metrigy

The Benefits of Truly Unified Communications for SMBs

Unified communications-as-a-service platforms improve the user experience while reducing costs and complexity

Brought to you by **GoTo**

The Benefits of Truly Unified Communications for SMBs

Unified communications-as-a-service platforms improve the user experience while reducing costs and complexity

Q3 2022

Beth Schultz
VP of Research & Principal Analyst
Metrigy

Table of Contents

Executive Summary

Despite the availability of all-in-one communications solutions, the majority of small and midsize businesses (SMBs) still rely on separate apps for calling, meetings, messaging, virtual events, webinars, contact center, and customer support. This leads to a variety of problems, including barriers to productivity, user frustration, high cost, and complex management requirements. SMBs can eliminate these challenges by adopting Unified Communications-as-a-Service (UCaaS) platforms that provide for integrated features, and that enable flexible adoption.

To realize the benefits of unified communications fully, SMB owners, managers, and IT leaders should:

- Vet potential UCaaS providers on their ability to deliver a wide range of communications and collaboration features, starting with but not limited to calling, messaging/team collaboration, and meetings/video conferencing
- Understand the application ecosystem of potential UCaaS providers, assessing native integrations and API availability
- Look for UCaaS providers that allow centralized management and remote support of today's hybrid workforce
- Assess the services a potential provider offers around planning, migration, implementation, and user adoption

State of the Market

Unified Communications-as-a-Service (UCaaS) platforms have long held promise for businesses of all sizes, enabling all-in-one packaging of core communications applications: calling, meetings, and messaging, with availability of add-ons such as contact center, customer support, virtual events, and webinars from some providers. Small and midsize businesses (SMBs), however, have been slow to adopt the UCaaS approach, particularly compared to larger companies. While many SMB IT leaders acknowledge they generally understand what UCaaS is, they say they don't specifically require it, as Metrigy found in a study on SMBs and their communications and collaboration choices conducted late last year.

Among the 509 participating companies with headquarters in Australia, North America (Canada, U.S.), and Western Europe (Germany, Ireland, U.K.), 42.4% of those with between 10 and 100 employees and 45% of companies with between 101 and 500 employees indicated such was the posture on UCaaS at their companies. Only 20.2% and 26.7% of SMBs at each respective size company said they specifically look to purchase UCaaS and understand the benefits, with 28.3% of the smaller company size and 22.1% of the larger company size giving a nod to a UCaaS consideration not as a default, but if pricing and features meet their needs.

When it comes to desired features, meetings/video conferencing and messaging/team collaboration top the list for SMBs, with 61.8% and 58.4% identifying each of those respective applications as must-haves for a UCaaS platform (see Figure 1). This represents a shift away from calling/telephony, which historically had been the primary capability companies have looked for as they considered shifting from on-premises systems to the cloud.
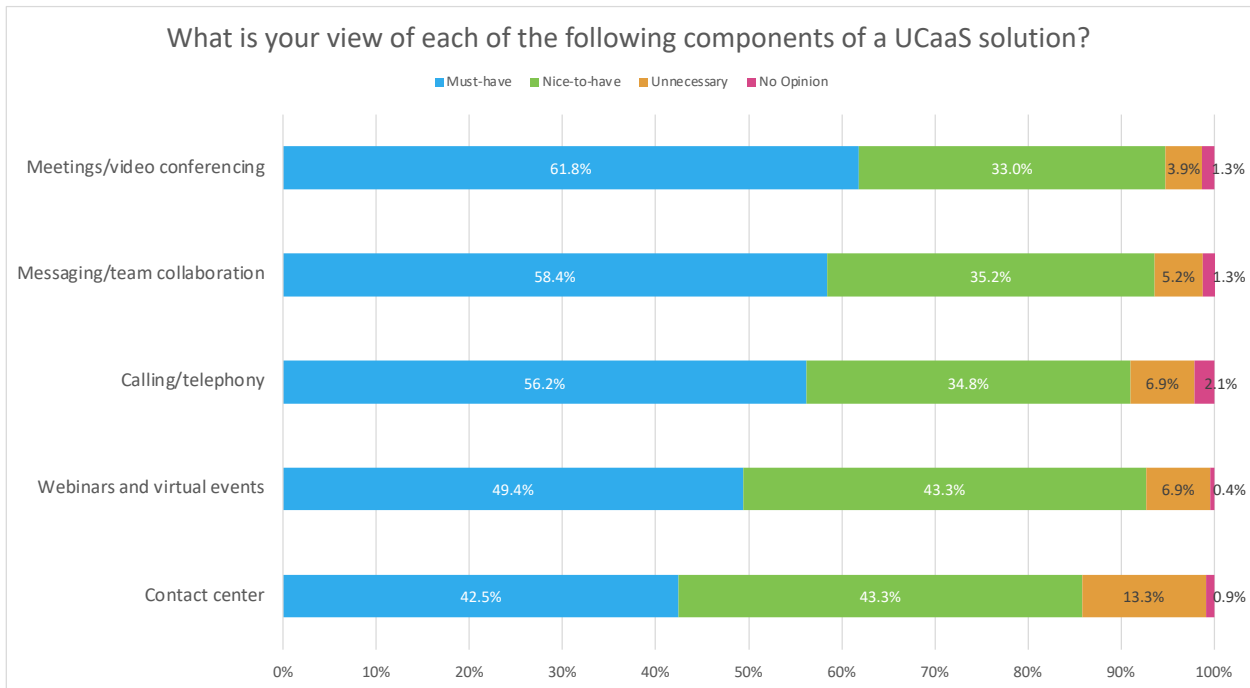
Figure 1: Components of a UCaaS solution

All-in-One Buying Approaches

In large part, the answer to why UCaaS hasn't gained traction among more SMBs lies in the office productivity suite, a la Microsoft 365, Google Workplace, and others. That is, 91% of SMBs use an office suite, and many of those doing so consider that suite as the starting point when crafting their communications and collaboration strategies. To a lesser degree, SMBs take either a phone-centric (20.8%), meeting-centric (also 20.8%), or messaging-centric (10.2%) view of collaboration, as shown in Figure 2.
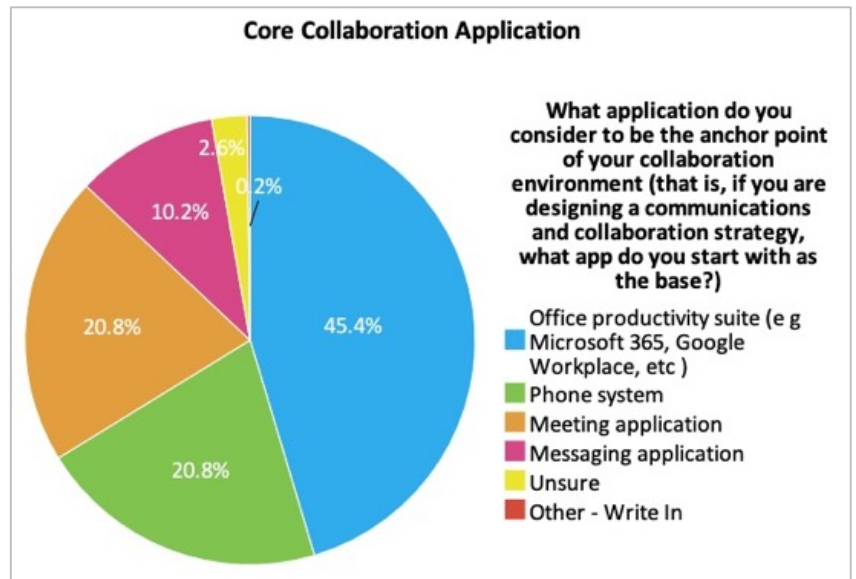

Figure 2: Core Collaboration Application

Taking an office suite-centric view is particularly true for the companies with 10 to 100 employees, with half of these smaller SMBs centering communications and collaboration strategies on their office productivity suites vs 41% of the larger SMBs. When tapping office suite providers for collaboration features, SMBs most often do so for meeting and messaging services, with webinar and phone apps adopted at lower

rates. Just shy of half of respondents, for example, consider the messaging/team collaboration app offered from their office suite provider as their primary solution.

Standalone Calling & Meetings

While integration of communications and collaboration applications within an office suite is popular among SMBs, such an approach isn't for every company. Among study participants, the phone system sits outside the office suite for 55.4% and 44% use a separate meeting app (although, to note, 31.5% of this latter group also uses the meeting app built into their office suite).

For SMBs that favor having a standalone phone system, greater reliability (38.9%) and better user experience (33%) are top drivers. The reverse order is true for those with messaging apps outside their office suite: 45.4% identified better user experience as the primary rationale while 40.6% said the same of reliability. Other reasons for maintaining separate apps include a richer feature set, favorable employee experience with an existing app, cost savings, and no time to evaluate—this latter particularly germane to smaller companies that sometimes don't have formal IT structures in place and instead rely on line-of-business heads or executive management for technology decisions.

Pain Points & Key Challenges

While factors such as reliability and user experience are important considerations and reasonable justifications for picking one solution over another, relying on multiple application providers can be problematic. For both SMB size groups, only fewer than 25% of companies said they have no problems with their collaboration environments. For the others, pain points range from an inability to innovate to supportability, with application overload, expense, and complexity being the biggest three, as shown in Figure 3.
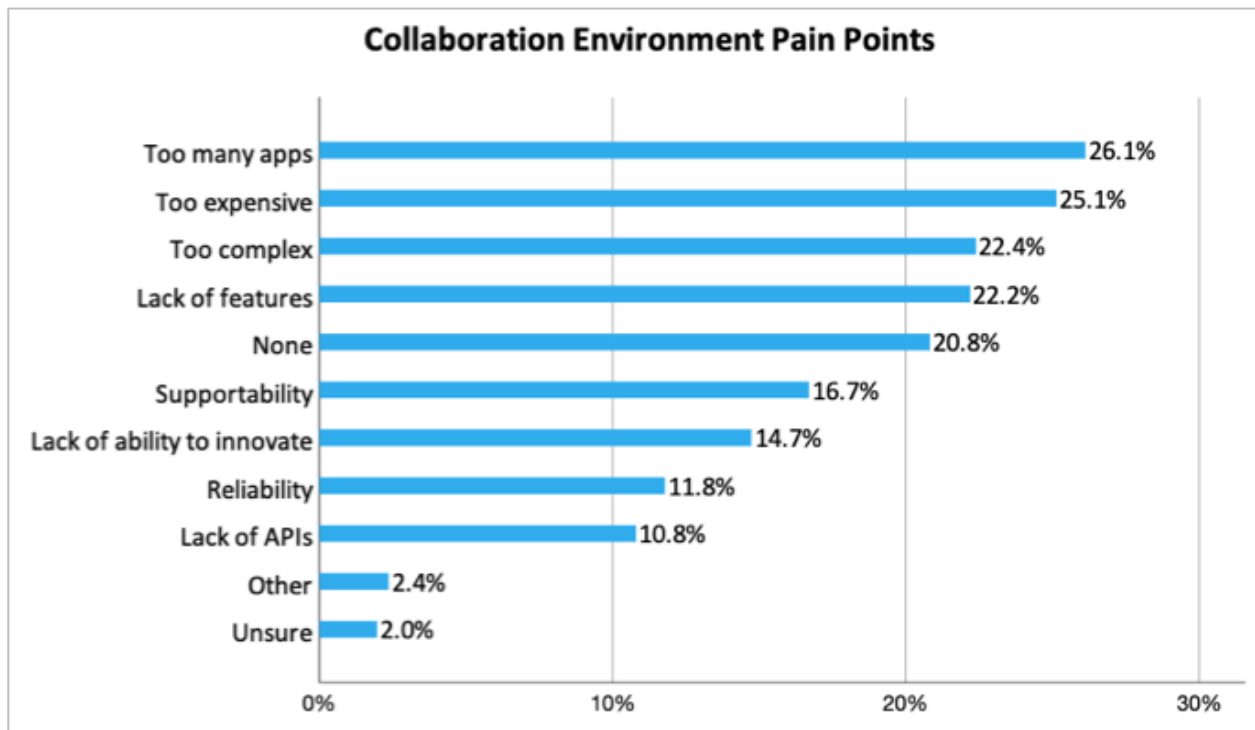
Collaboration Environment Pain Points

Pain Point	Percentage
Too many apps	26.1%
Too expensive	25.1%
Too complex	22.4%
Lack of features	22.2%
None	20.8%
Supportability	16.7%
Lack of ability to innovate	14.7%
Reliability	11.8%
Lack of APIs	10.8%
Other	2.4%
Unsure	2.0%

Figure 3: Collaboration Environment Pain Points

These three pain points give rise to a range of challenges. As an example, SMBs identified integration, security, IT manageability, cost, and usability among top challenges of maintaining an environment with separate apps.

Despite the pain points and challenges of operating a multi-provider communications and collaboration environment, some SMB leaders consider having the best individual apps, even if that means having multiple providers, more important than having a single integrated platform. By the numbers, 39% of those with 101 to 500 employees and 31.4% of those with 10 to 100 employees prefer having the best individual apps. Comparatively, 31.5% of the larger SMBs and 28.6% of the smaller SMBs favor the integrated platform approach.

Benefits of an All-in-One Solution

As previously noted, SMBs tend to think about their office suites first and foremost as their starting point for supporting collaboration, but oftentimes need to use disparate apps, as well. Considering the myriad pain points and challenges associated with this approach, it's time for a rethink. SMBs looking to achieve the true benefits of a unified communications and collaboration environment need to embrace UCaaS as their single platform of choice.

In our study, we found that SMBs in the two size groups differ on what factors would have them make the leap into a single platform that integrates calling, meeting/video conferencing, messaging, and other apps. For the larger-size SMBs, easier management and better feature

options would be the biggest factors swaying them to the single platform choice. Smaller-size SMBs rank ease of use and lower cost as their top factors.
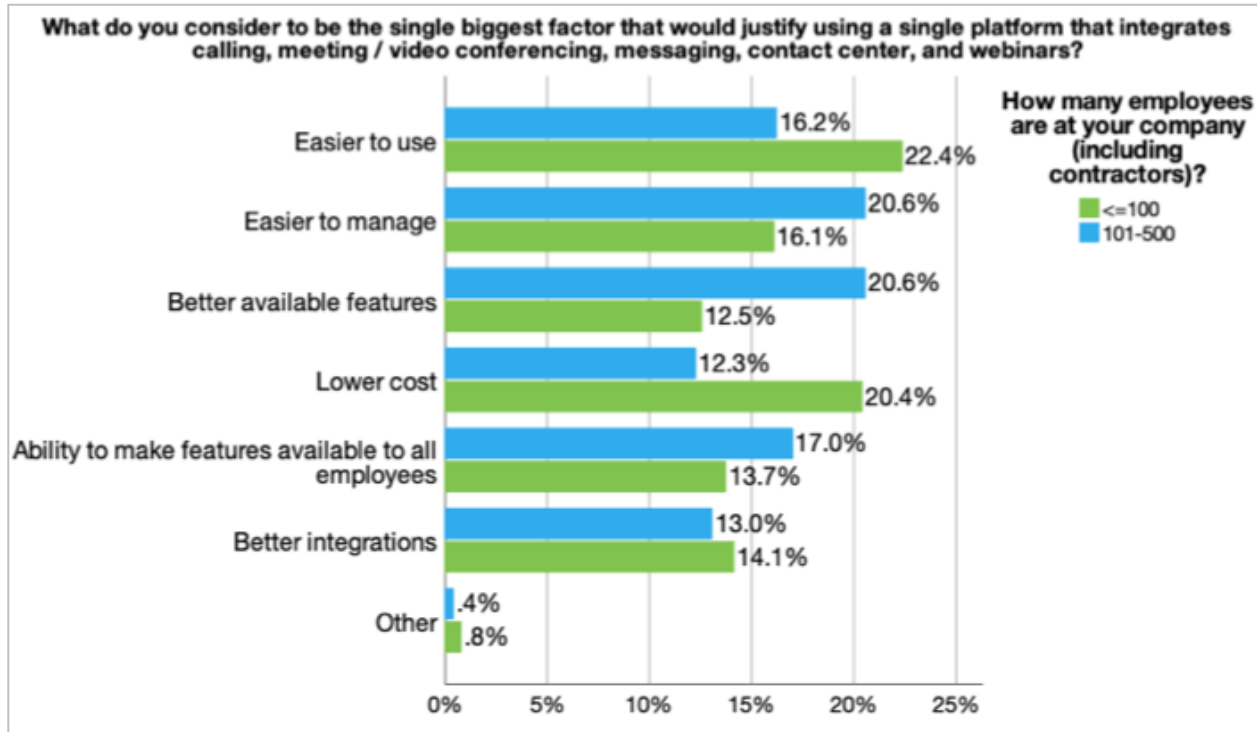

Figure 4: Factors for Using a Single UCaaS Platform

UCaaS platforms meet all those factors. At a minimum, today's UCaaS platforms deliver an all-in-one solution comprising calling, meetings/video conferencing, and messaging/team collaboration. But they can be so much more than that as well, seamlessly adding in a host of other capabilities, such as contact center, virtual events and webinars, and even remote assistance. The benefits are clear:

- **Simplified user experience –** Within their UCaaS solution, users should be able to communicate and collaborate by phone, chat, or video meeting, depending on the purpose at hand, and seamlessly move from one to the other—no quitting one app to launch another, or needing to remember how to use one application from the next.
- **Reduced cost and complexity –** IT or other technology decision makers can streamline costs with the consolidation of multiple services into a single license, and reduce management complexity via a single dashboard and one provider.
- **Elimination of legacy, on-premises platforms –** 38.4% of SMBs maintain on-premises phone systems. Many will be able to justify a cloud migration based on ease of use, cost savings, feature integration, and unified management.

Buying Guide

SMBs have an abundance of choice in selecting a UCaaS platform—but not all providers are best suited to meet the needs of these companies. Here are some criteria to consider when vetting UCaaS providers:

Features

Meeting/video conferencing, messaging/team collaboration, and calling are the most desired UCaaS features and are, as noted, typically starting points for an SMB implementation. The goal should be the ability to migrate disparate calling, meetings, and messaging apps into a unified platform available from a single interface. Additionally, since few implementations will be greenfield, SMBs should look for providers that simplify the migration processes. When migrating calling, for example, being able to port phone numbers, dial plans, call queues, IVR flows, and other in-place configurations is imperative. Even if not required today, SMBs should look beyond the basic calling, messaging, meetings feature set to more advanced services like contact center, customer service, virtual events, and webinars for future potential growth.

Integrations

SMBs need to consider which business apps would benefit from integrated communications/collaboration features, and determine whether a provider offers native integrations for them. Salesforce for CRM and Zendesk for customer service/support are two examples in which UCaaS integration—i.e., click to launch a phone call or chat—can prove invaluable. Availability of APIs, for use by internal or external developer partners is important, as well. SMBs should not be limited by a provider's integration portfolio.

Remote support/management

Given today's hybrid workplace, the ability to manage a communications/collaboration environment centrally is a must-have for companies. And, considering the business-critical nature of communications and collaboration apps, the ability for IT to manage and troubleshoot applications remotely can help speed time to resolution and keep processes running smoothly. Our study group recognizes the importance of this need, with more than 60% of participating companies in both size groups indicating a preference for having remote support tools bundled within their UCaaS platform.

Professional services

Depending on starting point, getting up and running on a new UCaaS platform can be challenging. SMBs should look for providers that offer a range of professional services, from design to migration, implementation, and user adoption.

Recommendations and Conclusions

Despite the availability of all-in-one communications solutions, most SMBs still rely on separate apps for calling, meetings, messaging, events, webinars, and customer support. As a result, many companies find themselves hamstrung on productivity, user frustration, high costs, and

management complexity. There is an answer, however: an all-in-one UCaaS platform providing a host of integrated features and flexible adoption. To truly achieve the benefits of unified communications, SMB owners, managers, and IT leaders should:

- Vet potential UCaaS providers on their ability to deliver a wide range of communications and collaboration features, starting with but not limited to calling, messaging/team collaboration, meetings/video conferencing, and contact center
- Understand the application ecosystem of potential UCaaS providers, assessing native integrations and API availability
- Look for UCaaS providers that allow centralized management and remote support of today's hybrid workforce
- Assess the services a potential provider offers around planning, migration, implementation, and user adoption.

ABOUT METRIGY: Metrigy is an innovative research firm focusing on the rapidly changing areas of Unified Communications & Collaboration (UCC), digital workplace, digital transformation, and Customer Experience (CX)/contact center/CRM—along with several related technologies. Metrigy delivers strategic guidance and informative content, backed by primary research metrics and analysis, for technology providers and enterprise organizations.