

Press release

Service Providers set to cash-in on IP services predicts telephony vendor

Swyx identifies key trends in VoIP delivery

Cebit, Germany, 13.03.2007 - Swyx a market-leading vendor of IP telephony solutions, claims that Service Providers (SPs) looking to maximise the revenue opportunities of delivering VoIP should be aware of how the customer is driving demand in favour of a 'Hosted' approach.

The company believes that control combined with choice will shape users' requirements over the next few years and that the old model of 'on-premise' based technology will quickly migrate to a "hosted" or "Software as a Service (SaaS) model" as hardware becomes redundant and makes way for customised service provision. It foresees that Service Providers will be the main beneficiary of this trend enabling them to increase their margins, and build market share through value-added services.

CEO at Swyx, Guenter Junk comments, "The adoption of IP-based technologies has produced a cataclysmic change with regards to how corporations now approach their communications infrastructure. Users are demanding more choice, more functionality and more agility, whilst IT Directors have concerns about losing control of the security and integrity of their networks. The situation is further complicated by different approaches being offered by traditional vendors such as Alcatel and Siemens who are desperate to maintain their existing market share through hardware offerings, and new entrants such as Google, Microsoft and Oracle who are trying to build a 'voice' following with their own proprietary solutions."

He continues, "Trying to predict the future outcome of these two camps is difficult. However, we believe that there is a third way based on a software-based model that would give users all the benefits of Microsoft but within a controlled environment."

Swyx has written a White Paper entitled "The evolution of the Communication Engine: beyond unified communications" that assists companies, both large and small, determine an approach that does not tie them into proprietary products and will not compromise the demands of their own business.

A summary of the four areas that Swyx believes will form part of the archetypal model for a corporate communications strategy is as follows:

People Centric communications

The trend toward integrated business productivity processes and a user's demand for more choice means that the model for communications now has to change from being location or network-centric to user-centric.

Users will be able to choose their method of contact and will have the ability to optimise their contact profile by mixing their media types, including:

- Email
- Voice
- Instant Messaging
- Video
- And others, such as mobile devices.

The user will also have the choice to manage contacts dependent on priority and importance.

'Value' versus 'Commodity'

Traditionally the terms value and commodity have been synonymous in telecommunications. Price was the most important criteria in the buying decision and the value was assumed as a given. This however, is no longer the case. As the gap emerges between value and price, there will be a transformation in the near future to a two-tier model for communications procurement. Interestingly, businesses will not necessarily choose one model exclusively, and in particular the small business segment is likely to employ a mix of technologies to best suit their needs.

'Control' versus 'Choice'

Security, Management & Control (SMC) is a key requirement of any IT infrastructure, but bringing together disparate technologies under an umbrella of "Unified Communications" can mean that SMC requirements can be overlooked, addressed as an afterthought, or indeed compromised altogether. Another scenario is that they are so tightly integrated to a specific device that it is not possible to embrace the benefits of open systems or the federated interaction to other external sources. The White Paper introduces the concept of a 'Scope of Control' that can offer choice with control.

Delivery

The final trend concerns the delivery mechanisms for these new forms of business communications. Traditionally, vendors sold CPE (Customer Premise Equipment) products, either directly or through channel sales partners who would then deliver it to the user's physical location.

Swyx argues that this is changing. As non-traditional voice vendors enter the market they will start to offer an integrated applications approach by basing their business models on areas such as client advertising, subscription services or SOBA (Software-Oriented Business Application) and SaaS (Software as a Service) and many new entrants are predicted to offer voice as a hosted or on-demand software.

Recognising the growing demand for Hosted IP Telephony, the White Paper also includes a strategy based on its 'pure' software-based communications architecture that demonstrates how Service Providers can profit from this new paradigm. Visit www.swyx.com

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