

Democratization of Video Solutions to Drive Large-Scale Adoption

Elka Popova, Program Director, Unified Communications & Collaboration



Last month, I wrote about the ubiquity of video in the consumer world and what that means for business use of videoconferencing. While the consumerization of IT has clear advantages for companies looking to leverage videoconferencing in their business, it also tells us that prosumers and visionary IT decision-makers are not going to put their money into complex infrastructure and high-end devices. Consumer video helps create awareness among business users, but it also establishes a new basis for comparison. Skype and FaceTime have taught tech-savvy professionals that video can be ubiquitous, simple and inexpensive.

Most enterprise videoconferencing solutions are costly and complex, and have, therefore, remained out of reach for the majority of business organizations. Not surprisingly, in Frost & Sullivan's 2010 Investment Decisions in Communications and Collaboration Products and Services end-user study, cost concerns emerge as the top reason 30 percent of the surveyed executives have no plans to implement videoconferencing and 21 percent are delaying implementations.

On the other hand, 21 percent of those using the technology state that "reducing costs" is the number-one benefit of videoconferencing, and 48 percent rank cost reduction as one of the top three benefits of this tool. The data clearly indicates that businesses are looking for video solutions with a compelling ROI.

End-users and vendors alike acknowledge that the future of business communications is in more "democratic" technologies, such as desktop and mobile video. These solutions leverage existing, non-specialized devices – PCs, laptops and smart phones – and applications supported on cost-effective UC platforms or delivered from the cloud. Hosted or cloud-based video solutions that also support Virtual Desktop Infrastructure (VDI) minimize customer CAPEX and OPEX requirements and help extend video to a larger selection of devices, from PCs and laptops to thin terminals, smart phones and tablets. Avistar's CMO, Stephen Epstein, predicts that: "Users in 2011 will want a feature-rich desktop visual communications experience that supports industry standards and leverages and extends UC features found in their existing solutions – in the office, on the road and on the go."

Frost & Sullivan's end-user study provides evidence of increasing preference for hosted and virtualized communications, including video. Seventy-two percent of survey respondents have deployed, are currently deploying, or are planning to deploy virtualized communications and collaboration applications over the next 12 months. Currently, 44 percent of survey respondents use hosted communications and collaboration services, but 76 percent of those users plan to increase usage over the next 12 months. Another 15 percent of current non-users plan to implement hosted services in the near future. Cisco's Marthin De Beer referred to this trend in his locknote speech at the Cisco 2010 Collaboration Summit: "When we think about video, clouds will play a very important part of this, whether it's public clouds that get leveraged or private clouds."

As communications and collaboration applications proliferate, and various consumer devices inundate the enterprise space, businesses will increasingly look to deploy more flexible and cost-effective architectures. Desktop applications in a virtualized or cloud environment have the potential to drive large-scale adoption of business-grade videoconferencing. Some CaaS providers, like Avistar, are already delivering cost-effective desktop video solutions designed for flexible virtual environments. At the same time, a plethora of communications vendors, such as Avaya, Cisco, IBM, Microsoft, and Siemens, are launching desktop video applications integrated with their premises-based communications architectures.

As options increase, businesses considering video for their organizations will need to have a structured approach to selecting the right solution and vendor for their specific needs. In many cases, a hybrid approach involving room-based video and telepresence systems for mission-critical tasks, along with desktop video for a selected group of users, may be most appropriate.

Businesses will also have to decide if they wish to manage the solution themselves, have a partner manage it for them, or outsource it from a service provider offering hosted videoconferencing services. The decision about what delivery model to use will need to be based on existing infrastructure and IT expertise, as well as company vision for future IT resource allocation. Businesses considering desktop virtualization will need to look at how the rest of the communications and collaboration applications are deployed and managed to make the right decisions about video.

Finally, videoconferencing implementations will require a careful assessment of network capabilities. Companies need to opt for solutions that provide robust bandwidth management, call admission control, user policy support, threshold and utilization modeling, in addition to extensive report and forecasting capabilities.



About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, enables clients to accelerate growth and achieve best-in-class positions in growth, innovation and leadership. The company's Growth Partnership Service provides the CEO and the CEO's Growth Team with disciplined research and best-practice models to drive the generation, evaluation, and implementation of powerful growth strategies. Frost & Sullivan leverages 50 years of experience in partnering with Global 1000 companies, emerging businesses and the investment community from over 40 offices on six continents. To join our Growth Partnership, please visit <http://www.frost.com>.