Magic Quadrant for Unified Communications as a Service

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By Analyst(s): Rafael Benitez, Megan Fernandez, Christopher Trueman, Pankil Sheth

Initiatives: Digital Workplace Infrastructure and IT Operations

> 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.

This Magic Quadrant is related to other research:

View All Magic Quadrants and Critical Capabilities

Strategic Planning Assumptions

- By 2025, 25% of office workers in the U.S. and Europe will not be provided wireline telephony (that is, all telephony that is not cellular), up from 5% in 2020 before the COVID-19 pandemic began.
- By 2026, more than 80% of independent software vendors (ISVs) will have embedded generative AI capabilities into their enterprise applications, up from less than 1% today.

Market Definition/Description

Gartner defines unified communications as a service (UCaaS) as a multitenant, subscription-based service that is cloud-delivered, and provides business telephony features, external PSTN connectivity that allows for inbound or outbound calling, and collaboration capabilities such as messaging and meetings. UCaaS services can be consumed by end users with traditional handsets, desktop clients, meeting room systems, and mobile apps.

Must-have capabilities for the UCaaS market include:

1. **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 their own PSTN access service offer a "bring your own PSTN provider" option. Telephony features supported by UCaaS vendors typically number in the hundreds. Some commonly offered telephony features include: basic internal or external calling, emergency calling, call forwarding, call transfer, shared-line call appearances, voicemail, call logging, encryption, account codes, hunt groups, queues with announcements, attendant consoles (for receptionists), delegation (for administrative assistants), auto attendants, interactive voice responses (IVR) for self-service, and hot desking (used in shared workspaces). Emergency calling services, such as E911 in the United States, impose statutory requirements on UCaaS providers and buyers. UCaaS providers may offer capabilities that make organizations compliant with local or regional regulations (Kari's Law and the Ray Baum Act in the United States, for example). Telephony services are consumed by end users with either physical IP phones, physical analog phones, analog devices (fax machines or fire alarm panels, for example), 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 solutions for messaging or meetings.

2. **Meetings:** This area includes multiparty audio/video conferencing with content sharing (screen and application sharing), in-meeting messaging, file-sharing, customizable layouts, closed captioning, recording, virtual backgrounds, breakout session support, reactions and other capabilities. Meeting services are accessible via desktop app, mobile app, web app and meeting room systems.

3. **Messaging:** Messaging capabilities allow users to exchange richly formatted instant messages with emojis, images, file attachments and links in real time. Messaging has evolved to include two main modes: personal messaging for one-to-one communication (also known as "chat"), and team messaging for groups 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.

The standard capabilities for this market include:

1. **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/plug-ins that integrate with business applications such as calendars, email and CRM solutions.

2. **Contact center:** An integrated contact center is one that is self-developed by the UCaaS provider, and often relies on the same platform that delivers UCaaS telephony services. Buyers seeking an integrated contact center most often only require a basic to midrange set of capabilities, and typically only require inbound calling and interactions. Although many organizations buying UCaaS only use the voice channel in their previous contact center, other digital channels (email, SMS, web chat, video and social, for example) are increasingly required when procuring a UCaaS-integrated contact center. Integrated contact centers are typically also limited in size as typical buyers do not require more than approximately 100 agents.

3. **Quality of service (QoS) monitoring:** Buyers expect UCaaS providers to include quality-of-service monitoring and reporting. The vast majority of UCaaS providers include at least basic QoS monitoring. This has been an area where leading UCaaS providers have invested and where currently relatively advanced capabilities are available, including dashboards with graphical representations, details of the underlying data networks being used to deliver UCaaS, trending reports with threshold crossing indications, suggestions on corrective actions, and capabilities to identify root causes.

4. **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.

Magic Quadrant

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

Vendor Strengths and Cautions

8x8

8x8 is a Leader in this Magic Quadrant. 8x8 XCaaS components include 8x8 Work (for telephony, meetings and team messaging), contact center, and analytics (for business-integrated analytics). 8x8's customers are distributed across all segments with adoption focused on midmarket organizations mainly in North America and the U.K.

Latest enhancements: Granular telephony SPAM blocking (at the user and organizational level) for SMS; 8x8 Sales Workspace — a tool aimed at sales roles that integrates 8x8 into CRM workflows (such as Salesforce) eliminating the need to toggle between multiple apps; 8x8 Phone app for Microsoft Teams; calling in six new countries (now 58 in total); 8x8 Mobile Admin app for customer administrators on the go; live meeting transcription, Salesforce integration, postmeeting AI-based tools.

Strengths

- 8x8 remains well aligned to organizations that want to bundle UCaaS and CCaaS solutions without advanced contact center requirements (typically less than 300 contact center agents). 8x8 offers PSTN replacement in 58 countries worldwide and is one of the vendors offering native calling plans most extensively across global regions, including China (added last year).
- 8x8 is well-positioned to deliver UCaaS and CCaaS to organizations that have already adopted Microsoft Teams for messaging and meetings, but require advanced telephony features. 8x8 is still one of very few UCaaS vendors to currently offer a natively integrated Microsoft Teams contact center solution.
- 8x8 reports a balanced customer base across all market segments, has strong adoption in North America and the U.K., and is one of the leading vendors to have a relatively strong presence in APAC and LATAM.

Cautions

- 8x8 customers have indicated, through Gartner Peer Insights reviews, challenges in obtaining timely customer service and support, and mixed customer satisfaction experiences with the intuitiveness of 8x8's admin portal during deployments.

- 8x8 has enhanced its capabilities to support midsize (up to 300 agents) and larger contact centers in the last 12 months, including native workforce management, quality management, and speech and text analytics services. Prospective buyers with large customer service requirements — or with advanced feature or integration requirements — should check that 8x8's feature set meets the needs of their customer services business unit.

- Sylebra Capital, a 12.37% owner of 8X8, changed its status to "Active Investor" in 2023, which may affect the company's long-term direction. Existing customers and potential buyers should regularly monitor 8x8's product roadmap.

Cisco

Cisco is a Leader in this Magic Quadrant. Webex includes telephony, messaging, collaboration, meetings and contact center. Cisco has a large base of global partners, including MSPs, SIs and telecom operators.

Latest enhancements: Voice Queues (a basic call center included in Webex Calling at no extra charge); enhanced survivability for Webex Calling Dedicated Instance; Webex Control Hub integration of Thousand Eyes performance monitoring; Control Hub as a Coach (which provides actionable admin insights for meetings and security); AI capabilities across the UC portfolio (including Meetings, Contact Center and Admin Portal), and Webex Go (a mobile solution integrated with mobile carriers and Cisco's Webex Go (BYOD) solution). Webex UCaaS is suitable for organizations of any size, especially midsize and large organizations.

Strengths

- Cisco is one of the few UCaaS vendors — and the only vendor classed as a Leader by Gartner — that can deliver a 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.

- Cisco has a long track record as a UC/UCaaS vendor with deep expertise and investments in security, regulatory, and industry-specific capabilities and certifications. Organizations seeking UCaaS in highly regulated industries or sectors (including healthcare, financial services, public sector, government and public utilities) are well served by Cisco Webex, whether the regulatory requirements emanate from the U.S., U.K., Europe or Asia.

- Cisco's recent investments in Webex Control Hub for unified management have included localizations for an extensive set of countries; development of a global partner ecosystem; configuration options that combine cloud services with on-premises infrastructure (for less-developed regions or countries where telecommunications are highly regulated); and survivability capabilities. These investments have made Webex a competitive option for large and/or highly distributed multinational organizations with a complex mix of use cases.

Cautions

- Gartner client perception is that Webex's offering is more expensive than its competitors, including other Leaders in this Magic Quadrant. In response, in 2021, Cisco introduced a more competitively priced suite offer, which includes eight different workloads including AI. Gartner client feedback over the last 12 months indicates that competitor pricing is still perceived to be more aggressive.

- Webex Contact Center is an effective option for organizations that need a unified communications solution bundled and integrated with a small or midsize contact center solution (up to 250 agents). Organizations seeking large, high-volume solutions (more than 1,000 agents) still prefer the leading stand-alone contact center providers.

- Organizations that are Cisco customers using Unified Communications Manager (UCM) regularly adopt collaboration capabilities from competing UCaaS providers. When organizations give their collaboration business to competing UCaaS vendors, and primarily seek cloud telephony, the benefits of the full UCC Webex offering are less compelling.

Dialpad

Dialpad is a Visionary in this Magic Quadrant. Dialpad's offering delivers telephony, meetings, messaging, contact center, and sales capabilities. Dialpad's operations are mostly in North America and Asia. Its customers are distributed across most market segments.

Latest enhancements: Ai Recap (meeting summary and action item generation); call summarization and transcripts; mobile device gallery view enhancements; Ai Scorecards (provides agents guidance to increase CSAT); DialpadGPT for contact center and sales; Coaching Hub (listen-in, barge-in, and takeover tools so managers can step in); Ai CSAT (automatic, predictive score generation for customer service calls); STIR/SHAKEN telephony attestation, expansion of geographic coverage to China (48 countries now supported); and seamless mobile network handoff.

Strengths

- Dialpad's strategic partnership and deep integration with Google Workspace expands access to customers and product innovation. Dialpad appears on the Google Workspace Marketplace and Google sales channels are compensated for Dialpad solution sales. On the product side, Dialpad's connection to Google gives the company unique access to Google Vertex AI (Google's foundational LLM) and other generative AI innovation resources.
- Dialpad's AI engine is used across its telephony, messaging, meetings, contact center, and sales capabilities extending useful productivity enhancements, most notably coaching and insights associated with customer support and sales interactions.
- Dialpad's user and management interfaces are intuitive and generally receive positive feedback from Gartner Peer Insights reviewers for 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.
- While Dialpad's capabilities align well for most business users, some meeting functionality lags behind competitors, including lack of support for virtual assistants, survey/polling, live translation, online meeting storage integration and full HD video resolution (currently capped at 720p).
- While Dialpad can support enterprise customers, it has no significant expertise in supporting very large multinational organizations (more than 5,000 users).

Google

Google is a Challenger in this Magic Quadrant. Its UCaaS offering consists of Google Meet, Google Chat and Google Voice. Google's operations are geographically diversified. Its customers tend to be midsize organizations, in high-technology, academia, public-sector and nonprofit.

Latest enhancements: User PC load reduction by moving CPU-intensive functions (such as background removal, and lighting correction) to Google's cloud infrastructure; Google Voice now supports "bring your own carrier" PSTN connectivity with "SIP Link," which requires Google Voice "Standard" or "Premier" licenses and a certified session border controller(currently supported vendors are AudioCodes, Cisco, Oracle and Ribbon); Google Chat spaces have an increased maximum limit of 8,000 users.

Strengths

- Google's integration of UCaaS capabilities (such as Gmail, Google Drive, Google Docs/Sheets/Slides/Forms) into the broader Google Workspace is well-designed and effective. Users have access to UC services (message, meet, call and collaborate) directly within the other Google applications, improving adoption and user experience. This has been a factor in positive customer feedback from Gartner clients in inquiry.
- Organizations that already use Google Workspace can, in most cases, realize a lower total cost of ownership when adopting Google's UCaaS capabilities, given many of the UC capabilities needed by organizations are included as part of their Workspace entitlements.
- Gartner rates Google as "Strong Positive" in financial health. Strong financials indicate that the vendor has the resources to invest in enhancing its offerings and roadmap over the long term, and will likely remain a relevant competitor in the UCaaS market for the foreseeable future.

Cautions

- Although Google's telephony feature set can meet the requirements of most organizations with basic telephony requirements, it is important that buyers confirm that any features that are critical to their users or operations are supported.
- Google's availability SLA target for all Workspace services — including meet, chat and voice — remains at 99.9%, which is considerably lower than most of the UCaaS market (most competing providers offer 99.95% or better).

- Google does not currently offer a bundled contact center as part of Google Workspace, which is a common requirement for many organizations, especially those with 100 agents or less.

GoTo

GoTo is a Niche Player in this Magic Quadrant. GoTo Connect provides telephony, meeting, messaging and contact center capabilities. GoTo's customers are mostly in North America and Latin America, and are small to midsize businesses, typically with fewer than 100 users.

Latest enhancements: Customer engagement add-on capabilities enabling centralized customer communications across channels (voice, social, messaging, web chat and SMS) so that teams can store, access and respond to customer communications; call analytic enhancements enabling the surfacing of key insights for voice communications; meeting integrations (Miro Whiteboard and Google Workspace); and a new softphone (with deeper personalization and a more flexible feature set).

Strengths

- GoTo's UCaaS services offer intuitive end-user and management interfaces as part of a consolidated desktop and mobile solution set.
- GoTo's bundled GoTo Connect (telephony, meetings and messaging) and Customer Engagement (consolidated multichannel messaging) align well for resource-constrained, small organizations, especially those looking to implement crowdsourced customer service elements.
- GoTo is well-positioned in the automotive and education verticals with deep industry integrations and capability alignment with the communications, support and processes in those segments.
- GoTo generally receives positive feedback in Gartner Peer Insights for onboarding and installation. Customers are typically onboarded via self-serve channels but dedicated project managers, engineers and trainers are available via professional services.

Cautions

- GoTo Connect lacks some capabilities required by large organizations. While GoTo has expanded its service footprint, full PSTN replacement is only localized to 14 countries, potentially a limiting factor for multinational organizations. Meeting support is limited to 250 participants (GoTo Webinar supports up to 3,000).

- Although GoTo's UCaaS offering currently serves (and is suitable for) midmarket organizations, over 90% of its UCaaS customer base is composed of small organizations (under 100 users).
- GoTo receives mixed reviews for its mobile app with some Gartner clients reporting an inconsistent user experience.

Microsoft

Microsoft is a Leader in this Magic Quadrant. Its offering, Microsoft Teams, provides telephony, messaging and meetings. Its operations are geographically diversified, and customers are distributed across all business sizes, industries and geographies.

Latest enhancements: Pay-as-you-go calling plans in selected geographies for organizations with minimal external calling; Teams Phone Mobile; survivability enhancements now allow internal and external calling; busy-on-busy feature support; music-on-hold for transfer scenarios, federated group calling for federated tenants; Teams Premium (with advanced features available as separate add-ons for intelligent collaboration and advanced workplace experiences).

Strengths

- Gartner still sees Microsoft Teams as the most popular choice in the UCaaS market, especially for organizations that are already using Teams for messaging and meetings. Microsoft Teams' telephony capabilities satisfy the requirements of the majority of organizations due to the enhancements made over the past year, as well as changing trends in the preferred modalities of users of business communications (more collaboration, less telephony).
- In the past year, Gartner has observed increased adoption of Operator Connect services as Microsoft continues to invest in telecom partner relations. As of this publication, Microsoft has added approximately 70 telecom operators covering almost all geographies.
- Microsoft has created significant interest with SMBs by expanding its footprint of calling plans in 35 countries. It has also added support for much-requested pay-as-you-go calling plans to entice organizations with extremely low PSTN outbound call volumes.

Cautions

- The addition of the Teams Phone Mobile along with pay-as-you-go calling plans and Operator Connect program for PSTN connectivity for Teams remains an area of uncertainty among organizations about which PSTN connectivity option is a best fit for their situation. 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 have advanced telephony use cases find gaps with Microsoft Teams Phone. For advanced telephony features (such as multiline hunt group capabilities, attendant consoles, advanced call queuing, interactive voice response, and advanced call recording), organizations are often deployed using third-party telephony solutions that integrate with Microsoft Teams. Third-party telephony deployment can be limited to the specific group of users that needs such features if that group is small, or to the entire organization if a majority of users need such features.
- Gartner clients are often uncertain about their call center options when using Microsoft Teams Phone. Clients report being confused when Microsoft initially introduced a first-party voice channel contact center offering with Dynamics 365, and later introduced Microsoft Digital Contact Center Platform, which integrated Dynamics 365, Teams and Nuance. However, as of this report, Microsoft has not yet offered a self-developed Microsoft Teams call center option, reflecting lack of internal coordination across various product teams.

RingCentral

RingCentral is a Leader in this Magic Quadrant. Its RingCentral MVP platform offers telephony, messaging, meetings and contact center capabilities. The vendor is well-suited for customers of all sizes. Most RingCentral customers are in North America, but it also has a strong presence in Europe and Asia.

Latest enhancements: RingSense, an AI platform for conversational summarization, speaker identification, and interaction analytics; RingCX contact center for less complex use cases (more than 20 digital channels including email, SMS, chat and messaging), Salesforce and Zendesk CRM integration with 200 prebuilt analytics reports; SMS integration with RingCentral numbers; RingCentral Automator (business workflow creation using prebuilt templates); and RingCentral for frontline workers.

Strengths

- RingCentral continues to invest in third-party application integration to enable the delivery of advanced UCaaS capabilities via no-code, low-code and pro-code. This capability aligns well to UCaaS buyers that have customization and programmability as a priority.
- RingCentral's release of its natively developed RingCX contact center solution enables the provider to align with growing business requirements for consolidated UCaaS/CCaaS services. This would benefit UCaaS buyers seeking UCaaS bundled with integrated CCaaS developed by the same provider.
- RingCentral continues to differentiate through reliable UCaaS service delivery. The vendor has provided 19 consecutive quarters of uptime as of this evaluation, and provides an availability SLA target of 99.999%.

Cautions

- RingCentral's core market differentiator is associated with telephony, a segment of customer communications that is driving fewer decisions. Although the company's repositioning of its Microsoft Teams integration (offering less of its broader UCaaS capabilities and focusing on telephony-only integration) offers a possible future entry point to RingCentral's fuller UCaaS suite, it creates an additional challenge for RingCentral to get customers to adopt the fuller collaboration value proposition.
- The self-developed RingCentral Video solution still trails the solutions from other leading UCaaS providers in areas such as brand recognition, user familiarity, support for large groups, and advanced capabilities (including 1080p full HD video, polling and industry-specific features).
- RingCentral has invested with legacy UC technology partners to gain access to customers. Some providers, notably Avaya, Atos/Unify, and Alcatel-Lucent have not contributed to RingCentral's customer growth as much as initially forecasted, and the relationships may no longer be exclusive.

Sangoma

Sangoma is a Niche Player in this Magic Quadrant. Sangoma's Business Voice supports telephony, meetings, messaging, contact center, SD-WAN, desktop as a service, and CPaaS. Over 90% of Sangoma's UCaaS users reside in the U.S. and Canada. Sangoma is well-suited to midmarket organizations — especially retail businesses seeking UCaaS bundled with contact center and CPaaS. Sangoma also offers managed IT services, 5G, VPN and data networking.

Latest enhancements: The release of a bundled licensing option named Sangoma Suite aimed at providing deeper discounts; the addition of digital channels (webchat) to the Sangoma CX contact center; an increase to a maximum of 250 participants in Sangoma Meet.

Strengths

- Sangoma's UCaaS offering is priced competitively, and has a new bundling strategy that offers many services, including contact center.
- Sangoma is one of the few vendors that can deliver a complete UCaaS solution that includes both cloud services and hardware (such as desk phones, headsets, and survivable branch appliances).
- Sangoma has added CPaaS capabilities to its UCaaS offering, which allows organizations to access programmable communication options from their existing UCaaS vendor to enhance operations, increase customer satisfaction, improve safety and add other similar CPaaS benefits.

Cautions

- Sangoma has undergone executive leadership changes in 2023, which reduces the certainty of its business priorities, strategy, and roadmap. Existing customers should monitor service levels, account management and support responsiveness closely to identify any potential issues as early as possible.
- Although Sangoma's offering includes all the foundational components of UC (message, meet, call, contact center), it is strongest in telephony. The collaboration features and user experiences (especially meetings and messaging) receive mixed feedback from end users compared to that of leading UCaaS competitors.
- Sangoma's brand recognition is low among Gartner clients. As the UCaaS market continues to consolidate, vendors with better-established brands continue to see increased adoption at the expense of their lesser-known competitors. This could present significant business challenges to providers that the market is less aware of.

Vonage

Vonage is a Niche Player in this Magic Quadrant. Vonage Business Communications (VBC) offers telephony, SMS, messaging and meetings. VBC integrates with Vonage's CPaaS and CCaaS, which comprise the Vonage Communications Platform (VCP). VBC sells mainly to the midmarket, but can also support larger enterprises. Vonage continues to have a strong presence mostly in North America where more than 90% of its users operate, although its presence in Europe has expanded. Presence in Latin America and APAC is limited.

Latest enhancements: VBC for Microsoft Teams for calling, SMS; Robocall Mitigation with visual caller verification to authenticate callers to warn users of potential spam; enhancements in Vonage Meetings (such as virtual and blurred backgrounds, whiteboarding and waiting room support).

Strengths

- Vonage consistently receives positive Gartner Peer Insights feedback from customers on service and support resolution. The vendor offers customer success managers and uses customer service software to proactively obtain data that supports the customer base at no additional charge (without the need for premium support).
- 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. The UCaaS market has seen a marked increase in demand for a bundled contact center, mostly in the SMB segment, which is Vonage's target market.
- Vonage has a very strong positioning in the CPaaS market. It uses the same microservices-based platform to integrate UC services with business applications as it does to create customizations and integration opportunities that are not easily realized with vendors that do not have CPaaS capabilities.

Cautions

- Ericsson's acquisition of Vonage has the potential of deemphasizing focus on UCaaS. The Vonage acquisition has shown promising growth from CPaaS services, which are already being leveraged and integrated into Ericsson's 5G wireless (cellular) infrastructure. Although Ericsson has stated it intends to power Telcos and CSPs with UCaaS, Ericsson could change the priority of the UCaaS offering given consolidation in the UCaaS market.

- Vonage Meetings lags behind competing vendors in suitability for advanced use case requirements, especially for large enterprises. The solution supports only a maximum of 200 participants, and does not natively support automated transcription or language translation, large events, polling, or room integrations.
- Vonage's year-over-year growth has been flat when compared to leading UCaaS providers. It has struggled to increase adoption and develop brand awareness outside of North America. Some VBC customers noted difficulties with support outside of North America.

Wildix

Wildix is a Niche Player in this Magic Quadrant. Wildix offers telephony, meetings and conferencing designed mainly for sales-focused organizations. Wildix meeting solutions include Wizyconf, and Wizyconf Conference Room. Wildix Kite enables customers to engage their customers directly via chat, audio, video or screen sharing through their apps or websites. Wizywebinar is Wildix's webinar solution. Wildix also has a basic telephony solution for the SMB market named Voxloud, targeted mainly at organizations with less than 50 users.

Latest enhancements: Self-service meeting scheduler for guests; in-meeting chat for participants; sentiment analysis for meetings participants; automated captioning; and presence updates for mobile.

Strengths

- Wildix has a very strong user base in the European market, with 70% of its total customers based there. The remaining 30% are in other geographies including North America.
- Integration with Microsoft Teams and more enhancements on IM presence updates offered by Wildix are well-suited to SMBs looking for Teams-integrated UCaaS.
- Semantic analysis of telephony and meetings recordings enhance the experience for call and meeting analysis.

Cautions

- Despite having a reported base of users larger than some competing vendors, Wildix has the lowest revenue among all the vendors surveyed in this report, which may cause additional scrutiny and pause among UCaaS buyers.

- Wildix's core differentiation is a web-based approach that is designed for sales and support roles. This is a considerably different roadmap priority and positioning than competing UCaaS providers where the design approach is meant to address the business communication requirements of all users in an organization.
- The vendor's focus and positioning of its offering as a sales tool limits its reach in the broader UCaaS market. Wildix lacks market brand awareness among Gartner clients that are seeking UCaaS solutions.

Zoom

Zoom is a Leader in this Magic Quadrant. Zoom's offering includes telephony, meetings, messaging and contact center. Zoom's operations are global and well-suited for organizations of all sizes, including large multinationals. Zoom has had significantly higher new UCaaS sales among its installed base of Meetings customers.

Latest enhancements: Zoom Intelligent Director (an AI-based feature that can compose optimal framing in rooms with multiple cameras); Zoom Contact Center now has over 600 new features (including outbound support, CRM integrations and omnichannel enhancements); Zoom Meetings support for Apple CarPlay; Zoom Phone survivability enhancements, telephony delegation; Team Chat enhancements including folders, filters, bookmarks; the release of Zoom Mail, Zoom Calendar, and Zoom Scheduler.

Strengths

- Since the last Magic Quadrant was published, Zoom has achieved growth of 90%, outpacing most of its competitors. Zoom added more UCaaS users (with telephony) in the last year than in any previous year. Zoom still offers strong incentives to buyers and highly competitive pricing to drive new business.
- Zoom's investments in Zoom Contact Center — among the areas of highest priority for new features on its roadmap — have significantly advanced its functionality. Gartner has observed significant adoption of Zoom Contact Center over the past year, and expects Zoom to continue adding more advanced capabilities in the next 12-18 months.
- Zoom is among the UCaaS vendors that have most deeply infused their offering with AI in the past year. This includes Smart Compose for chat and email, Smart Meeting Summaries, Zoom Revenue Accelerator, bidirectional language translations, gesture recognition and smart meeting recordings.

Cautions

- Despite the strong growth in its user base, Zoom had a workforce reduction of 15% over the past year, which caused some concern with Gartner clients. This action is not seen by Gartner as a significant sign of business risk, but warrants occasional checking to confirm Zoom's business continues to operate healthily.
- In prior years, Zoom was the most aggressive vendor in terms of price and promotions. Over the past year, Gartner has observed a tempering of this approach, and some clients are receiving renewal proposals with more moderate discounts relative to their prior terms. Buyers — especially existing Zoom customers — should be aware of this trend when negotiating renewal terms.
- Zoom is strongly promoting its Zoom One platform, which is a licensing bundle that entitles customers to the full spectrum of Zoom functions. Although Zoom One is a suitable approach for some organizations, many Gartner clients — especially those that have collaboration or contact center tools from competing vendors — may be better off licensing individual components based on their specific needs.

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

- Windstream was dropped from this Magic Quadrant because it does not meet the inclusion criteria.

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.
- UCaaS provider must self-develop the core software for desktop apps, mobile apps and web clients (all three).
- UCaaS provider must self-develop the core software for meetings (audio-, video-, web-conferencing).
- UCaaS provider must self-develop the core software for messaging.
- UCaaS provider must self-develop the core software for administrative portals.
- UCaaS provider must offer bundled contact center functionality that is seamlessly integrated into the UCaaS solution (contact center may be self-developed, or may be sourced from a technology partner).
- UCaaS provider must offer QoS monitoring that is seamlessly integrated into the UCaaS solution.
- QoS monitoring may be self-developed, or may be sourced from a technology partner.

Provider-Operated Core

- UCaaS providers must operate (manage, monitor, support, upgrade) the core UCaaS software platform for calling/telephony, messaging, meetings and admin portal.
- Contact center may be operated by the UCaaS provider, or by a technology partner.
- QoS monitoring may be operated by the UCaaS provider, or by a technology partner.
- Compute, storage and networking infrastructure for back-end UCaaS services can be operated/managed by the UCaaS provider, or by a technology partner (an IaaS or telecom partner, for example).

User Base

- UCaaS provider must have a total user base of at least 750,000 paying users with telephony entitlements and domestic calling plans.
- 20 or more current customers must each have 2,500 or more paying users with enterprise telephony feature entitlements.
- 20 or more current customers must each have 2,500 or more paying users with calling plans for domestic PSTN calling.

Revenue

A minimum of $50 million yearly UCaaS recurring revenue as of 31 December 2022. UCaaS recurring revenue is revenue that is directly connected to monthly or yearly recurring charges for UCaaS licenses/seats, and which excludes one-time charges (OTCs) for consulting services, implementation services for new customers, hardware, etc.

Geographic Serving Area and User Base Split

- Definition of regions:
  - Region 1: North America (U.S. and 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 three of the following: Australia, New Zealand, India, Hong Kong, Singapore, Japan, China.
  - Region 4: Latin America: Mexico, Central America, South America

- UCaaS provider must have 25,000 or more paying users with telephony entitlements and domestic PSTN calling plans in two or more of the above defined regions. For example: 25,000+ users in Region 1, and 25,000+ users in Region 2.
- UCaaS provider must 1,000 or more paying users with telephony entitlements and domestic PSTN calling plans in one of the above-defined regions (must be a different region than the two regions in the previous criteria). For example: 1,000+ users in Region 3.

Sales and Support

- UCaaS provider must have 75 or more directly employed sales and support staff in two (or more) of the above-defined regions. For example: 75+ directly employed staff in Region 1, and 75+ directly employed staff in Region 2

Gartner Client Interest Index

Rank among the top providers in the Gartner Client Interest Index (CII) defined by Gartner for this Magic Quadrant. Data inputs used to calculate Gartner CII include:

- Gartner customer search, inquiry volume and trend data.
- Volume of job listings specifying experience with the UCaaS platform as a job requirement 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 end of April 2022 and beginning of April 2023.

Honorable Mentions

Windstream

Windstream's UCaaS offering is OfficeSuite, and it offers telephony, messaging, contact center and mobility features. Windstream was not included in this Magic Quadrant because it did not meet the minimum in one of the inclusion criteria (a total user base of at least 750,000 paying users).

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 (telephony only, for example)
- 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 2023)

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 customers' 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:

- Ability to deliver full PSTN replacement in multiple global regions and countries
- Localization/country homologation (including 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

Evaluation Criteria ↓	*Weighting* ↓
Market Understanding	High
Marketing Strategy	Medium
Sales Strategy	Medium
Offering (Product) Strategy	High
Business Model	Medium
Vertical/Industry Strategy	Medium
Innovation	Medium
Geographic Strategy	High

Source: Gartner (November 2023)

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 delivering — 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 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

When compared against on-premises-based UC solutions, the functional, commercial advantages of cloud-delivered UCaaS in the developed regions of the world — where data networking services are available, reliable and priced competitively — are numerous. Vendors of unified communications technology have been, for more than five years, investing most of their R&D budgets in multitenant cloud-delivered solutions. Vendors that still have embedded bases of on-premises-based UC are only sustaining their premises-based offerings, and no longer adding new features or investing in innovation of these products. Gartner expects that many of the legacy, premises-based UC solutions could be discontinued by vendors over the next five years as they seek to migrate their customers to UCaaS. In developed regions, vendors are no longer selling net new, premises-based UC systems. With UCaaS, the desktop and mobile app user experiences, mobile capabilities, performance and analytics dashboards, collaboration capabilities, and management portals are superior. Further, cloud UC solutions require much less effort (that is, time) and expertise from customer administrators compared to premises-based solutions (premises-based UC requires engineering-level skills to manage, while UCaaS does not). Digital workplace application leaders recognize these advantages and therefore almost always seek UCaaS.

SMBs

UCaaS has been the preferred deployment model for organizations with fewer than 1,000 employees for well over eight years (they were the earliest adopters), with a few 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 more commonly seen in undeveloped regions and seldom seen with organizations in developed countries where data networking services are both resilient and competitively priced. The second exception concerns organizations with 500 to 999 employees that: (a) believe their UC users will not require business communication or collaboration 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 second case is also rare among Gartner clients.

All SMBs should explore cloud solutions given the market is increasingly competitive, total cost of ownership is lower than alternatives, innovation is strong, and very few organizations wish to continue self-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 suitable choices for such organizations, and have long lists of customer references to prove it. Many UCaaS providers that operate in a single global region (and are therefore not featured in this research) can also be good options, assuming the buyer only operates in the same region.

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 37% (per Gartner client inquiry data) of clients pursuing UCaaS in the past year belong to organizations with more than 5,000 users. In the prior year, the proportion of organizations of this size seeking UCaaS was 52%. The year-over-year drop can be explained by the abnormally high amount of UCaaS purchased in the 18-24 months following the COVID-19 pandemic. The adoption of UCaaS among the largest segment has become the default desired option.

Large enterprises continuing to invest in premises-based UC (including ongoing maintenance and support agreements, upgrades and patching) should be aware that vendors are allocating minimal R&D budgets to this technology. If organizations 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 and advanced user experience) will only be available on UCaaS platforms. Nonetheless, premises-based deployments will persist for reasons of regulation and the unavailability or unsuitability of UCaaS in specific regions.

Market Overview

Gartner's view of the market is highly influenced by transformational technologies and approaches to meeting the future needs of end users. It does not focus solely on the current market needs.

All leading UCaaS providers have continued to invest as heavily in their offerings in the past year as in the previous year. Other competing providers continue to invest in their roadmaps, but have moderated in the past year compared to the previous.

UCaaS capabilities are superior 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 adding generative AI for drafting messages or replies, 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 high investment and innovation in the UCaaS market, and have reached parity in many areas with those of stand-alone, cloud-based meeting solutions. Meetings have also been heavily infused with AI in the past year — from scheduling assistants, to meeting summary and action item generation, and automatic chapters in recordings with speaker attribution. 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, workforce management, contact center applications, workgroup applications, IT service management applications, and line-of-business applications. Some UCaaS providers have extended their offerings to include CPaaS. This enables the consumption of “atomized” UC 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 offerings have 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 nearly unlimited 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).

All leading UCaaS providers embrace multitenancy, a microservices architecture and infrastructure as a service (IaaS), to host their UCaaS application. All users share 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 other workloads (such as media) may be processed in and routed through traditional data centers to optimize performance and quality of 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.

Administration and management portals, end-user portals, usage dashboards and network performance tools are areas getting frequent enhancements to improve ease of use (often specifically for smaller organizations, which often lack administrative skill), or to add flexibility (often for larger organizations that require it, given their complex environments). 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 video sessions, and to isolate the root cause of user experience issues (whether that be network, or endpoint, or back-end services). Such issues could include access network problems, poor Wi-Fi connections, endpoint performance problems, and audio accessory/headset problems. However, performance monitoring and management capabilities vary greatly by provider.

Market demand for hybrid and remote work by organizations of all sizes and industries has resulted in a constant demand for UCaaS, given its inherent ability to deliver communication and collaboration services to users wherever they are, at no additional cost. Premises-based solutions also offer remote-worker capabilities, but require additional licenses, and hardware upgrades to session border controllers (remote access gateways) at the edge of enterprise networks.

UCaaS solutions also offer superior user experiences in desktop clients and mobile apps, which increases adoption rates. The marked adoption of remote working in the last two years 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; ease of scheduling; automatic meeting summarization; automatic generation of draft action items; advanced meeting layout compositions; 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 contact center as a service (CCaaS) is not the focus of this research, strong links exist between UCaaS and CCaaS, as organizations often purchase both together. A separate market exists for stand-alone CCaaS offerings aimed at larger (typically greater than 250 agents), higher-volume, and more-complex contact centers (those, for example, with more intricate and deeper integrations to CRMs and line-of-business applications, and more advanced features). 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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Recommended by the Authors

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How Markets and Vendors Are Evaluated in Gartner Magic Quadrants

Market Guide for Meeting Solutions

Market Guide for Communications Platform as a Service

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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 2023)

Table 2: Completeness of Vision Evaluation Criteria

Evaluation Criteria ↓	*Weighting* ↓
Market Understanding	High
Marketing Strategy	Medium
Sales Strategy	Medium
Offering (Product) Strategy	High
Business Model	Medium
Vertical/Industry Strategy	Medium
Innovation	Medium
Geographic Strategy	High

Source: Gartner (November 2023)