

Mature IP-PBX Technology Fuels More IP-Centric Deployments, Finds ABI

Oyster Bay, NY - February 5, 2004

The enterprise IP-PBX market has moved well beyond the days of protracted testing in enterprise IT labs, and into substantial numbers of user deployments. While businesses are still not likely to upgrade their legacy systems to IP-based systems, nearly all new deployments have some degree of IP components. More and more businesses are opting for more IP-centric solutions, and by 2006, it is expected that more than 90 percent of all new IP-PBX seats will be on all-IP systems, according to technology research firm ABI.

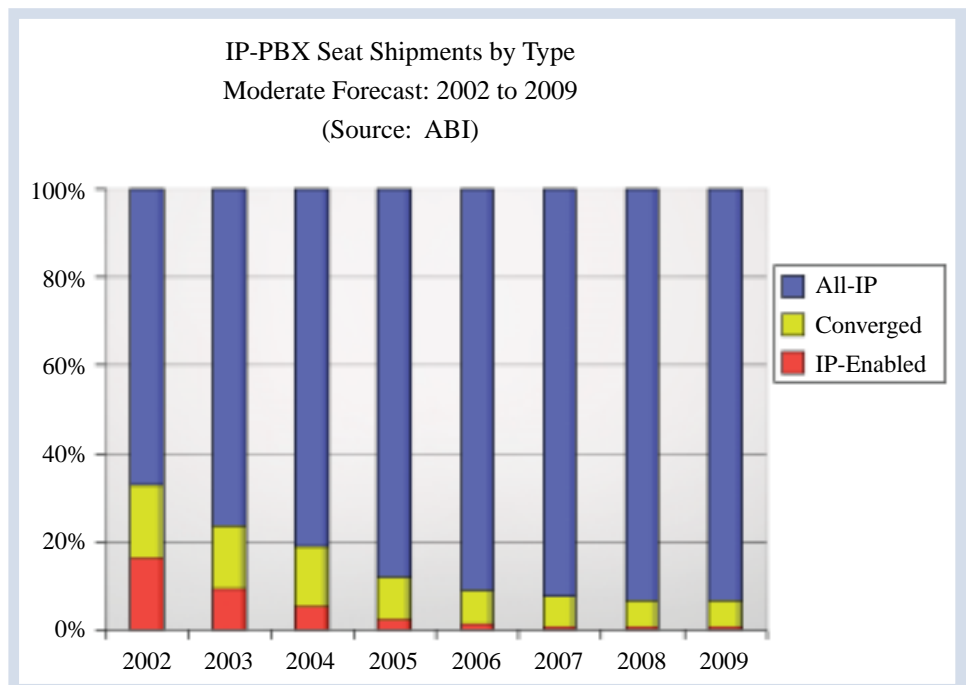
One indication of the penetration of IP telephony is the extent to which businesses take advantage of IP in new phone system deployments. While the market for and interest in IP-PBXs was active in 2001 and 2002, the majority of seats were IP-enabled. In these systems, a VoIP gateway was added to a legacy PBX system – allowing businesses to save cost on interoffice toll calls by routing them over a Wide Area Network (WAN) rather than using the public phone network, and often providing access to some next-generation features.

While growth is slowing to rates found in a more mature market, shipments of IP-PBXs are steadily increasing, as more businesses opt for VoIP systems instead of their circuit-switched counterparts. IP-PBX seat shipments are projected to grow from 3.2 million in 2003 to 26 million in 2009, according to findings by ABI.

“IP-PBX feature sets have stabilized to the point where most vendors now have the legacy features that business users are accustomed to, as well as a relatively standard set of more data-centric applications,” explains ABI se-

nior analyst Julia Mermelstein. “Future product development will focus on improving ease of management and customization for specific vertical markets.”

ABI’s study, “[IP-PBX, Hosted Solutions and VoIP Telephone Sets: Next-Generation Systems for Today](#),” provides an analysis of the trends in premise and hosted IP-PBX adoption, with quantification of the markets for IP-enabled, converged, all-IP, and hosted solutions. Projections are by geographic region, IP-PBX type, system size, and hosted vs. premise solutions. The report also addresses the market for hosted voice services for the business and consumer markets.



ABI is a N.Y.-based technology market research firm founded in 1990. ABI publishes market research and technology intelligence on the wireless, automotive, electronics, broadband and energy industries. Details can be found on the web at abiresearch.com or by calling 516-624-3113.