

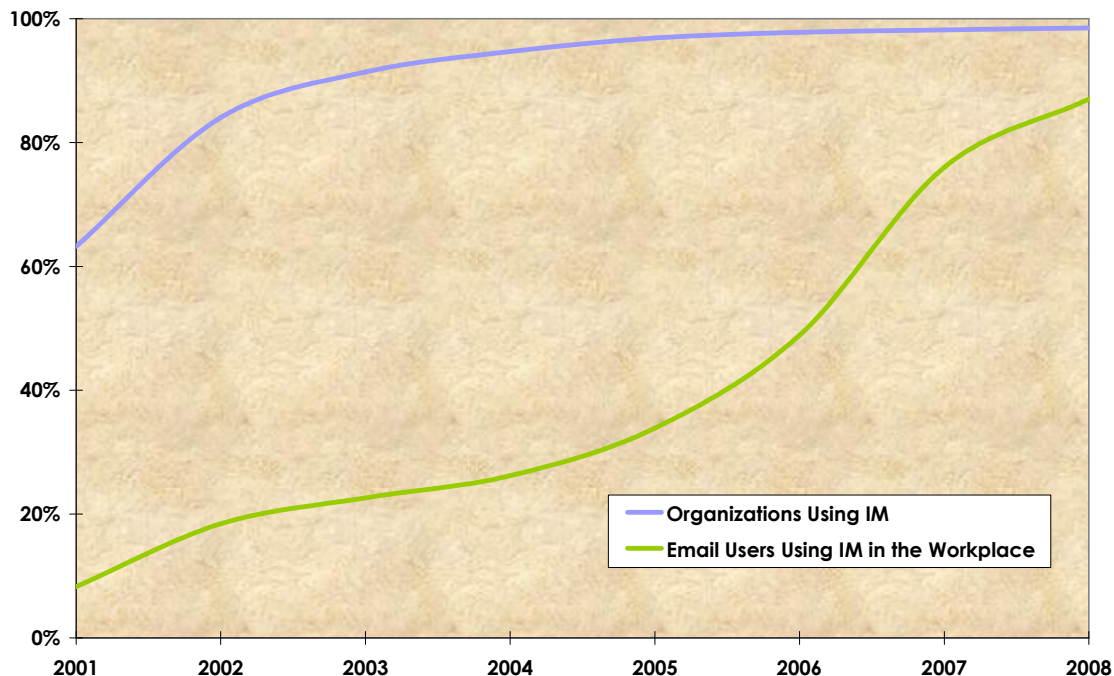


Enterprise Instant Messaging Trends, 2005-2008

Report Focus

More than 90% of organizations in North America currently have some instant messaging (IM) used in their networks and, by the end of 2005, Osterman Research anticipates that about one-third of email users in the workplace will also be using IM. By 2008, we anticipate that virtually all organizations will be using IM in one form or another and that 87% of email users will also employ IM, as shown in the following figure. However, the underlying technology of IM – presence – has yet to be exploited by most organizations.

Penetration of Instant Messaging in the Workplace, 2001-2008



This 71-page report examines the results of a study undertaken by Osterman Research to understand the current and future market for instant messaging and presence in North America. The study was supported by an in-depth primary market research survey conducted with key individuals in mid-sized and large enterprises across a broad array of industries in North America.

Key Findings Presented in this Report

- The most commonly cited 'official' reason for deploying an IM system is to improve communications. However, because most IM use started unofficially, the fundamental driver for IM deployment by individual users has been personal communications with family and friends.



- Most organizations had some budget for IM-related projects during 2004, but this figure has jumped significantly during 2005. Further, budgets of more than \$10 per user increased significantly in 2005 compared to the previous year.
- Although consumer IM systems continue to dominate corporate use of IM, enterprise-class IM systems are being more widely deployed. Our semi-annual tracking survey of IM use in the enterprise reveals that while enterprise IM was present in only 33% of organizations in mid-2001, this penetration has increased to 64% as of March 2005.
- Lotus Instant Messaging (Sametime) is the most common enterprise-class IM system found in the enterprise and it is the clear choice among organizations that have settled on a corporate standard for IM. However, Microsoft – due in large part to LCS – is gaining significant ground.
- Consumer IM systems will be replaced by many enterprises – our research found that more than 60% of organizations either definitely will replace their consumer IM systems, or they are very likely to do so at some point.
- While a slight majority of organizations are using IM for real business applications, most organizations are not deploying any applications on top of their IM/presence infrastructure. There are a variety of reasons for this.
- Integration of IM with telephony is expected to increase.
- IM is perceived as being reasonably effective at reducing the cost of telephone and fax communications within the enterprise.
- There is strong interest in the use of wireless IM by a significant percentage of enterprises, although larger organizations tend to view wireless IM as being somewhat more important than do their smaller counterparts.



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About Osterman Research, Inc.

Osterman Research, Inc. provides market research, cost modeling, benchmarking and related services to vendors of technology-based products and services.

We help vendors, IT departments and other organizations make better decisions through the acquisition and application of relevant, accurate and timely data on markets, market trends, products and technologies. We also help vendors of technology-oriented products and services to understand the needs of their current and prospective customers.

Part of what makes us unique is our market research panel: a large and growing group of IT professionals and end-users around the world with whom we conduct our research surveys. This allows us to conduct surveys quickly and accurately.



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