

**Press Contact:**

Jim Flinton

[jflinton@t3igroup.com](mailto:jflinton@t3igroup.com)

973-60-0114

[www.t3igroup.com](http://www.t3igroup.com)

***T3i Group Accurately Predicts 1H09 Growth in Global Contact Center Agent Positions***

*Parsippany, NJ ( November, 2009)* T3i Group's latest research on CPE-based contact center shipments shows that its prediction of “deeper declines for 2009 than would result from the current recession alone” came true in 1H09. Globally, the market for CPE-based agent positions declined more than 30% over 1H08 with steep declines in every region. Major reasons cited by manufacturers all stemmed from the economy; budget spends at the end of 2008 were accelerated thus diminishing the need for spends in 2009, 1H09 planned purchase decisions were delayed, the economics of hosted contact center solutions gained traction, increasing percentages of budgets were spent on self-service capabilities and country level issues such as credit availability became more significant.

According to T3i Group's "*InfoTrack for Converged Applications First Half 2009 Global Contact Center Report*," the APAC region showed the greatest decline - over 40% - after very strong growth of 33% in 2008. APAC's decline was due, in part, to two factors: the slowing of local economies and a slow down in outsourcing from other regions. Canada experienced the next largest decline of 34%, after its 17% growth in 2008. The large 2008 growth rate was due in part, to Cisco's one-time success in selling solutions to Canadian service providers. The T3i Group 2008 report had indicated that the 2008 Canadian growth rate would not be maintained in 2009. The EMEA region experienced the next highest rate of decline at approximately 30%. The US and CALA regions experienced smaller shipment declines in the mid-20% range.

Shipments of Internet Protocol (IP) agents grew from 70% of shipments in 1H08 to more than 79% in 1H09, demonstrating the ongoing penetration of this technology in spite of the downturn in overall shipments. T3i Group analysts estimate IP agent penetration (for new agents) will reach 91% globally by 2013, with the majority of non-IP agents being add-ons to older systems.

Although Avaya's shipments were down from 1H08, it increased its lead in every global region as its decline was significantly less than the industry average. Cisco and Nortel followed after Avaya respectively in global market share. Not surprisingly Nortel experienced the largest decrease among the market leaders.

*"As we stated in our previous comments associated with our 2008 report, '2009 will be even worse and will show who has real marketing and sales power.' In fact 2009 has turned out to be a competition to see who could lose the least"* said Ken Dolsky, Senior Program Director for the InfoTrack for Converged Applications (ICA) program at T3i Group. *"While not a single manufacturer had positive growth globally, a few strong*

*companies such as Alcatel-Lucent and Siemens had some regional growth especially in EMEA. Interactive Intelligence had the smallest global decline but Avaya was the clear winner with healthy increases in market share across the globe," he summarized. "Going forward," he continued, "it is hard to see the CPE-based industry recovering to 1H08 shipment levels in the near future. Trends such as hosted and self-service have gained momentum and will continue to be viable even after global economies recover. In addition, a portion of 1H09 shipments were still driven by consolidation and flattening which, while generating revenue for manufacturers, does not grow the overall market and will decline over time."*

## **Related Reports**

This report is one of several contact center analyses published by T3i Group. Others include:

>>*Global IVR (CPE-based) Shipments and Market Shares for 2008 and 1H09*

>>*Shipments and Shares of the Hosted Contact Center and IVR Markets for 2008 and 1H09* (also includes shipments/shares of hosted IP telephony and messaging markets)

>>*Global Market Demand (primary customer research) for Hosted Contact Center and IVR* (also includes demand for hosted IP telephony, messaging and key unified communications applications)

>>*Contact Center Shipments and Shares by Country for Eastern EMEA for 1H08 and full-year 2008*

For more information about "*InfoTrack for Converged Applications First Half 2009 Global Contact Center Report*" or for any of the reports listed above, contact Ken Dolsky at [kdolsky@t3igroup.com](mailto:kdolsky@t3igroup.com), 973-602-0109.

### **About the InfoTrack for Converged Applications (ICA) Program:**

InfoTrack for Converged Applications is an ongoing market and competitive intelligence program focused on telephony-related applications which are quickly evolving based on IP (converged) technologies. These applications are recognized by manufacturers, resellers and end-customers as important tools to improve employee productivity and increase external customer satisfaction, thus adding value to an IP-based telecommunications infrastructure. ICA databases and models are used to track, analyze and forecast application endpoint and system shipments, installed base, market shares, manufacturer revenues and industry trends.

### **About T3i Group LLC:**

T3i Group LLC provides market research, data, analysis, and consulting and advisory services to the telecommunications industry. It has clients in 46 countries and conducts its

business through four operating units: InfoTech, which publishes reports that analyze shipment, revenue, market share and other pertinent data of importance to telecommunications equipment manufacturers; TelecomTactics, which maintains a database of the features and functionality of major telephony systems; Tarifica, which maintains a database of pricing-related information covering 400 telecommunications carriers operating in 130 countries; and the T3i Group web site ([www.t3igroup.com](http://www.t3igroup.com)), which serves as T3i Group's primary delivery mechanism for distributing its reports, analyses and data to subscribers.

T3i Group LLC is headquartered in Parsippany, N.J.; with additional offices in New York City; London, England; and Cherry Hill, N.J.

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