# Enterprise Connect 2019: unified communications providers are struggling to differentiate

*April 2019*

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Enterprise Connect 2019 (EC19) was held in Florida, USA in March 2019. It is probably the largest annual conference focused on business communications, and most of the major unified communications (UC) solutions providers use the event to showcase their new features. However, true differentiators were rare this year. The market is unlikely to support the large number of similar products that are currently available, and this may lead to further consolidation.

## UC providers are struggling to create unique features

The major theme that was evident from EC19 is that providers are reaching feature parity. Cloud UC providers (such as RingCentral and Vonage) are moving towards offering feature sets that are as rich as those available in on-premises solutions. Traditional on-premises providers (such as Avaya, Cisco and Microsoft) are trying to catch up to the cloud providers in terms of cloud communication features.

In a previous article, we discussed the various layers of features that generally constitute a UC solution. At EC19, UC providers showed how they are trying to expand across this value chain to address as much of the UC market as possible. Figure 1 shows what we believe to be the core UC features and illustrates how a sample of providers have expanded their portfolios to include these features.

*Figure 1: Features of major UC solutions*

| | Hosted voice | Messaging | Conferencing | Collaboration/team messaging | Contact centre | APIs |
|---|---|---|---|---|---|---|
| Cisco Webex Teams | | | | | | |
| Microsoft Teams | Through third parties | | | | | |
| RingCentral | | | | | | |
| Vonage | | | | | | Acquired Nexmo |
| Amazon Chime | | | | | | |

Key:
- ■ Feature recently added or announced at EC19
- ■ Feature existed previously
- ■ Feature not offered in the named solution

Source: Analysys Mason, 2019

Figure 1 shows that most major UC providers offer most of the core features. It also shows that many of the major developments announced at EC19 were voice-orientated. Cisco acquired BroadSoft in February 2018 and has now integrated the company's hosted voice solution (BroadCloud) into Webex Teams. Microsoft offers

direct SIP trunking capabilities in Microsoft Teams through third parties, and Amazon released calling features for its Chime platform.

Smaller UC providers, such as RingCentral and Vonage, offer a comprehensive range of features to match those of on-premises solutions, and cover all of the core features.

## Differentiation is becoming increasingly difficult for UC providers

Most UC providers now offer similar features, so it is becoming difficult to differentiate Even video, a key theme at EC18, is now standard across most UC platforms. AI was one of the most prominent themes at EC19 and featured heavily in presentations as means of differentiation.

Cisco announced its 'Cognitive Collaboration' features; these offer functionality including automatically starting meetings when you walk into the meeting room based on calendar integration and mobile device location, adding names to video meetings as a result of facial recognition, automatically populating business and personal newsfeeds based on web analytics and voice activation. Otter.ai demonstrated a real-time transcript service for meetings and Amazon's Alexa for Business remains a leader for voice activation features for calling, meetings and accessing business applications.

These features were heavily used in marketing presentations, but most appear to be relatively immature with limited tangible benefits to businesses. Businesses will only consider using AI features once more-important concerns around areas such as security, ease-of-use and deployment and brand recognition have been addressed.

## CPaaS was a prominent theme at EC19, in contrast to previous years

Communications platform-as-a-service (CPaaS), previously a niche theme at EC, is now a mainstream service for many UC providers; APIs are being incorporated into UCaaS platforms and providers are turning APIs into a standalone service offering. CPaaS allows developers to integrate communication services into business applications and webpages (for example, connecting to a sales agent via a chat box on the website) using APIs. UCaaS is built for the user, while CPaaS is built for the developer.

Interesting CPaaS announcements made at EC19 included the following.

- [Vonage announced the introduction of programmable numbers](#) into its core UC solution for businesses; this effectively brings CPaaS features into its UCaaS platform. Vonage Business customers can now programme their phone number to integrate with business applications. For example, they can set up automated call forwarding or rescheduling based on the availability status given in their calendar.

- Twilio announced its release of Twilio Flex, a fully programmable cloud contact centre that provides a cloud option to businesses that want customised features for their contact centres. High levels of customisation were previously only available with on-premises solutions.

- AT&T announced the release of its own API marketplace (based on Ribbon Communications' Kandy platform) to compete with the likes of Twilio. Only a few operators have released an API marketplace and even fewer have developed the APIs themselves (Proximus EnCo is one such example through its own internal start-up).

# UC providers should focus more on pragmatic features in their marketing

It is unsurprising that AI was one of the most cited differentiators by UC providers at EC19, but there is considerable scope to make better use of more-pragmatic differentiators in marketing. UC buyers (IT departments and business managers) will be far more interested in factors such as security, integration and ease-of-deployment when purchasing a UC solution. These factors were largely ignored at EC19; they were only covered in small panels rather than in the main conference sessions. UC providers should consider making much greater use of these subtle differentiators. These are the aspects that are the most important to businesses and provide the greatest potential for differentiation.