



# Collaboration Services: North America – Market Opportunities - 2010

*A Study of the Total Market Opportunity for Conferencing Services in  
the United States & Canada*



Senior Analysts: Marc Beattie & E. Brent Kelly  
Research Assistant: Kristen Priest

SKU: RE-AMS10-NA

## 2010 CSP Market Opportunities Studies

### Option I – Individual Reports

#### European Collaboration Services Market Opportunities 2010 (RE-AMS10-EU)

\$2,495 USD electronic copy with limited organizational use license (Adobe Acrobat .pdf file)

#### North American Collaboration Services Market Opportunities 2010 (RE-AMS10-NA)

\$2,495 USD electronic copy with limited organizational use license (Adobe Acrobat .pdf file)

#### Asia Pacific Collaboration Services Market Opportunities 2010 (RE-AMS10-AP)

\$2,495 USD electronic copy with limited organizational use license (Adobe Acrobat .pdf file)

### Option II – Report Bundle (RE-AMS10-ALL)

Includes: EU, NA, and APAC Collaboration Services Market Opportunities 2010

\$6,395 USD electronic copies with limited organizational use license (Adobe Acrobat .pdf file)

### Option III – Unified Collaboration Practice (UCP) Subscription (RE-UCP-10)

Subscription to all 2010 UCP market intelligence including access to UCP content site

Additional information at [2010 UCP Subscription](#)

**Order Total: \$** \_\_\_\_\_

#### Payment Options

Company P.O. #: \_\_\_\_\_ Wire Transfer: Please invoice and include bank information

Credit Card: **(3% service fee for use of credit card)** VISA MasterCard AMEX

Credit Card # \_\_\_\_\_ Exp. Date: \_\_\_\_/\_\_\_\_

Name on Card: \_\_\_\_\_ Verification Code: \_\_\_\_\_

Signature: \_\_\_\_\_

#### Marketing Contact

#### Billing Address (if different)

\_\_\_\_\_  
Contact Name

\_\_\_\_\_  
Contact Name

\_\_\_\_\_  
Contact Title

\_\_\_\_\_  
Contact Title

\_\_\_\_\_  
Company

\_\_\_\_\_  
Company

\_\_\_\_\_  
Address Line 1

\_\_\_\_\_  
Address Line 1

\_\_\_\_\_  
Address Line 2

\_\_\_\_\_  
Address Line 2

\_\_\_\_\_  
City, State, Zip or Postal Code

\_\_\_\_\_  
City, State, Zip or Postal Code

\_\_\_\_\_  
Contact Phone Number

\_\_\_\_\_  
Contact Phone Number

\_\_\_\_\_  
Contact Email

\_\_\_\_\_  
Contact Email

\_\_\_\_\_  
Contact Signature

*A facsimile copy of a signature on this document shall have the same force and effect as an original document with signature.*

**PLEASE return to fax number: +1 781.559.0790**  
**Or fill in, save and email return to [sales@wainhouse.com](mailto:sales@wainhouse.com)**

**2010 North American Collaboration Services Market Opportunities**

Release 1, May 24, 2010

*Prepared by*  
*Marc Beattie & E. Brent Kelly, Sr. Analysts*  
*Kristen Priest, Research Assistant*  
*Wainhouse Research, LLC*

**The following acts are strictly prohibited:**

- Transmittal to another organization outside your immediate organization (i.e. partners, resellers, etc.) in any media format
- Posting on a web site which is accessible to others outside your immediate organization
- Reproduction for sale

This publication is protected by United States copyright laws and international treaties. Unauthorized distribution or reproduction of this publication, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent necessary to protect the rights of the publisher.

NOTE: The material presented in this report is based on both primary and secondary market data coupled with our professional interpretation of the facts. We believe that the basic information and recommendations presented in this study should be used in conjunction with other data for making sound business decisions. No warranty as to completeness or accuracy is implied. All market estimates and forecasts are those of the authors, except as noted. We welcome your comments on this report.

## COPYRIGHT NOTICE

Copyright ©2010 by Wainhouse Research, LLC. All rights, including that of translation into other languages are specifically reserved. No part of this publication may be reproduced in any form, stored in a retrieval system, or transmitted by any method or means, electrical, mechanical, photographic, or otherwise, without the express written permission of Wainhouse Research, 34 Duck Hill Terrace, Duxbury, MA 02332 (Tel 781.934.8324; Fax: 781.559-0790) [www.wainhouse.com](http://www.wainhouse.com).

**Contact Information:**

Marc Beattie, Sr. Analyst  
Wainhouse Research, LLC  
34 Duck Hill Terrace  
Duxbury, MA 02332 USA

+1.781.934.8324  
+1.781.846.0701  
[mbeattie@wainhouse.com](mailto:mbeattie@wainhouse.com)

SKU: RE-AMS10-NA

## Project Background, Objectives & Methodology

In the second quarter of calendar 2010 Wainhouse Research (WR) conducted an independent assessment of the addressable market for conferencing services in the United States and Canada. The objective of this study is to size the opportunity in each country for audio bridging minutes and revenue as well as for revenue for web conferencing and video bridging services. In this study, the *addressable market potential* is compared to the *forecast market probability* for 2010. WR believes the addressable market potential changes from year-to-year based on employed population, employment in positions apt to use conferencing services, and local sentiment regarding the use of real-time communications. The forecast also changes from year-to-year based on prior year *actual* performance.

### Important to Note:

**Individual country population, labor, and employment have been updated to reflect the latest available information. In most cases, unemployment data reflects the current rate as reported in Q2 2010. Additionally, audio volume and audio/web/video revenue has been updated to reflect current country conditions and WR's forecast for 2010.**

## Methodology

WR collected local country data including:

- Total population
- Total labor force
- Employed labor force (total labor force minus unemployment rate)
- Employment by service area – i.e. agriculture, industry, services
- Employment by title or role (i.e. occupations in executive management, company department heads, etc.)
- Usage and penetration of real-time communications – i.e. fixed and mobile lines (used as a calculation in market sizing, but not supplied in study)
- 2010 minute and forecast data for audio, web, and video conferencing services

In determining roles (employment by title) relevant to use of conferencing services, WR has made specific judgments on when to include or exclude specific roles. We have determined that any role or title that holds the potential to be either a moderator or participant in a conference call is in the “CSP addressable market”. For example, we

## HIGHLIGHTS

- The North American collaboration services market has a penetration of 65% (based on audio conferencing minutes).
- Penetration in the US is at 66%, with service providers adding 6.4B minutes in the last year and forecast to add 5.7B more in 2010.
- The Canadian market offers ample opportunity at 47% penetration, having added 335M minutes in the last year and forecast to add 411M minutes in 2010.
- Overall, the greatest opportunity for new minutes and revenue growth exists in the US, with \$2.5B in unaddressed opportunity for 2010.
- While the US holds the largest opportunity, the Canadian market may be a more profitable opportunity due to less competition and higher service prices.

## 2010 North American Collaboration Services Market Opportunities

have excluded gas station attendants and rail vehicle drivers, and included roles such as banking specialists and advertising specialists. Upon determining the number of employees with a likely potential to use conferencing services (based on currently known statistics on usage by role), WR has applied an audio and web conferencing minute usage calculation for each. This calculation is based on the average of a sample of companies using conferencing services. While an account holder in financial services, pharmaceutical, banking, and insurance may average 9,000 conferencing minutes annually, average usage by employee (total minute volumes divided by total employees) is different for each country, ranging from 720 to 1,080 minutes annually (or one 60 minute call each month to 90 minutes each month). For example, the addressable market for audio minutes in the Canada is calculated by multiplying the CSP addressable market by 1,080 minutes (5.8M CSP addressable employees x 1,080 minutes = 6.2B minutes, which is significantly smaller than the forecast of 2.9B minutes in 2010. When considering the total addressable market, one must consider that a participant can at any single point in time be either a conference moderator or a participant, but not both. So when considering the addressable market in a specific industry or for a specific role, we have divided the minutes amongst all potential users (account holders and participants) instead of just account holders (the total minutes and revenue comes out the same either way).

Sources for data include the International Labour Organization, Economist Intelligence Unit, the CIA World Factbook, and WR North American 2010 CSP Market Forecast & Provider Reviews.

Information in this report is largely *quantitative*, providing information on the volume and revenue of services in local North American markets. Each subscriber to this report is encouraged to contact the author for a one-hour, online briefing where specific *qualitative* information can be discussed according to client needs.

## Definitions

---

We define the conferencing service market as multipoint audio, video bridging, and web conferencing. Below we define each category of service forecasted:

**Attended Audio** - Audio conference in which an operator is used to facilitate the call. The operator may or may not also schedule and set up the call.

**Unattended Audio** - Audio conference, in which the moderator schedules, sets, up, and facilitates the call. An operator is not used.

**Web Conferencing** - A collaborative session hosted by a service provider, which uses a standard web browser to share an application or to make a remote presentation over the Internet. Voice communications to accompany the conference or presentation is typically over the public switched network (revenue would be included in audio) or, in some cases today (more typically for web seminars), over the IP network.

**Video Bridging** - Service used to connect more than two videoconferencing endpoints into a conference. Most video bridging services are operator attended, but increasingly there is an interest in unattended services. The client or the service provider can conduct invitations and scheduling.

Additional definitions:

**CSP** – Conferencing / Collaboration Service Provider

**ASP** – Average Sales Price

**Revenue** – All revenue represented in millions of US dollars.

**Minutes** – All minutes represented as millions of minutes.

**Total Population** – Current total population (in millions) in a local market

**Employed Labor Force** – Current labor force in millions minus current unemployed

**% Labor Force** – Percentage of population employed and active in the labor force

**CSP Addressable Market** – a) Number in millions of the employed labor force WR has determined to hold a role or title likely to be a moderator or participant in an audio conference or, b) potential annual minutes based on usage by 100% of the addressable market or, c) potential annual revenue based on usage by 100% of the addressable market.

**% LF CSP Pertinent** – Percentage of the employed labor force (LF) that could potentially be a moderator or participant in an audio conference.

**Market Penetration** – Forecast (probable) divided by the addressable (possible) audio minutes or conferencing revenue for the current year.

## Table of Contents

---

Project Background, Objectives & Methodology .....	3	Current CSP Addressable Market.....	10
Methodology.....	3	Canada .....	13
HIGHLIGHTS .....	3	Current CSP Addressable Market.....	13
Definitions .....	5	List of Tables .....	16
North American Market Overview.....	7	List of Figures .....	17
Current CSP Addressable Market.....	7	About Wainhouse Research.....	18
United States .....	10	About the Research Team.....	18

## List of Tables

---

Table 1.	North American population & labor analysis (in millions).....	7
Table 2.	North America – Estimated Market Penetration by Audio Volume and Audio Revenue (in millions)....	7
Table 3.	Summary of Country Audio Minute Opportunity (in millions).....	8
Table 4.	North America – Addressable Opportunity by Revenue and Service Type.....	8
Table 5.	US population & labor analysis (in millions).....	10
Table 6.	US Labor by Market Sector.....	10
Table 7.	US Top Occupation by Role or Title .....	10
Table 8.	US – Estimated Market Penetration by Audio Volume and Audio Revenue (in millions) .....	11
Table 9.	US – Addressable Opportunity by Revenue and Service Type.....	11
Table 10.	Canadian population & labor analysis (in millions) .....	13
Table 11.	Canadian Labor by Market Sector .....	13
Table 12.	Canadian Top Occupation by Role or Title .....	13
Table 13.	Canada – Estimated Market Penetration by Audio Volume and Audio Revenue (in millions) .....	14
Table 14.	Canada – Addressable Opportunity by Revenue and Service Type .....	14

## List of Figures

---

Figure 1.	North American Addressable Market Revenue by Service Type .....	8
Figure 2.	North American Addressable Market by Audio Volume.....	9
Figure 3.	US Addressable Market Revenue by Service Type.....	11
Figure 4.	US Addressable Market by Audio Volume.....	12
Figure 5.	Canadian Addressable Market Revenue by Service Type .....	14
Figure 6.	Canadian Addressable Market by Audio Volume .....	15

## Wainhouse Research Offices

---

North America	Asia/Pacific	Europe/Middle East/Africa
Massachusetts Headquarters +1.781.934.6165	Beijing +86 13 9109 78803	London +44.118.973.7424 +44.113.420.6159
Boston +1.617.975.0297		
Atlanta +1.770.408.0460		
Tampa +1.941.924.3910		
Austin +1.512.451.4088		
Salt Lake City +1.435.563.2532		

## About Wainhouse Research

---

Wainhouse Research provides insight and intelligence into the global markets for audio, web (data), and video conferencing, real-time Unified Communications, enterprise streaming and webcasting, and enterprise social networking. The company publishes public and private studies, speaks at industry events and private company events, and provides both strategic consulting to industry vendors as well as end user organizations. Wainhouse Research conferences in the US and Europe provide a forum for the industry to discuss critical issues for industry growth. For more information see: [www.wainhouse.com](http://www.wainhouse.com).

## About the Research Team

---

**Marc F. Beattie** is the Managing Partner and Co-Manager of the Unified Collaboration Practice at Wainhouse Research, LLC. Marc's area of expertise is hosted and managed collaboration services. Marc is a member of Gerson Lehrman Group's The Councils of Advisors and Vista Research's Society of Industry Leaders through which he advises worldwide financial clients on technology companies and trends. He has authored public and private reports on product strategies, distribution structures, emerging technologies and industry applications. Marc is the principle author of *CSP SpotCheck*, the three-volume *CSP Market Forecast & Provider Review* for North America, Europe, and Asia Pacific, the three-volume *Addressable CSP Markets* study for North America, Europe, and Asia Pacific, and the *Emerging CSP Markets* study. He is a featured speaker and moderator at industry conferences and private company events - specializing on the future impact of current technology developments. Marc is the conference director for WR's *CSP Summit*, an annual one day event for CSPs and their partners. He regularly consults with end users, established vendors, emerging companies, and the financial community. Prior to joining Wainhouse Research Marc was an early member of PictureTel and Polycom - holding positions in product management, business development and sales management - and spent 13 years working within the industry. He has been an independent analyst and consultant since 1998. He can be reached at [mbeattie@wainhouse.com](mailto:mbeattie@wainhouse.com).

## 2010 North American Collaboration Services Market Opportunities

**E. Brent Kelly** is a Senior Analyst and Partner at Wainhouse Research and Co-Manager of the Unified Collaboration Practice. Brent's area of expertise is Unified Communication products and services. He has authored numerous reports and articles on unified communications including unified communications as a service, mobile unified communications solutions, detailed reviews of Microsoft's UC strategy as embodied by Office Communications Server, IBM Lotus Sametime and IBM Lotus' UC<sup>2</sup> Strategy, and Telephony-Based Unified Communications. He has also written reports about migrating to IP communications, video network service providers, and the collaborative reseller channel. Dr. Kelly has authored articles for Business Communications Review Magazine, NoJitter.com, and he has taught workshops in North and South America, Europe, and Australia as well as at major industry events such as VoiceCon. With 22 years experience in developing and marketing highly technical products, Brent has served as an executive in a manufacturing firm where he developed and implemented a manufacturing, marketing, and channel strategy that helped land national accounts at major retailers. Previously, he was part of the team that built the devices Intel used to test their Pentium microprocessors. He has also led teams developing real-time data acquisition and control systems, and adaptive intelligent design systems for Schlumberger. Brent has worked for several other multinational companies including Conoco and Monsanto. Dr. Kelly has a Ph.D. in chemical engineering from Texas A&M and a B.S. in chemical engineering from Brigham Young University. He can be reached at [bkelly@wainhouse.com](mailto:bkelly@wainhouse.com).

**Kristen Priest** is a Research Assistant at Wainhouse Research, LLC. Kristen has been involved with numerous qualitative and quantitative projects within WR and regularly communicates with WR research targets in Europe, North America, and Asia Pacific. She can be reached at [kpriest@wainhouse.com](mailto:kpriest@wainhouse.com)

Copyright Wainhouse Research 2010. All rights reserved.

Reproduction in whole or in part is prohibited without written permission from Wainhouse Research.

This report is the property of Wainhouse Research, and is made available to a restricted number of clients only upon these terms and conditions. The contents of this report represent the interpretation and analysis of statistics and information that is not generally available to the public. The information contained in this report is believed to be reliable but is not guaranteed as to its accuracy or completeness. Wainhouse Research reserves all rights herein. Reproduction or disclosure in whole or in part to parties other than the Wainhouse Research client who is the original subscriber to this report is permitted only with the written and express consent of Wainhouse Research. This report shall be treated at all times as a confidential and proprietary document for internal use only. Wainhouse Research reserves the right to cancel your subscription or contract in full if its information is copied or distributed to other divisions of the subscribing company without the written approval of Wainhouse Research.