



CIO Survey Shows Key Drivers Behind Adoption of IP Communications

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A recent IDG Research Services survey of CIOs from across the U.S. shows strong and increasing adoption of IP telephony. The survey also details the business imperatives driving this adoption, including factors such as the need for greater access to advanced telephony applications, improved management of distributed operations, and reduced costs.

Core findings from the survey showed that a full 63 percent of respondents plan to deploy an IP PBX within the next 12 months, up from 50 percent who have the technology deployed in some form today.

"The good news is that IP telephony has a great deal to offer the enterprise, and CIOs are seeing the tangible benefits of this technology," said Joseph A. Staples, senior vice president of worldwide marketing for Interactive Intelligence Inc. (Nasdaq: ININ), a global developer of business communications software specializing in voice over IP and the primary sponsor of the study. "However, I think it's critical that CIOs understand an IP PBX deployment doesn't automatically translate into greater flexibility and reduced costs. Many IP PBXs today, are, in fact, still hardware-centric and built largely on proprietary standards."

In order to ensure maximum value from an IP PBX, Staples advises CIOs to press hard on potential vendors about things like a single interface for administration, security architecture, adoption of the open SIP standard, breadth of applications, and integration with back-office systems.

Though the survey results showed increasing adoption of IP telephony, respondents' expressed some concerns as well, with network readiness (44 percent) and reliability (43 percent) chief among them.

"I'm actually glad to see that network readiness and reliability are top-of-mind for CIOs," Staples said. "These concerns are extremely valid, but thankfully, they can largely be addressed by applying vendor selection criteria based on extensive IP telephony customer references and demonstrated expertise in network readiness assessments."

Adding to this guidance, one survey respondent said that "CIOs mustn't fall into the trap of going with the least expensive vendor or the most recognizable brand name."

"Many traditional telephony, networking and even data vendors are now offering some form of IP PBX," Staples said. "CIOs shouldn't assume that big-name vendors with established roots in related markets are also experienced in providing sophisticated IP-based communications applications. This is an extremely important distinction when you consider that today it's the enhanced applications that are driving the real value of IP PBXs."

Also of note are survey findings that indicate performance (74 percent) and security (63 percent) are the most important criteria when selecting an IP communications solution.

"It's critical for businesses to probe vendors about security features, such as their ability to encrypt both recorded and live calls, and their systems' ability to handle communications between secure and non-secure devices," Staples said. "These types of questions have major implications for not just security, but cost and performance as well."

The most popular voice over IP-enabled applications according to respondents, were unified messaging, speech recognition, videoconferencing, mobility, and teleworking.

In particular, unified messaging showed the most significant potential for growth, with 30 percent of respondents indicating they already had the application in use, but an additional 49 percent saying they have plans to deploy it within the next 12 months.

"These survey results show that unified messaging may finally be hitting its stride," Staples said. "However, given that 46 percent of respondents also plan to deploy 'unified communications,' it's very likely that UM will be cost-justified as part of a more comprehensive UC solution purchase, which would include other productivity-enhancing applications, such as presence management and call follow-me/find-me."

The IDG Research Services survey was administered via e-mail to its CIO database of IT and corporate managers at U.S.

companies with more than 100 employees. IDG Research received 105 responses to its 15-question survey. The respondents' average company size was 14,000 employees.

To download the complete survey results, including respondent commentary, visit <http://www.cio.com/whitepapers/inin>.

About Interactive Intelligence

Interactive Intelligence Inc. (Nasdaq: ININ) is a global provider of business communications software and services for contact center automation and enterprise IP telephony. The company was founded in 1994 and has more than 2,500 customers worldwide. Recent awards include the 2006 Network World 200, CRM Magazine's 2006 Rising Star Excellence Award, Network Computing Magazine's 2006 Well-Connected Award, and Software Magazine's 2006 Top 500 Global Software and Services Companies. Interactive Intelligence employs approximately 525 people and is headquartered in Indianapolis, Indiana. The company has five global corporate offices, with additional sales offices throughout North America, Europe and Asia Pacific. Interactive Intelligence can be reached at +1 317.872.3000 or info@inin.com; on the Net: <http://www.inin.com>.

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