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HD Video Collaboration in the Cloud: Universally Cost- Effective At Last



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Until recently, the cost advantages of video collaboration have accrued only to those organizations with deep enough pockets to afford a substantial investment in video infrastructure and the expertise required to manage, configure, and maintain it.

But no longer.

To understand the numerous ways that hi-def video collaboration can powerfully enhance productivity, take a look at how companies using classic videoconferencing have fared.

Payoffs of classic videoconferencing

For years, large enterprises have undertaken the cost of pioneering video collaboration for a reason: It pays off — significantly, and in a variety of ways:

The LifeSize study. A study¹ analyzing a LifeSize Fortune 500 customer — the European division of a Japanese consumer electronics company — shows a risk-adjusted ROI of 392 percent over five years from the use of videoconferencing.

And as a bonus, videoconferencing has enabled the company to meet aggressive carbon emission reduction goals.

The Aberdeen Group study. A 2009 Aberdeen Group study² notes that best-in-class enterprises have embraced the use of videoconferencing throughout the organization. These best-in-class enterprises have used videoconferencing to:

- Reduce the time necessary to identify sales opportunities and close sales.
- Reduce the time required to implement and complete projects, and reduce the overall cost of project completion.



- Reduce the time needed to evaluate new product ideas, develop them, prototype them, and complete them.
- Reduce cost per new hire and length of talent search, and increase the first-year retention rate.
- Increase up-selling/cross-selling revenue and reduce time to complete customer requests.

So why is videoconferencing penetration so low? Forrester Research³ reports that while 56 percent of businesses have deployed a room-based or desktop-based videoconferencing system, these are used chiefly by upper-level executives: 42 percent of directors, 40 percent of vice presidents, and 38 percent of owners or CEOs use desktop videoconferencing.

Why isn't penetration higher? Because classic videoconferencing solutions have required an expensive investment in both infrastructure and the expertise necessary to cope with their often daunting complexity.

Fortunately, the story doesn't end there.

Introducing cloud-based HD video collaboration

Now, the same benefits that have accrued to best-in-class adopters of videoconferencing can be had by all organizations large and small. This is why Forrester⁴ expects that within five years, nearly half of information workers will have some type of personal video solution, up from just 15% currently.

Two converging forces. The rationale behind Forrester's prediction is well founded; it recognizes that two forces are converging to transform the use of video collaboration technologies.

First, an intensifying demand beyond the boardroom and the executive suite for video collaboration capabilities is paralleling the rapid growth of telecommuting and employee mobility. As more and more people work from places other than their headquarters' offices, the value — and importance — of video collaboration will increase.

Consider: This year, according to a study by Gartner,⁵ 46.6 million corporate employees around the world will spend at least one day a week telecommuting, and no fewer than 112 million will work from home at least one day a month.

By 2015, says Gartner, 80 percent of work outcomes will depend on input and cooperation of two or more people — and seldom will that work be done face-to-face. As the number of telecommuters continues to rise, they need to be able to connect to their respective organizations in a fast, simple, and cost-effective way.

Meanwhile, the rise of personal video use (via smartphones, tablets, etc.) among younger consumers now joining the workforce creates a new set of employee expectations and demands.

Thus, according to Forrester,³ current desktop video uses will expand to include routine internal communications, executive meetings, distance learning and training, customer meetings, brainstorming sessions, partner meetings, improved connections with remote workers, R&D activities, and performance reviews.

Second, a genuinely easy-to-deploy, simple-to-use cloud-based video collaboration platform that saves capital expenditures on high-priced, complex, and quickly obsolete infrastructure is now available.



Bringing HD video collaboration to a well-designed, secure cloud environment eliminates up-front CapEx costs as well as the need for local operational expertise. And it means a company's video collaboration capability can be quickly scaled to the changing needs of the business.

The benefits. With cloud-based HD video collaboration, offsite no longer means out of sight. The right cloud-based video collaboration solutions can make easy work of video collaboration with remotely located colleagues and customers — even those using only a PC, Mac, or mobile device.

Keeping employees, suppliers, and partners connected reduces miscommunication, enhances corporate cohesiveness, and creates more opportunities for productive and profitable spontaneous collaboration.

Other ways enterprises large and small can benefit from the kind of universal video collaboration enabled by the cloud include:

- Building stronger connections with customers — for example, cloud-based video collaboration can aid field maintenance efforts and make it easy to meet with remote customers at a much-reduced cost.
- Enhancing business continuity by, for instance, providing necessary employee interaction when facilities are unavailable and improving interaction with crisis responders.

Now that HD video collaboration can be delivered via the cloud, even the smallest enterprise can cost-effectively use this powerful capability to reduce costs, improve productivity, and boost revenues — without taking on any CapEx risks.

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- 1 The Total Economic Impact of LifeSize HD Video Conferencing Solutions, Forrester Research, March 2011
 - 2 Enterprise Video Collaboration: The ROI of Video in Sales, Product Development, and Project Management, Aberdeen Group, 2009
 - 3 <http://www.eweek.com/c/a/VOIP-and-Telephony/Few-Workers-Embrace-Desktop-Video-Conferencing-Forrester-257294/>
 - 4 http://www.forrester.com/rb/Research/preparing_for_uneven_corporate_adoption_of_video/q/id/57260/t/2
 - 5 Eyeing a Return to Growth, CIOs and Business Leaders Plan for Change in People, Profiles and Practices, Gartner, 2009 (accessed July 2011)