

# Osterman Research Executive Summary

## Enterprise Messaging System Trends, 2004-2007



### Report Focus

Messaging – the collection of infrastructure elements that provide email, instant messaging, calendaring, voice-over-IP (VoIP) and other services – is the fundamental communications medium for the majority of organizations regardless of size. The array of servers, security systems, networks, directory services and other elements that comprise messaging networks comprise the communications ‘plumbing’ of the modern enterprise.

### Key Findings Presented in this Report

- Spam continues to be the leading problem faced by those charged with managing messaging systems, followed by growth in messaging storage requirements and viruses and related threats. Spam has led as the dominant messaging-related problem faced by IT for several years and we anticipate that this will continue to be the case for at least the next 12 months.
- System uptime is viewed as the most important attribute for a messaging system, cited by virtually all organizations as either an important or very important attribute. System stability and reliability are viewed as almost equally important.
- Message stores are continuing to grow rapidly – during the 12-month period ending in October 2004, message stores averaged growth of 32%. Smaller organizations experienced somewhat greater message store growth than larger organizations.
- A plurality of large organizations (greater than 2,000 email users) operates with a distributed email architecture and is not working toward consolidating these servers into a centralized data center.
- About one-half of organizations have implemented messaging retention policies. However, only 44% of organizations have established retention policies for non-messaging data.
- Most IT decision-makers do not believe that their organizations are sufficiently well equipped to address regulatory, legal and related issues with regard to their email system.
- Because labor is the most significant cost element in managing a messaging system, even small reductions in the amount of labor required to manage a messaging system can have significantly greater impacts on reducing messaging TCO than large reductions in the cost of hardware, bandwidth and other non-labor costs.

- Most organizations view the encryption of external email as very important to their organizations and more organizations prefer a gateway-to-gateway encryption model for secure messaging compared to desktop-to-desktop encryption.
- The potential success of vendors that offer alternatives to leading messaging systems will depend to a large extent on whether or not these alternatives support the existing desktop infrastructure.
- There is a potentially strong market for Linux-based messaging and related systems.
- The vast majority of organizations view the mining of data from messaging systems for purposes of knowledge management as reasonably unimportant.
- In order to completely outsource their messaging infrastructure to a hosted messaging provider, the majority of organizations would require a significant level of cost savings. The cost expectations for hosted messaging of a large percentage of potential customers are far below the price at which many hosted messaging providers could provide these services.

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## About Osterman Research, Inc.

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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.

Enterprise Messaging System Trends, 2004-2007  
was published in November 2004 and is available for \$1,995.



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