

Sangoma Leader in SIP Trunking for Small Businesses

Customers give Sangoma Four-Stars in all Satisfaction Measurements in 2019 Eastern Management Group survey

Out of 29 SIP trunking companies examined in the Eastern Management Group’s latest SMB customer survey, none beat Sangoma. No vendor other than Sangoma received the highest possible ranking — four stars in every customer satisfaction category.



If you’re not familiar with Sangoma — or maybe it’s been a while since you were — you may want to brush up or catch up. The \$100 million voice and UC solution provider is on a bit of a tear. Sangoma’s revenue has grown by 53% (CAGR) each year since 2017, and it got another healthy boost when it acquired Digium last September. Sangoma’s gross profit is around 60%, and the business currently spends a customer-comforting 18% of revenue on research and development.

Apart from the company’s good financials, Sangoma further distinguishes itself in SIP trunking customer satisfaction.

In Eastern Management Group’s [“2019 SMB SIP Trunking Customer Satisfaction”](#) survey, no competitor beat Sangoma, which stands at the pinnacle of the satisfaction leader board.

SIP Trunk Providers Evaluated					
8x8	CenturyLink	Flowroute	Orange	Telstra	Vodafone
AT&T	Cisco	Fusion	RingCentral	TPx	Vonage
Bandwidth	Comcast	Level 3	Sangoma	T-Systems	Voyant
BroadSoft	Digium	MegaPath	Tata	Twilio	Windstream
BT	Electric Lightwave	Nextiva	Telefonica	Verizon	

Source: Eastern Management Group

The Eastern Management Group’s 2019 satisfaction survey of 3,070 IT managers shows a side-by-side comparison of 29 SIP trunk providers. SMB customers (from one to 500 employees) evaluated their SIP vendors on six Customer Satisfaction Measurements under the headings of product, vendor experience, and customer delight. SMBs account for 82% of all SIP trunk customers.

6 Customer Satisfaction Measurements	
Product	Technology and Product
	Management Tools
Vendor Experience	Purchase Experience
	Support
Customer Delight	Total Overall Satisfaction
	Recommend to a Friend

Source: Eastern Management Group

In Eastern Management Group’s customer survey, Sangoma received the highest possible ranking — four stars in every customer satisfaction measurement: technology and product, purchase experience, support, management tools, total overall satisfaction, and recommend-to-a-friend.

Customer Satisfaction Measurements	4 STAR SCALE
Technology and Product	★★★★
Purchase Experience	★★★★
Support	★★★★
Management Tools	★★★★
Total Overall Satisfaction	★★★★

Source: Eastern Management Group

Would You Recommend Sangoma to a Friend		
	Sangoma	Industry Average
Very Likely	86%	44.3%
Somewhat Likely	14%	44.7%
Not Likely	0%	11.0%

Source: Eastern Management Group

What’s Driving the SIP trunking market

Sangoma is one of the providers in a \$14.4 billion (2018) SIP trunk market that is projected by Eastern Management Group to grow 7.6% annually through 2020. The SIP trunk market is growing at more than 1.75 times the growth of worldwide IT spending.

Here’s what’s behind the surge of SIP trunking. The SIP market itself is catapulted by cloud growth, enterprise branch office openings, high PSTN prices, and the inevitable POTS end-of-life, which are addressed in the Eastern Management Group report "[2018-2024 SIP Market 7-Year Forecast and Analysis](#)."

Why SIP Trunking Grows	
Cost	✓
Cloud and Hosted PBX Sales	✓
Turning off the PSTN	✓
Unified Communications	✓
Anytime, Anyplace, Any Device	✓
Productivity	✓
Next day parts	✓
Software updates	✓

Source: Eastern Management Group

SIP trunking is not only for large enterprises. SMBs account for 82% of all SIP trunk customers. Companies of even a few employees benefit from SIP. The chart below, identifying 1-500 end points, is almost synonymous with 1-500 employees – squarely in the SMB market.

SIP as a Percent of All Network Traffic					
End Points	2016	2017	2018	2019	2020
1-10	49.9	54.8	59.8	64.8	69.7
11-25	55.6	59.5	63.5	67.4	71.4
26-50	52.2	56.1	60.0	63.9	67.9
51-100	54.6	59.0	63.3	67.7	72.0

Source: Eastern Management Group

About Sangoma

Sangoma is an established provider of hardware and software that drives IP communications systems for telecom and datacom applications. It is the primary developer and sponsor of the Asterisk project, the world's most widely used open source communications software, and the FreePBX project, the world's most widely used open source PBX software. Sangoma customers are SMBs, enterprises, OEMs, carriers, and service providers. The company was started in 1984 and sells in 150 countries.

Based on Eastern Management Group’s customer survey research, 95% of Sangoma SIP trunk customers are SMBs having fewer than 500 employees; that’s more than the SIP trunk industry average of 83%.

Sangoma customers are well distributed across the 20 vertical markets Eastern Management Group tracks. Sangoma has a broader vertical market reach than many competitors. Our research finds considerable Sangoma SIP trunking sales to businesses in the professional services, retail, and transportation markets.

Product and Value

SIPStation is Sangoma’s SIP trunking lineup. The company checks-off all the essential boxes with SIP features:

- Choose your own phone numbers

- Send and receive faxes
- T.38 Faxing & SMS
- Share voice services across multiple locations
- Add lines at any time – no contracts required
- Create high volume SIP trunks that are fax and SMS compatible

Sangoma's elevator pitch for SIP is a good one, and the customer benefits include:

- 21-day free trial
- Cost Savings with three-year, one-year, and monthly contracts
- Integrated with FreePBX and PBXact
- Integrated Fax Services

It's our opinion that Sangoma has made a very good name for itself. It has all the hallmarks of a hands-on company: the CMO blogs weekly, talking as if to a family. Sangoma operates just like a small business – and that's nice to report on.

The research used in this paper comes from the following Eastern Management Group sources: "[2019 SIP Trunking Customer Satisfaction](#)" report and models, and "[2018-2024 SIP Global Market 7-Year Forecast and Analysis](#)," For more information on these studies and reports, please contact our [analyst team](#) or John Malone directly at 212-738-9402 Ext. 2201 or jmalone@easternmanagement.com

About The Eastern Management Group

The Eastern Management Group is an American technology company. We are one of the top communications research and consulting businesses in the world. Since our founding in 1979, we have maintained a concentration on global markets and vertical industries. And because we know products, services, applications, markets, suppliers, and customers, we can conduct research and consulting assignments that meet our clients' needs.

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