

Magic Quadrant for Unified Communications as a Service, Worldwide

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UCaaS providers develop and operate cloud UC services offering business communication and collaboration capabilities, including telephony, meetings, messaging, mobility and contact center. This Magic Quadrant assists I&O leaders in selecting providers that best align to their organization's needs.

Strategic Planning Assumption

- Through 2025, 25% of office workers in the U.S. and Europe will not be provided wireline telephony, up from 5% in 2020 before the COVID-19 pandemic began.

Market Definition/Description

Gartner defines unified communications as a service (UCaaS) as a cloud-delivered service that provides the following core capabilities:

- **Telephony:** This includes enterprise telephony features, capabilities, emergency calling services with notifications and, typically, public switched telephone network (PSTN) access. Providers that do not provide PSTN access services offer a “bring your own PSTN provider” strategy. Emergency calling services in the United States, namely E911, include capabilities that make organizations fully compliant with Kari’s Law and the Ray Baum Act. Telephony services are consumed by users with either physical IP phones, physical analog phones, analog devices (e.g., fax machines, fire alarm panels, etc.), desktop apps, web apps or mobile apps. Telephony integration into Microsoft Office 365, including into Microsoft Teams, has become a common requirement for buyers that select Microsoft for messaging or meetings.
- **Meetings:** This area includes multiparty audio/video conferencing with content sharing (masterscreen and application sharing) and in-meeting messaging, file-sharing, customizable layouts, closed captioning, recording, virtual backgrounds, breakout session support, reactions and other capabilities. Meeting services should be accessible via desktop app, mobile app, web app and room systems. Gartner’s definition of meetings for the UCaaS market focuses on the

capabilities for internal collaboration, work from home and external presentation meeting use cases. Other specialized use cases such as webinar, remote support, distance learning and training, etc. are often available from UCaaS offerings, but are not mandatory for this research, as these use cases are part of a separate market defined by Gartner (meeting solutions).

- **Messaging:** Messaging capabilities allow users to exchange richly formatted instant messages along with other information such as emojis, images, file attachments and links in real time. Messaging has evolved to include two main modes: personal messaging for 1:1 communication (also known as “chat”), and team messaging for groups or teams using conversational user experiences. Presence and status indicators allow users to view the availability and status of other users and resources in their organization. Federation allows messaging, presence and status to flow across corporate boundaries. Messaging can also include SMS integration services, to allow end users to send and receive SMS messages to the mobile devices of internal or external users via the UCaaS desktop, web or mobile app.
- **Software apps:** These enable access to all of the communication modalities and collaboration capabilities from a consistent user experience across endpoints. UCaaS providers offer desktop, web and mobile apps for smartphones and tablets, as well as software extensions/plugin-ins that integrate with business applications such as calendars, email and CRM solutions.
- **APIs:** These include capabilities that make available formally maintained programmable interfaces allowing for the customization, development or integration of discrete UC capabilities, such as voice, video, meetings, messaging, management, administration, reporting and analytics with other business and communication applications. Integration options include contact center, marketplaces, collaboration applications, workstream collaboration, plug-in or extension integrations for leading cloud business applications, communication platform as a service (CPaaS) for digital business application integrations, and integration with business analytics and AI capabilities.
- **Adjacent services:** These include optional services that are not central to the UCaaS offering but that are bundled by most providers to increase the value of the offer. These optional services increase value both via the capabilities they offer and the lower acquisition costs they offer (only one contract to negotiate). Integrated contact center services and quality of service (QoS) monitoring fall into this area. For integrated contact centers, the market generally seeks a basic to midrange set of capabilities, and typically only requires inbound calling and interactions. Although many organizations currently only use voice channels, other digital channels (email, SMS, web chat, video, social, etc.) are increasingly being required when procuring a UCaaS integrated contact center. Integrated contact centers are typically also limited in size, typically not greater than approximately 100 agents. The QoS monitoring capabilities are typically a premium set of capabilities that exceed the standard QoS reporting that most providers include, and are often provided at no additional charge.

Magic Quadrant

Figure 1: Magic Quadrant for Unified Communications as a Service, Worldwide



Source: Gartner (November 2022)

Vendor Strengths and Cautions

8x8

8x8 is a Leader in this Magic Quadrant. 8x8 XCaaS includes 8x8 Work, 8x8 Contact Center, 8x8 Meet, 8x8 Team Messaging and 8x8 CPaaS. 8x8's operations are geographically diversified across 56 countries. Its customers are distributed across all segments. Changes over the past 12 months include the introduction of 8x8 Frontdesk attendant console; the release of 8x8 Conversation IQ speech analytics and quality management for knowledge workers and contact center agents; support of 8x8 Work for web browsers; a new technology integration partnership with Genesys for Cloud CX

contact center customers seeking advanced global telephony capabilities; and the addition of domestic calling in 13 new countries. Enhancements to 8x8 Meet include support for 500 users, breakout rooms, polls, an advanced meeting analytics tool, support for emojis, advanced moderation controls and postmeeting summaries. 8x8 Voice for Microsoft Teams now supports bidirectional presence synchronization.

Strengths

- 8x8 is among leading UCaaS vendors to offer native integrated contact center as a service (CCaaS) capabilities, meeting the requirements of small and midsize contact centers with advanced requirements. 8x8 offers these native integrated capabilities as a bundled package that includes UCaaS and CCaaS services. 8x8 is the only UCaaS vendor to currently offer a “certified for Microsoft Teams” contact center solution.
- 8x8 is well-positioned to deliver UCaaS and CCaaS to organizations with Microsoft Teams for messaging and meetings but requiring advanced telephony features. 8x8 offers PSTN calling plans and telephony capabilities in more than 56 countries with 8x8 Voice for Microsoft Teams.
- With the successful acquisition of UCaaS provider Fuze, which closed in January of 2022, 8x8 expanded its geographic footprint, adding two new support centers (in France and Germany) and 11 additional data center locations. 8x8 plans to migrate the Fuze base to 8x8 XCaaS when customers are ready (8x8 continues to support the Fuze platform), and offer contact center services to this base.
- 8x8 has a balanced customer base across all the market segments.

Cautions

- Gartner Peer Insights data reveals mixed customer satisfaction experiences with 8x8’s admin portal during deployments.
- Gartner has observed in inquiry with clients who were previously using Fuze UCaaS that adoption of 8x8 has taken longer than anticipated because of the difference in desktop app and mobile user experience.
- Although 8x8 has advanced telephony capabilities, many Gartner clients indicate a preference for other leading vendors when it comes to meetings and messaging, mostly because they have already selected a meeting and messaging vendor.
- 8x8 has enhanced its support of informal contact center capabilities in the last 12 months with 8x8 Conversation IQ for basic quality management and speech analytics services. These enhancements have increased adoption with midsize contact centers. However, 8x8 is typically not selected by large organizations looking for advanced contact center features requiring native advanced workforce management (WFM).

Cisco

Cisco is a Leader in this Magic Quadrant. Webex by Cisco includes telephony, messaging, collaboration and meetings. For Webex, Cisco relies on a large base of global channel partners, including telecom operators. Enhancements to Webex over the past year include Webex Calling Dedicated Instance (a cloud version of Unified Communications Manager optimized for existing UCM customers); expansion to over 110 countries and of Cisco calling plans to 19 countries; Webex Go for native mobile dialer support and integration with mobile operators; numerous Webex Meetings layout customization options; nomadic E911; new AI-based meeting capabilities; closed captioning and real-time translations from 13 spoken languages to 100+ languages; and Webex Setup Assist (an optimized migration program for existing Cisco UCM customers). Gartner believes that Webex UCaaS is well-suited to organizations of any size.

Strengths

- In the past year, Cisco has invested aggressively in innovation through R&D, delivery capabilities and, crucially, marketing. Cisco has continued to deliver differentiated innovations across its entire UC portfolio at a more rapid pace relative to other leading UCaaS providers.
- Cisco's partner ecosystem remains very large and global. This should allow it to improve its competitive position if it remains on its present, positive trajectory.
- Cisco is the UCaaS vendor with the most complete self-developed UC portfolio, including phones, headsets, cameras, personal meeting endpoints, room meeting systems, gateways, analog terminal adapters (ATAs) and session border controllers. It also provides data networking and security infrastructure.
- The acquisition of IMI Mobile in 1Q21 provides Webex Contact Center with native omnichannel capabilities, flexible scripting, interactive voice assistant support and self-service superior to what was available previously from partner integrations.

Cautions

- Cisco has a value proposition of delivering an entire self-developed solution (IP phones, cameras, headsets, gateways) that is tightly integrated and manageable by a single portal — Cisco Webex Control Hub. But that value proposition declines when customers select competing vendors for many UC services (e.g., meetings, messaging, contact center).
- Buyers perceive Webex by Cisco's UCaaS prices to be higher in the past year than leading competitors'. Cisco's typical competitors have been offering extremely aggressive pricing.
- Webex Contact Center has matured but remains an option that the market still considers newer and less proven than that of alternative options. Buyers of larger or more complex contact centers perceive competing offerings with longer track records to be preferable.

- Many Cisco channel partners have forged new partnerships and UCaaS practices with Cisco's main competitors — most notably, Microsoft, RingCentral and Zoom.

Dialpad

Dialpad is a Visionary in this Magic Quadrant. Dialpad Talk and Dialpad Meetings offer telephony, meetings and messaging. Contact center capabilities (Dialpad Ai Contact Center) are integrated into Dialpad's TrueCaaS platform, which delivers both UCaaS and CCaaS services. Dialpad's operations are mostly in North America and Asia. Its customers are distributed across most market segments. Changes in the last year include enhancements to Dialpad Meetings such as the addition of virtual backgrounds, meeting reminders, waiting rooms, real-time transcription, mobile browser support (click to join meetings), Miro whiteboard integration and video recording capabilities; telephony developments including direct Microsoft Teams integration and STIR/SHAKEN attestation; the addition of virtual contact center agent functionality; enhanced digital engagement; and workforce engagement management (WEM) and workforce optimization (WFO) contact center capabilities via the respective acquisitions of Kare Knowledgeware, Koopid and a partnership with Playvox. Customer service enhancements related to AI-driven CSAT scores and dashboards were also released.

Strengths

- Deep partnerships enable Dialpad to gain access to capital and global customers despite its relatively small size. Dialpad has several strategic partnerships. These include Google (Google sellers are incentivized to sell Dialpad), SoftBank (investment in Dialpad and extension of service in Japan) and T-Mobile (investment in Dialpad and extension of service internally as well as to T-Mobile customers with T-Mobile Collaborate).
- Dialpad's AI engine is used across its telephony, messaging, meetings and contact center capabilities, and extends useful productivity enhancements including real-time transcription, real-time assist cards, notes/call summaries and customer satisfaction ratings.
- Dialpad differentiates its offering through the promotion of 100% uptime SLAs across its UCaaS and CCaaS offerings. However, organizations must request reporting metrics that can confirm SLAs.
- Dialpad's user interface is intuitive and receives positive feedback from Gartner Peer Insights reviewers for its ease of use.

Cautions

- Dialpad has limited visibility and brand recognition compared to leading UCaaS providers. This means Dialpad UCaaS services have lower-than-average consideration among IT planners making communications and collaboration decisions.

- Dialpad continues to enhance its Dialpad Meetings capabilities. But functionality lags leading competing solutions in the areas of video resolution (capped at 720P), meeting scalability (participant limitation in standard meetings is 150), mobile app capabilities, and breakout room and polling capabilities.
- Dialpad customers have indicated, through Gartner Peer Insights reviews, limited availability of third-party resources.
- While Dialpad can support enterprise customers, Dialpad does not have significant expertise supporting very large (5,000+ users), multinational organizations.

Google

Google is a Challenger in this Magic Quadrant. Its UCaaS offering is available via Google Workspace, and consists of Google Meet, Google Chat and Google Voice — focusing on meetings, calls and messaging. Google's operations are geographically diversified. Its customers in this market tend to be midsize organizations in various industries, technology companies and academic institutions. Major changes in the past year include Google Meet Companion Mode to access conference room system features and controls from a personal device; interoperability between Google Meet hardware and Cisco Webex Meetings and vice versa; free external calling for licensed Google Voice users in Europe; and the ability to convert Google Chat direct messages into Spaces for access to more advanced collaboration features.

Strengths

- Google has invested in more tightly integrating the various parts of the UC experience by making Gmail the hub of work. This is a departure from the user experience approach that Google used previously, which focused on simpler but separate user experiences for calling, messaging and meeting, but required more app switching. The new approach packs more calling, messaging and meeting controls directly into Gmail. This new approach is preferred by a majority of Gartner clients and has received positive feedback on ease of use, seamless integration with other Google products, and excellent video and call quality.
- The inclusion of and entitlement to Google Meet and Google Chat with every Google Workspace plan provide existing Google customers with easy and cost-effective access to enterprise UC capabilities.
- Significant improvements in the integration among the Google editors (Docs, Sheets, Slides) and Google Meet provide a seamless internal collaboration experience directly within the Google editors.
- Gartner rates Google as "Strong Positive" in financial health. Such a rating indicates that the vendor has the resources and capital to invest in enhancing its offerings and roadmap, and will likely remain a relevant competitor in the UCaaS market for the foreseeable future.

Cautions

- Google's availability SLA target for all Workspace services, including Meet, Chat and Voice, remains at 99.9%, which is considerably lower than most providers in the UCaaS market.
- Google's telephony capabilities will satisfy the needs of organizations that require a basic feature set. However, Google does not support Session Initiation Protocol (SIP) trunk connectivity, attendant consoles, overhead paging nor E911 device tracking (required for compliance with the Ray Baum Act in the U.S.).
- Although suitable for business, Google Meet trails leading vendors in advanced meeting features, such as immersive sharing, simultaneous interpretation, meeting transcriptions and smart cropping of participants.
- Google does not currently offer an integrated out-of-the-box contact center, which is a common requirement from organizations, especially those that have fewer than 100 agents.

GoTo

GoTo is a Challenger in this Magic Quadrant. Its GoTo Connect UCaaS service provides telephony, meeting, messaging and contact center capabilities. GoTo's UCaaS customers are mostly in North America and Latin America. Its customer sweet spot is in the small to midsize business (SMB) segment. Changes in the past year include the restructuring of the GoTo portfolio with standardization on the GoTo Connect platform (combined UCaaS and CCaaS) and GoTo Resolve (IT support capabilities). As part of the consolidation, GoTo enabled deeper integration across its applications and an updated administration console with richer features and the same user interface across capabilities. GoTo also released meeting collaboration enhancements including drawing tools, virtual backgrounds, and keyboard and mouse sharing as well as local recording options. GoTo's contact center enhancements include improved customer information sharing/retrieval across communications channels.

Strengths

- GoTo is well-positioned to support hybrid and remote work SMB environments with its bundled UCaaS, CCaaS (via GoTo Connect) and remote access support tool capabilities (via GoTo Resolve).
- Among the providers featured in this research, GoTo is the vendor with the highest adoption in Latin America — specifically in Brazil and Mexico.
- GoTo receives generally positive feedback for onboarding and installation. Nearly 100% of customers can be onboarded and activated via self-service channels, and number-porting timelines are more rapid than those of GoTo's competitors.
- GoTo's enhanced integration among formerly disparate solutions enables a consistent, intuitive user experience across capabilities.

Cautions

- GoTo has expanded its service area footprint in the last year, but its full PSTN replacement capabilities are limited to 11 countries, and its UCaaS buyer base has not yet achieved significant adoption with organizations headquartered outside of the Americas. Multinational organizations should confirm that GoTo can provide calling plans in countries where they operate.
- Although GoTo's solution currently serves and is suitable for midmarket organizations, around 90% of its UCaaS customer base is composed of small organizations (under 100 users).
- While GoTo's meeting capabilities align with most end-user requirements for internal and external meetings, the feature set may not be as extensive as some competitors' solutions that offer live transcription, captions with real-time translation and more advanced whiteboard features.
- GoTo's credit penalty for breach of SLA targets is lower than the industry average, with maximum credits capped at 8% of monthly recurring charges.

Microsoft

Microsoft is a Leader in this Magic Quadrant. Its offering is Microsoft Teams, which offers telephony, messaging and meeting capabilities. Its operations are geographically diversified, and customers are distributed across all business size segments, industries and geographies. Changes in the past year include Microsoft Calling Plans expanded from 28 to 34 countries; Operator Connect expansion with 30 carriers in 63 countries; support for 1:1 call recording and transcription for both internal and PSTN calls; the preview launch of Operator Connect Mobile; enhancements to emergency calling (including E911 in the U.S.) dynamic routing with autodetection of the user's current location; end-user telephony feature enhancements including music on hold, call transfer and end-to-end encryption for 1:1 calls; and launch of new SKUs including Teams Phone With Calling Plan for the SMB market and a metered Microsoft Teams Calling Plan.

Strengths

- Gartner continues to see Microsoft Teams as the most popular UCaaS choice in the past year, especially for organizations already using Teams messaging and meeting scenarios. Microsoft Teams' telephony capabilities satisfy a majority of the requirements of most organizations due to enhancements made by Microsoft as well as overall changes in the communications culture.
- A unified message, meet and call experience is a key driver in organizations selecting Microsoft for UCaaS. Organizations have increasingly replaced their incumbent telephony-centric UCaaS platforms with Teams. Teams offers services and capabilities that extend beyond UCaaS and is used in conjunction with the broader Microsoft 365 suite.
- In the past year, Microsoft Teams has improved its voice availability SLA target from 99.9% to 99.99%. This improvement has made UCaaS buyers in organizations classifying telephony as a critical service less hesitant to adopt Microsoft Teams Phone System.

- Microsoft has created significant interest with SMBs by expanding its footprint and adding a new SMB bundle SKU that includes Calling Plans and Phone System licenses in 30+ countries at a better price than previously.

Cautions

- The addition of the Operator Connect program PSTN connectivity for Teams has resulted in some uncertainty among organizations about which PSTN connectivity option is a best fit for their situation, which leads to delayed implementations or the wrong choice of service. Gartner clients often indicate that they are not clear about the Operator Connect offering, and how it differs from Direct Routing or Microsoft Calling Plans.
- Organizations that require advanced telephony features often don't consider Microsoft Teams Phone System the ideal choice. For advanced telephony features (such as multiline hunt group capabilities, advanced call queuing and compliance-based call recording), organizations typically deploy third-party telephony solutions that integrate with Microsoft Teams.
- Large distributed organizations using traditional telephony services for mission-critical use cases still do not perceive Microsoft's telephony as sufficiently reliable. Among Gartner clients, this perception issue typically stems from prior experiences with Microsoft Skype for Business. Gartner has not observed evidence indicating significant reliability issues with Microsoft Teams Phone System.
- While Microsoft Dynamics 365 offers a first-party contact center offering, Microsoft does not offer a self-developed contact center option for organizations using non-Microsoft CRM providers. Currently, organizations with an integrated UC/contact center requirement must rely on third-party Microsoft Teams certified contact center vendors, or utilize a stand-alone contact center from another provider for their more advanced use cases. The UCaaS market has seen a marked increase in demand for a bundled contact center, mostly in the SMB segment.

RingCentral

RingCentral is a Leader in this Magic Quadrant. RingCentral's MVP platform provides telephony, messaging, meetings, fax, SMS and add-on contact center capabilities. The vendor is well-suited for customers of all sizes, including large enterprises. Most RingCentral customers are in North America, but the vendor also has a strong customer base across Europe and Asia. Notable enhancements over the past 12 months include geographic expansion powered by service and technology provider partnerships. These include multiple German-based telecommunications providers and a partnership with Mitel that expands access to the heritage Mitel channel and customer community. Other notable enhancements include mobile feature releases enabling rich multiapplication management capabilities across mobile devices, improved SMS delivery and mobile-enabled digital whiteboard features.

Strengths

- RingCentral receives strong integration and deployment ratings through its extensive availability of third-party integrations and robust application resources for developers. These enable customization for vertical-specific use cases.
- RingCentral's unique access to the installed telephony user base via several global technology and service provider partnerships strengthens the company's long-term viability, which buyers value when making a selection. Through leveraging its established partnerships, RingCentral has an opportunity to transition large legacy customer bases to RingCentral UCaaS users.
- RingCentral differentiates its MVP solution with a mobile-first experience. The platform offers advanced application management and usage (including whiteboarding) capabilities via an intuitive mobile app that receives positive end-user feedback for its capabilities and user experience.
- RingCentral delivers consistently reliable service. The vendor has delivered 48 months of uptime as of this evaluation, and provides an availability SLA target of 99.999%.

Cautions

- RingCentral's core strength and entrypoint into most deals is telephony. While telephony will remain a central capability of UCaaS offerings, buyers increasingly place greater value on meetings, messaging, mobility and customer experience — areas where RingCentral continues to make investments.
- The self-developed RingCentral Video solution still trails the solutions from other leading UCaaS providers in areas such as user familiarity, brand, support for large groups and advanced industry-specific feature alignment.
- RingCentral has experienced above-average leadership turnover. The leadership transitions pose challenges for the creation of a cohesive company culture.
- Despite a significant number of partnerships as the preferred cloud telephony/UCaaS offering of several legacy telephony providers, RingCentral has only converted on a small portion of the partner user bases. Gartner estimates that RingCentral has transitioned under 1% of these addressable installed customer bases to date.

Sangoma

Sangoma is a Niche Player in this Magic Quadrant. Sangoma Business Voice supports telephony, meetings, contact center, software-defined WAN (SD-WAN), desktop as a service (DaaS), SIP trunking, chat and team messaging, access control, and CPaaS capabilities. Sangoma's other offering is Switchvox Cloud, which Gartner does not evaluate here. More than 90% of Sangoma's users reside in North America. Given that Sangoma has a considerable share of its customer base utilizing

premises-based UC outside the U.S., there is significant potential for expanded international UCaaS growth. Sangoma is well-suited to the midmarket — especially retail organizations, where customers are inclined to purchase value-priced UCaaS bundled with contact center. Sangoma acquired NetFortris, a UCaaS MSP, in March 2022, adding NetFortris' CommUnity UCaaS offering and adjacent services to its portfolio. Other key changes in 2022 include significant improvements to TeamHub, Sangoma's team messaging application; the successful integration of the Star2Star UCaaS network, which Sangoma acquired in 2021; new master agent strategic partnerships; and the release of Sangoma's P-series IP handsets.

Strengths

- Sangoma has a value-based pricing strategy that is attractive to cost-sensitive customers seeking a rich, highly available UCaaS service. This is further cemented with an attractively priced contact center package for organizations requiring fewer than 50 agents.
- Sangoma's UCaaS suite and related offerings (SD-WAN, DaaS, contact center, API-enabled communications, handsets, session border controller [SBC], access control, trunking and fax) are well-suited for midmarket customers seeking a bundled solution.
- The NetFortris acquisition expands the vendor's UCaaS addressable market on two fronts: (1) NetFortris has sites in the U.S. and Manila. The Manila site provides Sangoma with another location in Asia from which to expand — a region it has limited UCaaS presence in today; (2) It offers access to NetFortris' managed network security, managed access and SD-WAN services.
- Integration Studio is a visual builder that allows low-code design and implementation of communications workflows using SMS, voice, email and APIs. Organizations can leverage this programmable capability to increase customization and productivity.

Cautions

- Integrating the people, processes and technologies of NetFortris into Sangoma so soon after the Star2Star acquisition will take additional management effort and attention.
- Sangoma supports multiple cloud telephony options, and therefore cannot dedicate all of its R&D and support resources to UCaaS, as most competitors with fewer offerings can.
- Sangoma has lower-than-average brand recognition with Gartner clients and will be challenged to build brand awareness within the UCaaS market.
- Most large organizations prefer solutions with highly rated user experiences, such as Zoom, Microsoft Teams or Webex by Cisco, over even "good" solutions from providers like Sangoma. This presents a challenge for Sangoma to win larger customers requiring more than telephony services.

Vonage

Vonage is a Niche Player in this Magic Quadrant. Its UCaaS offering is Vonage Business Communications (VBC), and it offers telephony, SMS, messaging and meetings. VBC integrates with Vonage's CPaaS and CCaaS, which collectively comprise the Vonage Communications Platform (VCP). Vonage develops and operates its entire technology stack. VBC sells mainly to the midmarket but can support larger enterprises. More than 90% of its users reside in North America, although service to Latin America, the U.K., Europe and the Asia/Pacific region continues to expand. Key changes in 2022 include enhancements to Virtual Receptionist (IVR), AI Virtual Assistant and automated integration with Microsoft Teams; Vonage Meetings improvements such as scalability to 200 participants, integrated whiteboard, Mute All, and the ability to escalate to video from SMS, Team Messaging and any web-based app; and additional extensibility options through the Vonage Open Platform CPaaS offering. Ericsson completed its acquisition of Vonage in July 2022.

Strengths

- Vonage consistently receives positive feedback from customers on service and support resolution. The vendor extends customer success managers to small and large users, and leverages customer service software to proactively obtain data to support the customer base.
- VBC is tightly integrated with the Vonage Contact Center. Organizations with contact center and UCaaS capabilities can benefit from a consistent user interface, single sign-on, common call controls and a common directory.
- Vonage's microservices-based platform approach and CPaaS capabilities enable customers to more easily integrate UC services with business applications.
- VBC has received significant positive customer ratings through Gartner Peer Insights for its easy-to-use interface and intuitive admin portal.

Cautions

- Ericsson's recent acquisition of Vonage has the potential of being a distraction to people and processes during integration. VBC's long-term roadmap could be influenced in a different direction by Ericsson.
- Vonage Meetings may not accommodate advanced use case requirements for meetings. The solution currently supports up to 200 participants (25 through video), but does not natively support automated transcription or language translation, large events, polling nor room integrations.
- Vonage has struggled to increase adoption and to grow its brand's profile outside of North America. Some VBC customers noted difficulties with support outside of North America.
- VBC customers noted feature limitations as a common concern in Gartner Peer Insights reviews. While responses varied, much of the criticism over the past 12 months was directed at VBC's admin portal.

Wildix

Wildix is a Niche Player in this Magic Quadrant. Wildix is a sales-oriented platform that supports telephony, meetings and conferencing via a mobile and web-based approach. Wildix's meeting solutions include Wizzyconf (audio, video and chat meetings) and Wizzyconf Huddle-Room and Conference Room (for rooms); Kite (enables Wildix's customers to engage their customers with a direct channel via chat, audio, video and screen sharing through their products, apps or websites); and Wizzywebinar (the Wildix event/webinar solution). Wildix also has a specialized solution for the SMB market named Voxloud, targeted mainly for organizations with 50 or fewer users and offering basic telephony capabilities. Enhancements in the past year include a meeting participants limit increase from 50 to 100 (Wildix's Wizzywebinar webinar solution supports 5,000 participants); integration with Gong — a speech analytics platform — and Microsoft Teams calling; and added Switzerland operations.

Strengths

- Wildix positions its sales-oriented solution by emphasizing native WebRTC support, which enables end users to access UC services without downloading desktop clients or browser plug-ins.
- Integration with Microsoft Teams offered by Wildix is well-suited to SMBs looking for Teams-integrated UCaaS.
- The ubiquitous nature of browsers, combined with Wildix's integration with Gong for speech analytics and transcription, adds value for organizations requiring business analytics for sales and support teams.
- Wildix utilizes a 100% indirect/channel-based go-to-market approach, eliminating potential direct conflict.

Cautions

- Wildix's revenue and headcount are both the smallest of any provider by far in this evaluation. Wildix is expected to be challenged in a highly competitive market by other providers with stronger R&D budgets, revenue, brand and headcount.
- Wildix's offering is in large part a web-based tool designed to enable sales and support roles. This is opposed to the more standard UCaaS design approach that is meant to address the business communication requirements of all users in an organization. Wildix's roadmap for telephony and meetings trails the market and lacks vision compared to other leading UCaaS providers in the market.
- Wildix's collaboration/conferencing capabilities are not competitive when compared to competing UCaaS vendors. Wildix's Contact Center does not qualify as a stand-alone solution for organizations with simple use cases; it is primarily focused on sales roles and functions, but less so on addressing typical customer service use cases.

- Wildix lacks market brand awareness with Gartner clients. The vendor's market focus as a sales tool limits its reach in the UCaaS market.

Windstream

Windstream is a Niche Player in this Magic Quadrant. Its OfficeSuite UC service offers telephony, messaging, contact center and mobility features. Its operations are predominantly in the U.S. Over 90% of its customers are SMBs. Changes in the past year include the release of OfficeSuite Live – a web-based economical alternative to premium meetings; the launch of an omnichannel contact center capability, OfficeSuite Concierge Service, which provides a dedicated technical support manager to UCaaS customers; expansion into 10 new countries in Europe and four countries in APAC; an auto attendant cloning feature; and an administrative bulk update feature.

Strengths

- Windstream offers bundles that include network access, security, SD-WAN, secure access service edge (SASE) and professional services. This enables existing Windstream customers to obtain better pricing for OfficeSuite, and reduces the number of service providers that organizations have to procure from and manage – a simplicity often preferred by SMBs.
- Windstream develops and operates the OfficeSuite platform (excluding OfficeSuite HD Meeting, which is powered by Zoom). This provides Windstream with control over its roadmap.
- Windstream receives positive customer feedback on account management and support.
- Windstream's management portal, WE Connect, allows for the unified management and monitoring of the UCaaS service, as well as Windstream's data networking services such as SD-WAN. For UCaaS, WE Connect provides reporting, monitoring, administration, incident management, and payment and invoicing.

Cautions

- Windstream has remained a privately held company after emerging from bankruptcy in 2020. While recurring revenue from OfficeSuite UC has reportedly grown, it is below the UCaaS market average. The overall Windstream revenue trajectory is unknown, given that it is a private company. Windstream remains in operation in part with funding from loans secured following the 2020 bankruptcy, with maturities in 2027 and 2028.
- Although Windstream has invested in expanding its footprint outside of the U.S., 93% of its base resides in the U.S. Windstream's base outside of the U.S. is composed of users whose service was purchased in the U.S.; Windstream can currently only contract with customers in the U.S.
- Over 90% of OfficeSuite's customer base are small organizations with fewer than 100 users. Currently, Windstream has limited adoption with the midmarket and enterprise segments.

- Mobile application capabilities and user experience have become a strong requirement among UCaaS buyers. Windstream's mobile user experience does not include as many collaboration features when compared with leading UCaaS providers.

Zoom

Zoom is a Leader in this Magic Quadrant. Zoom's UCaaS offerings include telephony, meetings, messaging and contact center. Its global operations reach almost every region. Zoom is well-suited for customers of all sizes, including large multinational organizations. Zoom saw explosive revenue and user base growth in 2022, outpacing most vendors featured in this evaluation. Zoom effectively doubled its UCaaS user base year over year. Enhancements in the past year include the launch of Zoom Whiteboard; the launch of Zoom Contact Center; the launch of Zoom Phone metered and unlimited plans in Japan; a significant expansion of both Zoom's channel and device partners; and the launch of the Zoom App Marketplace to provide customers with a central location to find off-the-shelf integrations. Zoom acquired Kites in June 2021 and has since succeeded in integrating Kites' language translation capabilities into its offering. Other recent acquisitions include Liminal in December 2021 (expanding Zoom capabilities for broadcasters via add-ons) and Solvvy (AI virtual agents and chatbots) in May 2022. Zoom also added its own conversational AI capabilities with Zoom IQ for Sales. Only the capabilities integrated into Zoom's UCaaS offering were evaluated in this research.

Strengths

- Zoom has experienced robust growth in its Zoom Phone user base in the past year. No other provider, besides Microsoft, has increased its base as quickly as Zoom. In the one-year study period of this research, Zoom added over 1.5 million Zoom Phone users. Zoom continues leveraging its brand and offering aggressive incentives as a means to attach Zoom Phone services to its large base of Zoom Meetings customers.
- Zoom has advanced its telephony feature set over the last year, including Zendesk and Salesforce integrations, phone conferencing for up to 10 participants, and IP phone call control. The majority of Gartner clients who consider Zoom Phone do not find telephony gaps in Zoom's offering.
- The release of Zoom Contact Center addresses a caution from last year's report and provides customers with a fully integrated, omnichannel contact center solution.
- Zoom Phone offers full PSTN replacement in 46 countries, and supports a bring-your-own-carrier option for countries outside its footprint.

Cautions

- Zoom Team Chat has fewer collaboration features than the messaging apps of competing UCaaS vendors featured in this report. Zoom's primary route to market remains its advanced meeting capabilities and growing telephony capabilities with Zoom Phone.

- Gartner clients in the most challenging telephony environments — such as hospital clinical staff, manufacturing, utility companies, field services and retail — usually select providers with a longer track record.
- Over 75% of Zoom Phone revenue comes through direct field sales. This approach, coupled with Zoom Phone's high rate of growth, has resulted in some smaller Gartner clients reporting delays in implementation and account management.
- In discussions with our clients, Gartner has observed organizations being offered significantly large concessions on price and terms and conditions from Zoom in order to win their business. Gartner clients have expressed concern over the possibility of significant price increases when their renewal date comes due. The currently low-offered price may benefit buyers in the short term. But Gartner recommends that clients seek a better understanding of Zoom's longer-term pricing strategy, especially for their first renewal, because the current strategy may be unsustainable over the long term.

Vendors Added and Dropped

We review and adjust our inclusion criteria for Magic Quadrants as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant may change over time. A vendor's appearance in a Magic Quadrant one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. It may be a reflection of a change in the market and, therefore, changed evaluation criteria, or of a change of focus by that vendor.

Added

No vendors were added to this Magic Quadrant.

Dropped

- Mitel was dropped from this Magic Quadrant because it does not meet the inclusion criteria.
- Fuze was dropped from this Magic Quadrant because it was acquired by 8x8.

Inclusion and Exclusion Criteria

Gartner's Magic Quadrant and Critical Capabilities reports identify and analyze the most relevant providers and products in a market. By default, Gartner imposes an upper limit of 20 vendors per report to focus on the most relevant providers in a market. On some occasions, however, the upper limit may be extended, when the report's value to clients might otherwise be diminished.

The following inclusion criteria represent the specific attributes that Gartner analysts deemed necessary for a provider to appear in this Magic Quadrant:

Self-Developed UCaaS Core Software

UCaaS provider must self-develop the core software for:

- Calling/Telephony
- Desktop apps, mobile apps and web clients
- Meetings (audio-, video-, web-conferencing)
- Messaging
- Administrative portals

Contact center and QoS monitoring can be self-developed, or can be sourced from a technology partner as long as the capability is seamlessly integrated into the solution.

Provider-Operated Core

UCaaS provider must operate (manage, monitor, support, upgrade) the core UCaaS software platform for calling/telephony, messaging, meetings and admin portal. Contact center and QoS monitoring can be operated by the UCaaS provider or by a technology partner.

Compute, storage and networking infrastructure for back-end services can be managed by the UCaaS provider or by a technology partner.

User Base

UCaaS provider must have a total user base of at least 750,000 paying users with telephony entitlements and domestic calling plans. At least 20 customers must have 2,500 or more paying users with telephony entitlements and domestic calling plans.

Geographic Serving Area and User Base Split

UCaaS provider must support three of the regions listed below and have:

- 25,000 or more paying users with telephony entitlements and domestic calling plans in at least two of the below listed regions, and,
- 5,000 or more paying users with telephony entitlements and domestic calling plans in two or more of the below listed regions, and 1,000 or more paying users with telephony entitlements and domestic calling plans in a third or more of the below listed regions.
- 10 or more customers with 500 or more paying users in ONE region, AND 10 or more customers with 250 or more paying users in a SECOND region (or more). UCaaS contracts must be tendered and executed (purchased) “in-region”:

- Region 1: North America – U.S., Canada
- Region 2: Europe – U.K., Ireland, Iceland, Western Continental Europe (Andorra, Austria, Belgium, France, Germany, Liechtenstein, Luxembourg, Monaco, Netherlands, Portugal, Spain, Switzerland), Scandinavia (Denmark, Norway, Sweden)
- Region 3: Asia/Pacific – Must include two of: Australia, New Zealand, India, Hong Kong, Singapore, Japan, China
- Region 4: Latin America (Mexico, Central America, South America)

Sales and Support

UCaaS provider must have 75 or more directly employed sales and support staff in each of two or more of the below listed regions:

- Region 1: North America – U.S., Canada
- Region 2: Europe – U.K., Ireland, Iceland, Western Continental Europe (Andorra, Austria, Belgium, France, Germany, Liechtenstein, Luxembourg, Monaco, Netherlands, Portugal, Spain, Switzerland), Scandinavia (Denmark, Norway, Sweden)
- Region 3: Asia/Pacific – Must include two of: Australia, New Zealand, India, Hong Kong, Singapore, Japan, China
- Region 4: Latin America (Mexico, Central America, South America)

Gartner Market Momentum Index

UCaaS provider must rank among the top providers in the market momentum index defined by Gartner for this Magic Quadrant. Data inputs used to calculate UCaaS market momentum include a balanced set of measures, including:

- Gartner customer search, inquiry volume and trend data
- Volume of job listings specifying experience with the UCaaS platform as a job requirement on TalentNeuron and on a range of employment websites in the U.S., Europe and China
- Frequency of mentions as a competitor to other UCaaS providers within reviews on Gartner's Peer Insights forum between April 2021 and March 2022

Evaluation Criteria

Ability to Execute

Gartner analysts evaluate providers on the quality and efficacy of the processes, systems, methods and procedures that enable their performance to be competitive, efficient and effective, and to positively impact their revenue, retention and reputation, in relation to Gartner's view of the market.

Product/Service

Core goods and services that compete in and/or serve the defined market. This includes current product and service capabilities, feature sets, skills, etc. This can be offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

Key components include:

- UC functionality
- Voice services/telephony
- Personal and team messaging
- Meetings
- Contact center
- Mobility services, desktop and mobile apps

Overall Viability

Viability includes an assessment of the organization's overall financial health, as well as the financial and practical success of the business unit. We view the likelihood of the organization to continue to offer and invest in the product as well as the product position in the current portfolio.

Key components include:

- Corporate financial health
- Corporate commitment to UCaaS
- Recurring revenue trends
- Retention of existing customers
- New adoption and customer base trends

Sales Execution/Pricing

The organization's capabilities in all presales activities and the processes, resources and structures that support them. These include deal management, pricing and negotiation, presales support, and the overall effectiveness of the sales channel.

Key components include:

- Conversion rates for sales of full-spectrum UC
- Conversion rates for sales of partial UC services (e.g., only telephony)
- Direct sales
- Indirect sales via channel partners

Market Responsiveness and Track Record

Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the provider's history of responsiveness to changing market demands.

Marketing Execution

The clarity, quality, creativity and efficacy of programs designed to deliver the provider's message in order to influence the market, promote the brand, increase awareness of products and establish a positive identification in the minds of influencers and buyers. This "mind share" can be driven by a combination of publicity, promotional activity, thought leadership, social media, referrals and sales activities.

Customer Experience

Products and services and/or programs that enable customers to achieve anticipated results with the products evaluated. Specifically, these include quality buying experiences and interactions, technical support and/or account management and support. They may also include ancillary tools, customer support programs, availability of user groups, service-level agreements, etc.

Key components include:

- Procurement experience/ease
- Customer admin portals experience
- Account management
- Technical assistance tools

■ Customer support experience

Operations

The ability of the organization to meet goals and commitments. Factors include quality of the organizational structure, skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently.

Table 1: Ability to Execute Evaluation Criteria

Evaluation Criteria ↓	Weighting ↓
Product or Service	High
Overall Viability	Medium
Sales Execution/Pricing	High
Market Responsiveness/Record	Medium
Marketing Execution	High
Customer Experience	High
Operations	Medium

Source: Gartner (November 2022)

Completeness of Vision

Gartner analysts evaluate providers on their ability to convincingly articulate logical statements about the market’s current and future direction, innovation, customer needs and competitive forces, in light of Gartner’s view of the market.

Market Understanding

Ability to understand customer current and future needs and translate them into products and services. Vendors that show a clear vision of their market — listen, understand customer demands and can shape or enhance market changes with their added vision.

Key components include:

- Completeness of UCaaS offering across the main pillars: calling, meeting, messaging, contact center, management
- Complementary professional, support, life cycle/change management and managed services
- Track record of UCaaS functionality and services offerings
- Roadmap to evolve the above to anticipate the market's future needs

Marketing Strategy

Clear, differentiated messaging consistently communicated internally, and externalized through social media, advertising, customer programs, demand generation and positioning statements.

Sales Strategy

A sound strategy for selling that uses the appropriate networks including direct and indirect sales, marketing, service, and communication. Partners that extend the scope and depth of market reach, expertise, technologies, services and their customer base. Use of targeted incentive programs to entice new customers and retain existing ones.

Offering (Product) Strategy

An approach to product development and service delivery that emphasizes the below as the map to current and future requirements:

- Market differentiation
- Functionality
- Methodology
- Features

The design, logic and execution of the organization's business proposition to achieve continued success.

Vertical/Industry Strategy

The strategy to direct resources (sales, product, development), skills and products to meet the specific needs of individual market segments, including verticals.

Innovation

Direct, related, complementary and synergistic layouts of resources; expertise and capital for investment, consolidation, defensive or preemptive purposes.

Geographic Strategy

The provider’s strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the “home” or native geography, either directly or through partners, channels and subsidiaries, as appropriate for each given geography and market.

Key components include:

- Capability to deliver full PSTN replacement in multiple global regions and countries
- Localization/country homologation (e.g., supported languages in end-user apps, admin portals, audible announcements)
- Local/regional sales and support
- Local currency contracting/billing
- In-region data center and point of presence (POP) locations to enable data sovereignty and enhance performance

Table 2: Completeness of Vision Evaluation Criteria

<i>Evaluation Criteria</i> ↓	<i>Weighting</i> ↓
Market Understanding	High
Marketing Strategy	Medium
Sales Strategy	Medium

Evaluation Criteria ↓	Weighting ↓
Offering (Product) Strategy	High
Business Model	Medium
Vertical/Industry Strategy	Medium
Innovation	Medium
Geographic Strategy	High

Source: Gartner (November 2022)

Quadrant Descriptions

Leaders

Leaders have been delivering complete UCaaS solutions for years. They have established bases of enterprise customers and they support large numbers of users. They have comprehensive and integrated UCaaS solutions that address the full range of market needs; a proven ability to serve large organizations; and a commitment to three or more geographical markets. They have defined migration and evolution plans for their products in core UCaaS areas, and they are using their solutions to acquire new customers, expand their geographical footprints and innovate in new functional areas.

Challengers

Challengers have the ability to deliver UCaaS to large organizations. They have yet to become Leaders because their UCaaS solutions lack some elements, their customer support is still evolving, they do not offer differentiated services or most of their users deploy only certain aspects of UC.

Visionaries

Visionaries have an ambitious vision of the future, and are making significant investments to develop unique technologies. Their services are still emerging, and they have many capabilities in development that are not yet generally available. Although Visionaries may have many customers,

they might not yet serve a broad range of use cases well. Visionaries are close to, or are already, delivering differentiated UC functionality or services, but have not yet established themselves in the enterprise market. This may be due to an inability to support multiple large customers, a lack of proven ability to support panregional UCaaS deployments or limited brand-name recognition. Some providers may be Visionaries because of only one or two shortcomings, such as inconsistent customer service.

Niche Players

Providers may be Niche Players for a variety of reasons. For some, it may be because of limited brand-name recognition or because they lack a robust marketing ability to sell beyond their home region. For others, it may be because their solution is relatively new, their customers may be using only a limited amount of UC functionality, their feature set may be weak in certain areas or their customer service may be inconsistent.

Context

In comparison with premises-based UC solutions, the functional, commercial advantages of UCaaS in the developed regions of the world are numerous. Currently, the vast majority of UC R&D budgets are being allocated to cloud-based solutions. Vendors are selling few net new premises-based UC systems, and therefore are investing little in feature development and innovation for on-premises UC platforms. With UCaaS, the desktop user experiences, mobile capabilities, performance and analytics dashboards, and management portals are superior. Cloud UC solutions require much less expertise from customer administrators compared to premises-based solutions. Digital workplace application leaders recognize these advantages and therefore almost always seek UCaaS.

SMBs

UCaaS has been the preferred deployment model for businesses with fewer than 1,000 employees for well over six years, with only two exceptions. The first exception is when, for such organizations, the network bandwidth required for adequate voice/UC performance is lacking, its price is too high, or its resiliency and availability are unsuitable to connect to UCaaS providers. This case is seldom seen with organizations in developed regions. The second exception concerns organizations with 500 to 999 employees that: (a) believe their UC users will not require modernization over the next three years; (b) have the expertise to manage on-premises infrastructure; and (c) can do so for a total cost of ownership lower than the market price for UCaaS. This case is also rare among Gartner clients.

The vast majority of SMBs should explore cloud solutions. The market is increasingly competitive, pricing is improving, innovation is strong and few organizations wish to continue managing premises-based UC infrastructure.

Midsize Enterprises

Most midsize enterprises — those with 1,000 to 5,000 users — are well-suited to UCaaS. Many of the vendors evaluated in this Magic Quadrant are viable choices for such enterprises, and have long lists

of customer references to prove it. Many regional UCaaS providers not featured in this research can also be good options.

Some midsize enterprises may operate hybrid environments. These organizations may migrate the majority of employees to the cloud, but use premises-based infrastructure in countries with restrictive regulatory requirements or unsuitable data network connections. This is a declining design pattern, as the number of countries with unsuitable data networking services is quickly shrinking.

Large Enterprises

Gartner observed that 52% of clients pursuing UCaaS in the past year belong to organizations having more than 5,000 users. The adoption of UCaaS among the largest segment has become the default desired option.

Large enterprises investing in premises-based UC must understand that few vendors put R&D investment toward this technology. If vendors buy a new system today, it is unlikely to see significant innovation or enhancements during a typical five- to eight-year product life cycle. Most future enhancements (such as AI, mobility, analytics, advanced user experience, etc.) will only be available to UCaaS users. Nonetheless, premises-based deployments persist for reasons of regulation and the unavailability of UCaaS in specific regions.

Market Overview

Gartner's view of the market focuses on transformational technologies and approaches to meeting the future needs of end users. It does not focus solely on the market as it is today.

Providers' investments in UCaaS continue to increase markedly. UCaaS functionality now exceeds premises-based UC functionality in these areas:

- **Team messaging and SMS:** UCaaS providers have extended the capabilities of team messaging and workstream collaboration services by integrating business applications, integrating file-sharing services, adding bot frameworks and providing connectivity to mobile SMS messaging services from desktops, web clients and mobile apps.
- **Meetings:** The meeting capabilities included in UCaaS solutions have seen the most investment and innovation in the UCaaS market, and have partially converged with those of stand-alone, cloud-based meeting solutions. Many UCaaS providers also sell stand-alone meeting solutions.
- **APIs, CPaaS and app marketplaces:** A capability that has seen increasing market demand is the integration of UC capabilities with business applications that make workflows more efficient. Examples of such integration include CRM applications, contact centers, workgroup applications and line-of-business applications. Some UCaaS providers have extended their offerings to include CPaaS. This enables the consumption of "atomized" capabilities (for example, the ability to send

an SMS or initiate a call) by other applications that are enhanced by integrating and enabling communications services.

- **Reporting and analytics dashboards:** UCaaS offerings provide administrative tools that visualize availability, failures, performance, diagnostics, usage, user adoption and other key performance indicators. Dashboard reporting can be measured and displayed on multiple levels, such as call, user, business unit and location.

UCaaS has characteristics similar to those of other cloud services. These include:

- Shared infrastructure (for example, data center, compute and data network resources)
- Shared tools (for example, provisioning, performance and network management tools)
- Per-user-per-month pricing and elasticity to increase or decrease the number of users without customer-facing impacts on the underlying platform (for example, expansion does not require procurement of additional platform hardware)

Most UCaaS providers embrace multitenancy, a microservices architecture and infrastructure as a service (IaaS), to host their UCaaS application, with all users sharing a common software instance that is distributed across many service nodes that are deployed regionally or globally. In many cases, the UCaaS application nodes (or some components of the UCaaS application) reside in a public IaaS cloud, while media may be processed in and routed through traditional data centers to optimize performance and user experience. UCaaS platforms are developed, operated and updated by UCaaS providers in public cloud data centers (such as those of Amazon Web Services, Microsoft Azure, Google Cloud Platform and Oracle Cloud Infrastructure), or in data centers operated by the UCaaS providers.

Today's UCaaS services provide better administration management portals, end-user portals, usage dashboards and network performance tools. It is now easier to deploy and manage large groups of users. It is also possible to monitor more precisely the quality of voice and meeting sessions, and to isolate the root cause of user experience issues. Such issues could include access network problems, poor Wi-Fi connections, endpoint performance problems and audio accessory/headset problems. However, performance monitoring and management expertise vary greatly by provider.

Over the past year, the market's demand for hybrid and remote work has resulted in increased demand for UCaaS, given this technology's inherent ability to deliver UC services to users wherever they are, typically at no additional cost. Premises-based solutions also offer remote-worker capabilities, but often require additional licenses, and in some cases hardware upgrades to SBCs at the edge of enterprise networks.

UCaaS solutions also offer superior user experiences in desktop clients and mobile apps, which increases adoption rates. The greater demand for remote working has resulted in increased organizational reliance on meetings and messaging. Consequently, we see demand for new features that meet requirements for increased meeting safety and security; background concealment; suppression of specific sounds (beyond noise suppression); display of more people simultaneously in gallery views; and enhancements to the quality of experience over unmanaged networks.

Although CCaaS is not the focus of this research, strong links exist between UCaaS and CCaaS, as organizations often purchase both together. Some UCaaS providers develop and operate their own CCaaS services, while others have CCaaS partnerships that enable them to include CCaaS with their UCaaS offerings.

Evaluation Criteria Definitions

Ability to Execute

Product/Service: Core goods and services offered by the vendor for the defined market. This includes current product/service capabilities, quality, feature sets, skills and so on, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

Overall Viability: Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization's portfolio of products.

Sales Execution/Pricing: The vendor's capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support, and the overall effectiveness of the sales channel.

Market Responsiveness/Record: Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

Marketing Execution: The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This "mind share" can be driven by a combination of publicity, promotional initiatives, thought leadership, word of mouth and sales activities.

Customer Experience: Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements and so on.

Operations: The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

Completeness of Vision

Market Understanding: Ability of the vendor to understand buyers' wants and needs and to translate those into products and services. Vendors that show the highest degree of vision listen to and understand buyers' wants and needs, and can shape or enhance those with their added vision.

Marketing Strategy: A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the website, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling products that uses the appropriate network of direct and indirect sales, marketing, service, and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base.

Offering (Product) Strategy: The vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature sets as they map to current and future requirements.

Business Model: The soundness and logic of the vendor's underlying business proposition.

Vertical/Industry Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including vertical markets.

Innovation: Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

Geographic Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the "home" or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.

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