

# How the Cloud is Changing Video Collaboration



## Executive Summary

The video collaboration industry is currently undergoing an exciting transformation. The growth in both the demand for and the use of video as a principal form of communication within the enterprise continues to grow exponentially. Today's businesses are understanding the importance of collaboration more than ever as their markets continue to expand globally. With a diverse workforce, often working remotely across multiple time zones, business leaders are searching for tools that allow cost effective, sustainable ways for their geographically dispersed teams to easily collaborate via video regardless of where they are located.

Video collaboration is evolving from being primarily a conference room based, resource intensive, high maintenance technology to an agile, mobile and cost-effective solution. The enterprise landscape is changing and this is driving an increased demand for connectedness. Having a connected workforce has been identified as a top priority for today's business. Technologies like social media, cloud and mobile are changing the way businesses are leveraging video. This is driving several new trends that are changing the course of the video collaboration industry.

In this white paper, we will provide a high level overview of the current video collaboration industry landscape and look at how the cloud is impacting the role of video within the enterprise. We will also explore how and why businesses need to invest in video collaboration to attract and retain highly engaged and productive employees.





## A Brief History of Video in the Enterprise and what the Future Holds:

With the numerous consumer grade video platforms, such as Skype, FaceTime, Google Hangouts, Facebook Messenger and Snapchat to name just a few, companies have taken notice of video's power to break down barriers and remove distance from human communications. Businesses of all sizes and budgets are leveraging video today as a fundamental tool in daily communications. However, this was not always the case. As we enter the third decade of video enabled communications, we have seen many changes over the years.

Historically, video collaboration was only available to the largest of enterprises who had the budgets to afford this emerging technology. Due to the high level of complexity and large capital cost, very few companies could afford their own video infrastructure. Even the video endpoints being deployed into boardrooms were so expensive that early adopters could only afford a limited number of units. The typical corporate video environment consisted of large rooms full of equipment, a dedicated network to support the bandwidth intensive traffic and a full-time staff to administrate and support the systems which significantly increased the overall cost. And even with all these investments, the user experience in the early years did not meet enterprise quality standards.

While senior management wrestled with the high costs and limited quality of the corporate video collaboration technologies, consumers were introduced to free, simple video applications like Skype and FaceTime. Skype was the first consumer centric video collaboration platform to be adopted by the business community. This technology allowed small, low budget businesses to reap the benefits that were previously only available to their much larger competitors. Even though this was a cost-effective solution, it was certainly not ideal. These consumer applications lacked the security protections which left businesses exposed and vulnerable to cyber-attacks. Businesses were often forced make difficult decisions between cost-effectiveness and security.

Thankfully, today's enterprise video solutions are changing the conversation. Many modern video collaboration providers are offering highly secure, easy to use and affordable solutions that were built from the ground up to provide seamless video communications across any network. This has allowed video collaboration technology to permeate throughout the organization, extending into other lines of business such as human resources, sales, R&D and operations.

Perhaps the single largest advancement in the video collaboration arena is the evolution of cloud, social and mobile applications. These new applications have led to the rising trends of telecommuting, BYOD and mobility which are rapidly changing how video is being leveraged by businesses today. Current industry reports indicate that cloud may be the most influential trend influencing the future of video collaboration. A report recently published by Global Industry Analysts estimates that the cloud-based video collaboration services market could reach \$2.9 billion by 2020. Another report by Techavio, predicts the cloud-based video collaboration market to grow at a CAGR of 39.6 percent by 2019.



## Why Cloud for Enterprise Video Collaboration?

There is a lot happening in the video collaboration world today. Most of this activity is being driven by the technical innovations that are actively changing the way we do business. Cloud and mobile are two of these innovations that are driving change and growth in the corporate video collaboration space. A report published in 2015 by Strategy Analytics indicates that it is expected that the mobile workforce will reach 1.75 Billion by 2020 which would comprise over 42% of the total global workforce. As mobility grows within the enterprise space, companies will need mobile-friendly solutions for their daily operations and video collaboration is no different. Cloud based solutions are better able to meet the changing needs of business compared to rigid, on premise solutions.

The on premise approach to video collaboration doesn't make sense in this day and age due to the fact that many businesses are now more global. Teams work from diverse locations, in some cases across several time-zones, and on multiple devices. Expensive hardware-only solutions fail to meet the demands of modern enterprise collaboration, which is more dynamic and agile than ever before.

Another advantage of switching to cloud is fully-managed technical support that allows businesses with limited or no in-house IT expertise to leverage the benefits of video collaboration. Most cloud vendors offer set up and troubleshooting as part of their service which eliminates the need for businesses to allocate IT resources for operations and maintenance. In today's economy, in order to compete profitably, businesses need to be able to do more with less. Cloud-based services help businesses become more productive, while significantly reducing their operational expenses.

The nature of the workforce has changed over the past few years. Global businesses have witnessed the emergence of a new breed of employee—the tech-driven millennial—digital natives who have grown up with video as a communication tool. Their immersion in the technology, along with their love for faster, on-demand and always-on collaboration solutions makes cloud video a perfect choice for them. Millennials now make up the largest percentage of the global workforce, so it's smart for businesses to embrace cloud video services today, rather than wait.



## Video Collaboration Trends in the Cloud

With the emergence of the cloud, we are beginning to see the shift in the belief that video collaboration is an expensive, complex, and resource-intensive communication model. Cloud-based video solutions support the band-width, stability, and scalability demands of modern enterprises. As such, cloud-based video collaboration is driving some new trends in business communications. Here are a some examples.

**Desktop video conferencing.** New, cost effective cloud video solutions are taking video collaboration beyond the conference room to where employees are working. This change is fueled by the need to stay connected outside of scheduled meeting hours. Also, in the case of conference-room based video collaboration, there may be scheduling issues or equipment limitations that undermine the ability for people to meet face-to-face any time the need arises.

**Real-time communication using WebRTC.** Browser-based video collaboration using WebRTC is becoming a popular trend in the enterprise. Its ability to integrate with existing technologies—especially with cloud—allows it to compete with and even replace low-quality web conferencing. WebRTC can be a more secure method for businesses to add external users to their video meetings. A directive by the Internet Engineering Task Force (IETF) recently made it compulsory for browser developers supporting WebRTC to integrate VP8 and H.264 video codecs. As a result, many enterprise software developers and UC vendors will start embedding WebRTC into their products.

**New revenue streams in mobile video.** The trend of mobile video collaboration presents new business opportunities for cloud vendors in the form of new markets and revenue streams. Mobile video requires customers to invest in better data plans, mobile device management (MDM), and mobile access management (MAM) for facilities assignments, security, and maintenance.

**IoT - Internet of Things.** A report from Garner predicts that by 2020, 25 billion devices will be connected to the Internet. As our devices become smarter, collaboration will become more intuitive. This means, businesses will need to ensure a steady and seamless flow of communication among clients, partners, and globally dispersed units. High-definition video collaboration without a complicated or expensive setup will help businesses achieve this level of connectivity and collaboration.

**Consumer-like video with enterprise-like security.** With the increasing BYOD concerns over using consumer apps and devices in the enterprise businesses need to balance ease-of-use while maintaining their desired level of security. Video in the enterprise must have consumer-like capabilities that help workers to collaborate on demand, with anyone, from anywhere. But, at the same time, it must also have business-grade features and enterprise level security.



## Key Considerations in VCaaS Investment

Before making the commitment to invest in VCaaS, it is important for organizations to understand the key considerations that fundamental to a successful cloud video strategy. These include:

**Quality and performance.** When it comes to choosing a cloud video service, it's important to look for a vendor who can offer seamless service on all devices, be they company endpoints, or employees' devices. LTE mobile network support ensures collaboration can be achieved from virtually anywhere. Ideally, the vendor should be able to meet all enterprise requirements without compromising video quality.

**Compatibility with existing systems.** A key challenge for video deployment lies in bridging different participants working on different systems. Failure to connect due to compatibility issues is a huge set back and can undermine the entire video collaboration strategy. It is essential to invest in a endpoint agnostic video collaboration system, that is capable of connecting people on any device, on any network at any time. This is an important factor to consider, especially if the organization has already made hardware purchases.

- **IT issues.** Since bandwidth and network capability go hand in hand, and they greatly impact the final outcome of your video deployment, it's important to identify the bandwidth needs of your business before making video investments.
- **Scalability.** For most small and mid-sized businesses, it's always advisable to invest in services that offer maximum scalability. A service that is flexible enough to go up and down with the performance requirements of the organization is the most desirable and cost-effective model for SMBs.
- **Security.** With cloud, organizations put their security in the hands of someone outside their corporate firewall. Therefore, it's always important to double-check the levels of security being provided. It's also advisable to have security clauses spelled-out clearly in the Service Level Agreements (SLAs).
- **Trial period.** Choose a video collaborationservice provider that offers a trial period, so you can put the service to the test. This will truly reveal whether or not the service is capable of meeting all the demands of your business, and saves post-purchase hassles.

## Conclusion

While video collaboration is not a new technology, its integration with the cloud has opened up tremendous possibilities for businesses both for growth and scalability. Most of the recent developments like BYOD, remote workers, and telepresence meetings, would not have been possible without the power of video collaboration, and cloud access has taken video's benefits to a whole other level. In an environment where businesses are increasingly going virtual, there's a risk of losing the human touch in modern business communications. Video collaboration is the only technology capable of filling that void, by replicating the experience of face to face meetings and personal interaction.

