



Messaging in the SMB Market, 2006-2009

Report Focus

This report focuses on the North American small-to-mid-size business (SMB) market, which for the purposes of this report is defined as organizations of between 10 and 1,000 employees. The goal of this report is to assist vendors and others to increase their understanding of market developments in the SMB messaging space and to help them gain insight into key trends that will shape this market for the next several years. The primary data sources used for this report were two surveys of North American organizations that Osterman Research conducted specifically for this report during late 2006. Data from other recent Osterman Research surveys were also used to provide comparisons between the SMB and enterprise markets.

Highlights of Key Findings and Trends Discussed in this Report

- The vast majority of SMBs have basic messaging security systems already in place. However, other messaging security and related capabilities are not nearly so widespread in the SMB space, including outbound content scanning, archiving and encryption.
- Message stores in the SMB space are growing substantially: two out of five SMBs have experienced message store growth of more than 25% between late 2005 and late 2006, with one out of six SMBs experiencing more than 50% growth in their email-related storage during this period.
- Some applications, like Web conferencing, are viewed by the vast majority of SMBs as legitimate applications. However, most other messaging-related applications are viewed by many SMBs as being illegitimate in a business context, including consumer-grade instant messaging systems, consumer-oriented Webmail and peer-to-peer file sharing systems.
- There are a variety of problems faced by SMBs as they manage their messaging capabilities. Interestingly, larger organizations report the same leading problems, but in different order – for example, growth in messaging-related storage is more of a problem than spam for larger organizations.
- Email encryption between certain groups is viewed as important by a large percentage of SMBs.
- Two out of five SMBs views spyware as a serious and immediate threat, while nearly as many SMBs view it as a serious potential threat. The majority of SMBs are addressing the problem of spyware in their organizations, but Osterman Research anticipates that there will be substantial differences in the way that spyware is addressed during the next few years.



- The vast majority of SMBs want key messaging security capabilities – anti-spam, anti-virus, anti-spyware, Web filtering and instant messaging security – to be managed in an integrated suite of capabilities. However, significantly fewer SMBs want capabilities like peer-to-peer file sharing, Skype control and messaging archiving to be managed as part of an integrated solution.
- Fewer than one-half of SMBs are concerned or extremely concerned about the leakage of sensitive information from approved communication channels used in and by their organizations.
- There is relatively little consensus about the least risky approach when it comes to data preservation in the context of email and related information in the SMB space.
- The vast majority of SMBs use instant messaging. While 20% of SMBs use the technology for business use only, nearly one-half of organizations use it for both business and personal applications for their employee base.
- The reluctance that SMBs feel with regard to the use of hosted or managed services for their email infrastructure is not mirrored in their desire for this delivery model for email security services

Table of Contents

1. Executive Summary	1
2. Methodology and Overview	7
3. Key Messaging Issues in the SMB Space	9
4. Messaging Security in the SMB Space	19
5. Compliance and Data Management in the SMB Space	27
6. Instant Messaging Issues	31
7. Use of Hosted and Managed Services in the SMB Space	37
8. Purchase Decision-Making in the SMB Space	41
9. The Future of Messaging in the SMB Space	45
10. Vendors in the SMB Space	49



List of Figures

Messaging Systems in Use	7
Primary Messaging Clients in Use	8
Importance Placed by SMBs on Messaging and Collaboration Solutions.....	9
Perceived Security of Corporate Networks	11
Importance of Various Capabilities to SMBs	12
Growth in Messaging-Related Storage Among SMBs.....	13
SMBs Perception of the Legitimacy of Various Applications.....	14
SMBs' Use of In-House Personnel and External IT Consultants	15
SMBs' Views on the Importance of Zero-Hour Virus Protection.....	19
Incidence of Instant Messaging-Borne Worms and Viruses Among SMBs	20
SMBs' Views on the Importance of Messaging Encryption for Various Applications.....	21
SMBs' Views on the Threat Imposed by Spyware	22
Activities and Systems Used by SMBs to Limit Spyware	23
Firewall/Proxy Systems in Use by SMBs	24
SMBs' Level of Concern Over the Leakage of Sensitive Information Through Approved Communication Channels.....	27
SMBs' Views on the Risks Associated with Data Retention	28
"Do you enforce a mailbox size quota for your users?"	29
Uses of Instant Messaging in the SMB Space.....	31
SMBs' Plans for the Deployment of an Enterprise-Grade Instant Messaging System.....	32
Distribution of Users on Various Instant Messaging Systems	32
Primary Instant Messaging Clients in Use by SMBs	33
SMBs' Preferences for Deploying an Enterprise Instant Messaging Solution.....	34
Importance to SMBs of Various Factors in Choosing an Enterprise Instant Messaging Solution	35
Likelihood of SMBs Implementing a Secure Enterprise Instant Messaging Solution at Various Price Points	36
SMBs' Views on the Desirability of Various Delivery Models for Managing an Email System.....	37
SMBs' Views on the Desirability of Various Delivery Models for Managing Email Security	38
Level of Savings Required in Order for SMBs to Outsource Their Entire Email System to a Third Party	40
Price Point at Which SMBs Would be Willing to Outsource Their Entire Email System to a Third Party	40
Job Functions Involved in SMBs' Decision for Purchasing Messaging Systems.....	41
Importance Placed by SMBs on Various Sources When Considering or Researching New Technologies.....	42



List of Figures (concluded)

Importance Placed by SMBs on Various Offerings Early in the Research Process	43
Importance Placed by SMBs on Various Offerings Shortly Before Making a Purchase Decision.....	43
SMBs' Likelihood of Switching the Backend Messaging Infrastructure With a Better One, But That Requires a Switch of Desktop Clients	45
SMBs' Likelihood of Switching the Backend Messaging Infrastructure With a Better One, But That Permits Desktop Clients to be Retained.....	46
"Is your messaging system integrated with your line-of-business/productivity applications?"	47
"Is your organization's messaging system integrated with a VoIP solution?"	47
Email and Instant Messaging Budgets Among SMBs, 2006 and 2007	48

List of Tables

Status of Deployment for Various Messaging-Related Systems	11
Users on Various Mobile Messaging Platforms.....	15
Problems Faced by Messaging Decision Makers	16
Desire for Integrated vs. Standalone Systems Among SMBs.....	24
SMBs' Preferences for Integrated Email Security Capabilities vs. Best-of-Breed Capabilities	25
Agreement With Various Statements About Integrated Solutions Among SMBs.....	26
Likelihood of Considering Various Vendors of Email Systems.....	49
Likelihood of Considering Various Vendors of Instant Messaging Systems	50
Likelihood of Considering Various Vendors of Messaging-Related Systems	51

About Osterman Research, Inc.

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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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For more information on Osterman Research,
or if you have any questions about this
report, please contact us at:

Osterman Research, Inc.

P.O. Box 1058

Black Diamond, WA 98010-1058

Tel: +1 253 630 5839

Fax: +1 866 842 3274

Email: info@ostermanresearch.com

<http://www.ostermanresearch.com>



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