by building social connections.
3. Communicate naturally, the way users work
4. Make every interaction a near face-to-face meeting
5. Communicate with context
6. Stay connected from virtually anywhere

So in summary, a better user and customer experience!

7. ENERGY & EFFICIENCY DRIVEN BY IT

Major ICT enterprises will further push to brand and position themselves as major solution providers in a carbon, energy and resource-constrained world, accelerating a process increasingly apparent over the past two years.

Energy efficiency is a hot issue in Information Technology. All businesses should be analysing their environments and developing plans to ensure they will receive the benefits of being "Green".

It is an important issue and you must be able to show your customers that you value corporate responsibility, as well as how you can help support their green agendas.

The purpose of energy efficient IT solutions goes beyond assuaging decision-makers' conscience. It also aims to cut power consumption to drive down costs. This is the crossroads where ecology and economics meet.

It is estimated that new IT & Computer equipment gains 15% to 20% in energy efficiency every two to three years. The energy savings alone aren't enough to justify replacement, but it's a good reason to keep your refreshes on schedule.

The energy & efficiency trends for 2011 include:

1. Video Conferencing
2. Virtualisation
3. Cloud Storage
4. Managed Services



Summary

Contact can help you decide whether these market trends will give your business an advantage. Our areas of expertise include:

- Individually tailored IT and Unified Communications solutions
- Consolidated IT & Mobile contracts
- True Vendor-independent advice on voice, data and network technology
- Preferential support and pricing for major brand products
- Hosted or on premise options
- Prince 2 and ITIL certified project managers
- Excellent account management and award winning customer service

For further information on any of our products or services, please contact us for advice on any aspect of your business communications; we would love to hear from you:

Tel no: 08452 75 75 75

Email: enquiries@comtact.co.uk