

CANADIAN
HOSTED VOICE AND UNIFIED COMMUNICATIONS
AS-A-SERVICE (UCaaS)
MARKET REPORT



2023 EDITION

NBI / MICHAEL SONE
ASSOCIATES INC.

www.nbicanada.com

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
Executive Summary	1
Section 1 INTRODUCTION & INDUSTRY BACKGROUND.....	3
1.1 Introduction.....	4
1.2 Industry Background.....	4
1.3 Hosted Voice and UCaaS Functionality	8
1.4 Competitive Landscape.....	11
1.4.1 Service Providers	11
1.4.2 Application Server Software Vendors	11
1.4.3 KTS/PBX/IP-PBX Manufacturers	15
1.4.4 Interconnects & Systems Integrators	15
1.5 Types of Hosted PBX Services	16
1.5.1 Small Business Services.....	16
1.5.2 Mid-Market & Enterprise Services	16
1.6 Drivers of Hosted PBX Services.....	17
1.6.1 Improved business continuity	17
1.6.2 Flexibility and scalability	18
1.6.3 Enhanced features, application integration and fixed-mobile convergence (FMC).....	18
1.6.4 Lower TCO.....	19
1.6.5 Outsourced and fully-managed solutions.....	20
1.6.6 Reduced risk of obsolescence	20
Section 2 MARKET OVERVIEW	22
2.1 Market At-A-Glance	23
2.2 Market Overview	25
2.2.1 2021-2022: Review.....	25
2.2.2 The Market from 2023 to 2025	26

TABLE OF CONTENTS (Cont'd)

<u>Section</u>	<u>Page</u>
2.3 Major Trends.....	27
2.3.1 Post-Pandemic – the shift to remote working continues	27
2.3.2 Microsoft Teams becomes mainstream	27
2.3.3 Cisco fully integrates BroadSoft with Webex	29
2.3.4 Zoom’s impact on Hosted Voice and UCaaS	29
Section 3 SERVICE PROVIDER PROFILES	31
3.1 Allstream (Zayo)	32
3.2 Bell	40
3.3 GoCo	51
3.4 Rogers	57
3.5 Shaw	63
3.6 TekSavvy.....	68
3.7 TELUS	73
3.8 ThinkTel.....	90
Section 4 VENDOR PROFILES.....	95
4.1 Cisco Webex	96
4.2 Microsoft Teams	104
4.3 RingCentral	113
APPENDIX.....	118
Service Attribute Comparison Matrix	118-121

LIST OF EXHIBITS

<u>Exhibit</u>		<u>Page</u>
2.1	Industry Revenues by Service Provider, 2021-2025	23
2.2	Market Shares of Revenues by Service Provider, 2021-2025	23
2.3	Number of Users/Seats by Service Provider, 2021-2025	24
2.4	Market Shares of Users/Seats by Service Provider, 2021-2025	24
3.1	Allstream Results and Forecasts, 2021-2023	32
3.2	Allstream Hosted Voice and UCaaS Service Attributes	37
3.3	Bell Results and Forecasts, 2021-2023	40
3.4	Bell Hosted Voice and UCaaS Service Attributes	49
3.5	GoCo Results and Forecasts, 2021-2023	51
3.6	GoCo Hosted PBX Service Attributes	55
3.7	Rogers Results and Forecasts, 2021-2023	57
3.8	Rogers Hosted Voice and UCaaS Service Attributes	62
3.9	Shaw Results and Forecasts, 2021-2023	63
3.10	Shaw Hosted Voice and UCaaS Service Attributes	66
3.11	TekSavvy Results and Forecasts, 2021-2023	68
3.12	TekSavvy Hosted Voice and UCaaS Service Attributes	71
3.13	TELUS Results and Forecasts, 2021-2023	73
3.14	TELUS Hosted Voice and UCaaS Service Attributes – Business Connect	83
3.15	TELUS Hosted Voice and UCaaS Service Attributes – Cloud Collaboration	86
3.16	TELUS Hosted Voice and UCaaS Service Attributes – Microsoft Teams	88
3.17	ThinkTel Results and Forecasts, 2021-2023	90
3.18	ThinkTel Hosted Voice and UCaaS Service Attributes	93
4.1	Cisco Webex Calling Results and Forecasts, 2021-2023	96
4.2	Cisco Webex Calling Hosted Voice and UCaaS Service Attributes	102

About this Report

NBI/Michael Sone Associates' **Canadian Hosted Voice and UCaaS Market Report, 2023 Edition** continues our coverage of the Canadian market for hosted voice and unified communications services by examining the current state, size and composition of the market.

This report is organized into four sections.

Section 1, *Introduction & Industry Background*, presents an introduction to Hosted Voice & UCaaS, industry background, the competitive landscape, types of Hosted Voice & UCaaS services, and the business rationale.

Section 2, *Market Overview*, shows the state of the market as of the first quarter of 2023, along with size and share analysis for a five-year period (2021-2025) based on revenues and seats. A discussion of major market trends is included.

Section 3, *Service Provider Profiles*, presents descriptions of eight leading providers of Hosted Voice and UCaaS. Two exhibits appear in each profile: at the beginning there is a three-year view (2021-2023) of users and revenues and at the end we provide a list of service attributes, much of which is included in the Appendix (discussed in the next paragraph), but in more detail.

Section 4, *Technology Provider Profiles*, is a new addition to the report and includes profiles of three leading UC vendors in Canada: Cisco Webex; Microsoft Teams; and RingCentral. These vendors sell services through partnerships with service providers, as well as offer services directly to customers.

Finally, an Appendix that provides a comparison of features and other service attributes between the service providers profiled in this report. To facilitate the comparison,

providers are grouped based on their main target market (large, medium or small firms). This can serve as a reference for competitors and customers alike in assessing the various providers' offerings.

This report is part of NBI/Michael Sone Associates' series of research reports on the Canadian telecommunications industry. Our other reports cover SIP Trunking, Cloud Computing, Data Centre Hosting, Enterprise Mobility Management & BYOD, Managed Security Services, Business Network Services, Mobile & Fixed Wireless Communications Services, the ISP Market, and Digital TV & Streaming Services

*NBI / MICHAEL SONE
ASSOCIATES INC.*

www.nbicanada.com