



Video is Key in Location Liberation for Medium-Sized Businesses

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Instant messaging, presence, conferencing, collaboration, and video – these capabilities are all core to unified communications & collaboration (UCC) – a market that until now has favored the enterprise and large company installations. The goals of the mid-market, or medium-sized companies (100 – 1000 employees) are no different from those of larger companies, but mid-market companies have specific challenges that limit their technology solution options. Midmarket customers want to invest in IT projects that provide innovative and unique solutions to help distinguish them from competitors. Thankfully the market has recognized and responded to this with solutions that help mid-market companies solve their communications challenges.

As mid-market companies have begun to embrace UCC, they are becoming “social businesses,” more easily communicating and working internally, and with customers, partners and suppliers. The location liberation benefits of video-enabled UCC cannot be understated – whether it’s increasing productivity, increasing hard dollar savings from reduced travel or improving work-life balance for employees.

“It frees me up and gives me more flexibility”

“There is no way I can meet with people in Brazil and be fresh for a meeting in Boston three hours later without video and UCC.”

“UCC and video saves on travel expenses, plus my personal time - which is priceless!”

The need for collaboration and collaborative tools, such as video, has never been greater. According to Thomas Friedman (The World is Flat), beginning around 2000, businesses had to begin collaborating horizontally as opposed to vertically. Companies and people had to start collaborating with other departments or companies in order to add value creation or innovation. This is especially true for mid-sized organizations.

Challenges of the Mid-Market

Caught between large enterprises with vast resources and small businesses that can be more nimble and flexible, mid-market companies face unique challenges, but they often don’t have as many resources to solve a problem. Mid-market companies are squeezed by smaller companies that quickly adapt to market changes and can compete more on personalized customer service and differentiation, and by larger companies that have more resources, and need to find ways to be more productive and competitive. Competing in the middle, the mid-market needs to watch their bottom line more closely and streamline

operations, while at the same time pursuing innovation and creating new products, services, and delivery models.

Reducing costs in order to be competitive means tighter budgets for discretionary expenses such as travel, yet the need for individuals to travel becomes even greater. Customer relationship management and retention is of utmost importance, so being responsive to customer inquiries, issues, or concerns, and being able to find the right resources to solve an issue quickly can make the difference between a loyal customer and a former one.

To compete globally, mid-market customers need sophisticated tools. Their headquarters may be based in the U.S., manufacturing is in Singapore, R&D in France, and the contact centers are in India. Suppliers and partners are also worldwide, necessitating global communications. Mid-market companies also compete for skilled workers, partners, and shareholders, as well as mindshare and market share.

UCC to the Rescue

With a secure, standards-based UCC solution, businesses can address these challenges. UCC is about managing communications across any mode of communication and any network, and is a foundational technology for social businesses.

The next step in UCC is collaborative communications - the use of communication tools to enable physically distributed individuals and groups to work together in order to produce a business goal or result. As the driving force behind much of UCC's value proposition and ROI, collaborative communications lets individuals, teams and workgroups work together using their UCC tools.

Whether through presence, instant messaging, and basic "click to call" capabilities, or more advanced business process integration, communications are streamlined; needless process delays are reduced; and workers can be more productive, efficient, and responsive. Workgroups can exchange knowledge and documents, resulting in shorter project times, quicker time-to-market, and improved organizational efficiency - all impacting the bottom line and competitiveness.

Meetings will never be the same. Collaborative communications enhance the meeting experience using shared workspaces, document repositories, document and file sharing, and whiteboarding. Meetings become more content rich and effective as they move from pure audio to video.

Virtual teams become a reality, with dispersed and distributed workgroups working more effectively together, efficiently communicating and sharing information. It's as simple as dragging and dropping an individual's name into a "conference room" or clicking on a name and selecting "video chat" from the drop down menu to initiate ad hoc conferences. With video across the firewall a reality, collaboration is expanded to customers, vendors, and partners.

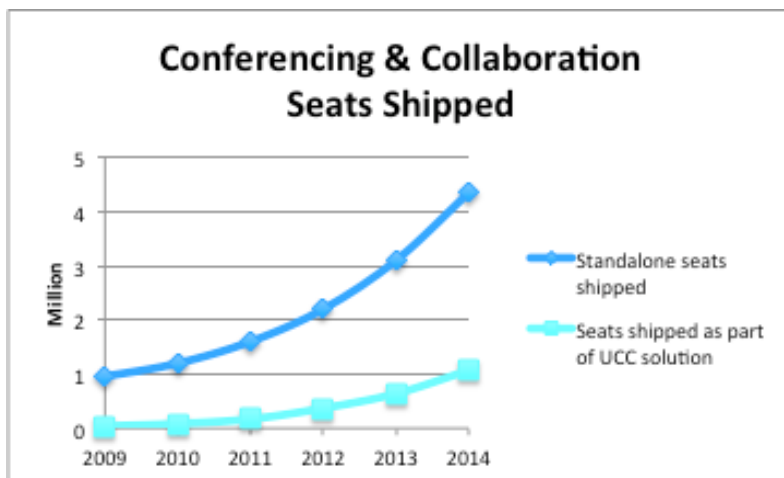
Harnessing the Greater Value of UC through Context and Application Escalation

Workers can now communicate within the context that they “live in,” by enabling both mobile and deskbound workers to communicate in the media they prefer, and seamlessly escalating the communication from a text chat, to a live voice call, then to a video chat and videoconference, Being able to click-to-communicate from within a contact list, document, spreadsheet, email, or business application saves time and reduces unnecessary communication attempts. Whether it’s an ERP or CRM application, or a specific application, such as inventory management or business spreadsheet, UCC lets workers communicate from within the context of their jobs. An HR manager can click on the phone number of an applicant within a resume to initiate a call, or a quality assurance worker can locate and communicate with the appropriate engineers from their provisioning application – saving time and making communications more effective.

Location Liberation – the Value of Video

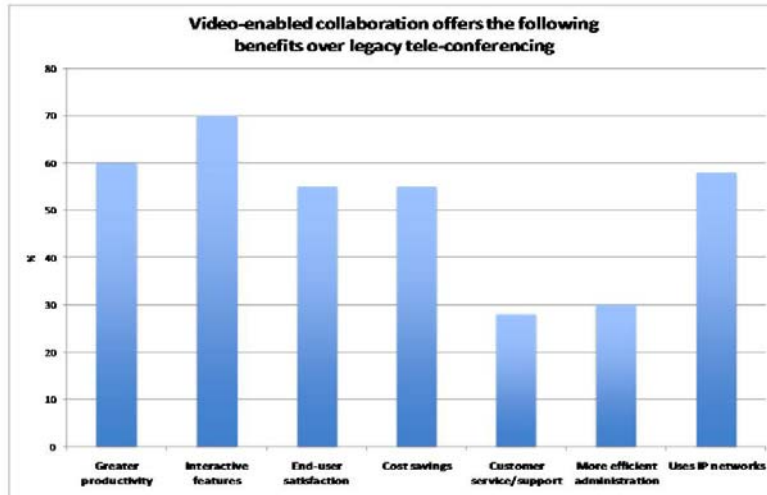
Combining work context with the ability to escalate voice and video interactions brings a richness and social aspect to communications not previously available. Video adds the valuable social nuances that are absent without a face-to-face meeting. Research shows that 55% of communication is conveyed by the body language we use, including eye contact, gestures and facial expressions. Video communications goes beyond the words and lets you see whether someone is rolling their eyes, nodding their head in agreement, or looking confused; greatly clarifying the conversation and adding understanding.

According to a study by COMMFusion LLC, the number of standalone conferencing and collaboration seats shipped, including video but not telepresence, will increase by 36% CAGR by 2014. However, as part of a UCC solution, the number of seats shipped will increase by 93% CAGR. According to COMMFusion, conferencing and collaboration, including video, is the fastest growing element of UC solutions.



Source: COMMFusion LLC

As shown below, according to a survey conducted in February 2011 by Voice Report, a publication of CCMI, and BizTechReports, users find that video-enabled collaboration provides significant benefits.



Source: Voice Report, a publication of CCMI, and BizTechReports 2011

UCC-enabled video and collaboration meetings are quickly replacing in-person meetings, which mean:

- Cost savings from reduced air travel and hotel expenses. One Polycom customer conducted roughly 100 client meetings over video estimating \$2,000 to \$3,000 in travel cost savings per call, noting, "That's easily \$250,000 a year." Replacing employee travel with web and video conferencing and collaboration tools such as shared workspaces and document repositories, can save hundreds of thousands of dollars per year.
- Better work-life balance as people don't have to travel away from home as much.

UCStrategies UC End User Study findings:

Video plays a crucial role in the way people do their work. End-Users said:

"If you strip out the visuals and you only have audio you might misinterpret what someone is saying."

"Video conferencing allows me to more personally interact ...in our dispersed work environment. You tend to work better when you can see the other person. They can't multitask – I have their undivided attention."

Productivity

The face-to-face richness of video means more productive meetings. With everyone in the “same room” teams can solve issues on the spot rather than waiting for an in-person meeting. Meetings are more effective using video – eye contact can engage participants in the discussion, and multitasking is minimized because others can see what everyone is doing when people are more engaged, they’re more productive. Meetings are shorter and that is time saved.

Video-enabled collaboration is a tremendous productivity booster. Here’s what end users have to say:

- “By working from home two times a week, I’ve gained three hours of productivity by not sitting in a car – and I use those hours to work. That’s a week’s worth of productivity increases in a year.”
- “We hired someone who we interviewed via videoconference – that saved about a month in terms of the interview cycle.”

Use Cases

Video-enabled collaborative communication use cases vary from company to company and industry to industry, but are particularly prevalent in sales, customer service and support, R&D, and remote patient care.

Sales

Using video-enabled collaborative communications, sales reps have instant access to critical information that they might need to close a sale or change a deal on the fly. A mid-sized security firm uses Polycom video solutions to meet face-to-face with clients around the world, enabling the company to win out over much larger competitors. According to the CEO, “When you do the math and realize that you could take a person who generates \$5 million in sales and improve their reach by 20 or 30 percent, then you’ve just made another million dollars.”

Customer Service & Support

Show, don’t tell. Using collaborative tools, support agents can show customers how to fix a problem. Technicians don’t have to travel to the customers’ site to resolve an issue, and can solve problems via collaboration and video. Customer service is enhanced as customers can more easily reach experts, regardless of location. A mid-sized regional bank increased its business volumes by more than 20% by using video kiosks and video conferencing to let customers at branch location meet face-to-face with mortgage experts at the main bank location.

Research & Development

R&D depends on effective communication between distributed teams. If development teams can better collaborate across geographies, they can brainstorm, make faster and better decisions. Being able to see the other person, jointly view designs, specs, and other visuals makes collaboration among geographically dispersed team members possible, and products can be developed and brought to market sooner, which means faster revenue generation.

One aircraft company integrated presence, IM, web/video conferencing into their design application to enable the engineers to view the same design and detailed information, enabling them to discuss the design in real time, make decisions more quickly, and resolve issues in minutes. The design team was able to speed up decision making and reduce tooling time and expenses by 50%.

Remote Patient Care

Healthcare is one of the fastest growing areas of video and UCC usage. Doctors use video and desktop collaboration to get immediate opinions from available experts on medical images or complex diagnostic procedures. Presence-aware UCC enables hospital staff to be accessible via presence tabs such as “internal-medicine-nurse-staff” on desktop or mobile devices. The staff can communicate instantly with colleagues in an unscheduled manner. Not only is patient care improved, but faster diagnoses lead to lower operating costs and higher employee productivity. For example, if the physician has a question about a patient’s MRI report, they can use presence to locate the radiologist, initiating a video collaboration session that results in improved quality of care, faster response, and increased revenue since the physician can provide care to more patients. Today, video is increasingly being used for training purposes or for doctor collaboration on surgical procedures, which is particularly useful in mid-market sized healthcare organizations that may lack certain specialists in residence or have geographically distributed staff.

Polycom/IBM Partnership Brings this Value to Light

Two of the leading UCC vendors are working together to provide secure video-enabled UCC solutions, bringing the value of UCC to the mid-market. Polycom and IBM provide midsized companies with enterprise-grade conferencing and collaboration capabilities on a single, easy-to-manage platform, bringing together their best-of-breed solutions. IBM’s UCC solutions, including IBM Sametime; providing enterprise instant messaging, presence information and web conferencing, integrated with Polycom’s videoconferencing products improves collaboration among geographically-dispersed teams, customers and partners, while securing voice, IM and video communication across corporate boundaries.

With IBM’s social software portfolio, midsized organizations are becoming social businesses. Mid-size enterprises leverage presence-aware capabilities, a consistent user experience from the desktop to voice/video endpoints, and easily pivot between the right form of collaboration – real-time or asynchronous – to become more nimble, more agile and more interconnected. Workers easily find, reach and collaborate with experts, colleagues, customers and partners, while working from within the context of their daily work lives. They can view a colleague’s availability and presence status from a contact list, file, document, or application, including IBM’s social software tool IBM Connections, and simply click to connect through IM, voice, or video. It’s that easy.

Summary – UCC Turns Communication Workflow into Social Business

Video is now a key part of an overall UCC strategy, enabling workers to connect, share visual information, and engage with each other. Video capabilities are now easy to install and manage, and are affordable – and it's not just for the big guys – today, mid-market companies can get into the game. UCC in a social business world means access to people, content and context, in any mode and device, enhancing innovation and building community.

To get into the game, look at the solutions that are offered by leading UCC vendors that support open standards, and then conduct a trial. There are free, public options available, but they don't have the security, governance and compliance needed for most midmarket organizations. Instead, look at UCC solutions from companies such as IBM and Polycom to provide a secure environment under the control of IT.

Start with small trials - pick either a specific group within the organization, or perhaps a certain department, and try it out, benchmarking before-and-after performance, productivity gains, and of course how users like these tools. Identify and measure your cost and time savings, the ability to improve worker productivity, and other metrics. You'll be amazed at the fast return on investment.

UCC is more than just technology – it's a way of transforming the way you do business. It needs buy-in from the various executives and line of business people in your organization. It also involves getting people to actually use the tools you provide to them. Engage your workers, and learn how they're using these tools so that you can expand to other groups.

We are pretty sure that you'll find that once you give users video-enabled UCC, you won't be able to take it away from them.

*<http://patricktay.wordpress.com/2008/10/14/words-are-more-powerful-than-tone-of-voice/>

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Blair Pleasant is Co-Founder of UCStrategies.com, and President & Principal Analyst of COMMFusion LLC. She provides consulting and market research analysis on Unified Communications (UC) and voice/data convergence markets and technologies, aimed at helping end-user and vendor clients both strategically and tactically. As co-founder of UCstrategies.com, a website portal providing information and analysis on the growing Unified Communications market, Blair publishes articles and blogs, and participates in executive interview podcasts with leading UC players. She is also a regular contributor to NoJitter.com and has been featured in numerous webinars and podcasts, presenting insights, analysis and research on UC and related industries.

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Nancy Jamison is an independent market analyst with expertise in the areas of unified communications, speech technologies, and multi-channel contact centers. A respected analyst in the industry, Ms. Jamison regularly authors content for vendors and industry press, and has spoken at many domestic and international customer and industry events. She provides a number of services to vendors and end user clients including market research, competitive market analysis and market assessments, messaging and positioning, and custom consulting projects. She is a regular contributor to Speech Technology Magazine, and sits on their editorial advisory board.