The Perfect Storm in Enterprise Video: Act Now or Get Left Behind

Summary: Key shifts in technology, combined with ubiquitous access to video are fueling a new move to enterprise video. Enterprises will have to keep up to avoid losing their competitive advantage.

Consumerization, mobility and the cloud are making video available to a broader set of users and increasing its use in the enterprise. It’s not a matter of if enterprises should develop a video strategy; it’s when – and in support of what critical business processes.

Aragon’s client inquiries and conversations with multiple global organizations indicate that video is already being used for business purposes, both internally and externally – but often outside of enterprise control and knowledge. Left ungoverned, it can stress network resources and expose sensitive information to unauthorized use. However, enterprises that already use video see it as a competitive differentiator.

This research note identifies the key trends, the video-enabled business applications that enterprises need to implement now, and describes how to develop a video strategy. Knowing how video is currently being used will help managers identify use cases, understand what users need to get their jobs done, and choose the right solutions for their enterprises.

Tablets as Video Endpoints

“Video” can mean many different things, depending on its use case or application. A growing trend beyond traditional room-based videoconferencing systems is the increased use of tablets as video consumption devices. Video apps on tablets are proliferating, with key investments being made by the likes of Cisco, Google, Polycom and Facebook.

The pervasiveness of tablets and mobile devices is making users very comfortable and experienced with video. Not only...
do they stream video in real time, attend virtual meetings and consume on-demand video content, but they also can and do use tablets to capture video for various uses from telemedicine to onsite troubleshooting in manufacturing and other industries.

**Video as Content**

Video itself is emerging as a content type that needs to be part of the enterprise content management strategy. In speaking with Aragon, end users in various enterprises point to the growing volume of video content from recorded and captured sessions in different areas of the business. Much of this content is captured from web and videoconferencing sessions that range from training to team-based collaborative meetings. Managing the content, editing it and making it searchable for on-demand replay is crucial for leveraging its value. Editing long video sessions into smaller segments make on-demand consumption easier and more useful.

**Cloud Delivery of Video**

Cloud computing is a major force that continues to dramatically impact the entire technology industry. There are several distinct flavors of cloud computing such as public cloud, private cloud and hybrid (see Note 1: Cloud Computing Models). Public cloud or SaaS (software-as-a-service), along with mobility, has made video accessible to anyone, anywhere and on any device. Enterprises initially investigate SaaS as a video delivery model, usually coupled with web conferencing, as a way to offset investments in network resources. However, depending on the requirements, a hybrid approach where some video is managed on-premises for content security reasons may be more strategic.

Two key aspects of cloud video are real-time videoconferencing and the management and delivery of on-demand video content that can be streamed when needed. The cloud potentially permits scalable multiparty video sessions on multiple endpoints or devices, and further interoperability between video systems. The cloud also brings flexibility and simplicity for enterprise IT organizations. Every major vendor is pursuing a cloud video strategy closely aligned with their overall unified communications and collaboration platforms and initiatives.

**Enter the New Era of Video-Enabled Business Applications**

As mobility, cloud, consumerization and social collaboration combine to create a perfect storm for video, enterprises and

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**Note 1: Cloud Computing Models**

- **Public cloud** refers to the computing infrastructure being a shared resource among multiple organizations, hosted in the cloud provider's data center. This is typically referred to as SaaS (software as a service).
- **Private cloud** refers to the computing infrastructure being hosted in a dedicated environment and not shared with any other organization. The dedicated environment can either be on-premise in the organization's data center or externally hosted in a cloud provider's data center.
- **Hybrid cloud** refers to a mix of both public and private cloud. In this scenario applications with high security restrictions are accessed via a private cloud while applications with less restrictions are accessed via a public cloud model.
specifically IT leaders responsible for collaboration, should focus video investments on the key use cases pertinent to the business.

Real-time collaboration and enterprise social networks are continually being embedded in business processes. The ability to access real-time video from an IM or unified communication client is valuable in processes that may have exceptions or need immediate interaction between internal or external participants. Video is a better medium for interactions that benefit from visual cues. Video-enabling a business process supports a full range of real-time capabilities. Streaming video from a remote site can showcase an incident or issue in a domain such as energy or manufacturing, and then enable a real-time video collaboration session among key participants to resolve the problem quickly.

In the above scenario, video is a medium of information exchange as well as collaboration. While enterprises have traditionally focused on video in collaborative interactions, it is now being used as a way to exchange information and content. We believe vendors should have this additional focus as well, to leverage the full spectrum of use cases to address applications and markets they have yet to tap into.

Video-enabled business applications (VEBAs) have limitless potential, and Aragon expects video to become the de facto interface for a multitude of uses (see Note 2: Video Enabled Business Applications). Video’s business benefits go beyond just cutting travel costs. Enterprises tell us that video is helping them increase productivity by reducing the time it takes to complete processes. Video enables better collaboration and improves employee engagement by providing a better sense of connection with geographically dispersed colleagues.

A recent survey conducted by Towers Watson shows that organizations with better-engaged employees enjoy a 19% increase in annual operating income compared to a 34% decrease in enterprises with disengaged employees. Organizations that don’t take advantage of video for key business applications and processes risk losing out on the benefits and falling behind the trend and their competitors.

Note 2: Video-Enabled Business Applications

Key horizontal Veba uses include:
• B2B and B2C meetings
• Corporate communication
• Webinars
• Learning in a live setting (virtual classroom)
• Video recruiting
• Security (surveillance)

Key vertical Veba uses include:
• Education (distant learning and virtual classroom)
• Entertainment (video streaming/broadcasts)
• Government (live and recorded broadcasts)
• Healthcare (telemedicine)
• Sports (live and on-demand replay of sporting events)
• Energy and manufacturing (remote troubleshooting)
Video in Defense

A large global defense manufacturer told us that video helps them collaborate with partners in different geographies, which allows them to seize new business opportunities away from their home markets by enhancing interactions with strategic external constituents. They use video as a tool to grow their businesses, not only reducing travel costs but also increasing revenue.

Video in Healthcare

A healthcare provider we spoke with uses video telemedicine to improve collaboration between urban and rural health centers. Rural areas sometimes have limited access to certain critical specialties such as kidney disease. Using video to bring in experts from urban health centers helps to diagnose and treat chronic diseases without patients having to travel hours to see a specialist in person. The vice president and head of the initiative told us that the goal wasn't revenue, but to continually improve the quality of care by attending to critical needs in real time. They also use video to help specialists train rural primary care physicians.

Video and Remote Support

An international beverage company explained their use of video on phones and tablets for remote support to communicate issues on the plant floor. This use case emerged outside of official corporate directives but became a best practice. When they acquired multiple other beverage companies, they also used video to communicate with new colleagues, exchange pertinent information and help ease the transition and consolidation of new business units. Meeting virtually via video was instrumental in positioning people at the center during and after acquisitions. They were able to come to quicker decisions with the new and expanded team, and reported that video felt similar to face-to-face meetings. Seeing their colleagues made employees more engaged and more willing to collaborate.

Video for Corporate Communications

We also interviewed a communications and collaboration manager in a media company, who uses video for internal and external corporate communications and learning. She explained how important it was to capture video and web conferences and make them available for on-demand replay. Managing video as content, editing it and making it searchable in a YouTube-like portal for internal uses such as training required a content
management strategy that included recorded video sessions. It also required joint work with the collaboration and content teams. Their marketing department also used their product and company announcement videos to engage external customers.

Developing a Strategy for Enterprise Video

When developing an overall strategy (see figure 1) for Enterprise Video, it is important to understand the use cases that will help the business. Prioritize the use cases based on need and impact.

Inventory current use of video and document the current video systems and services in place. In areas such as corporate communications and marketing, a significant number of real-time video sessions get recorded. These session recordings can range from webinars and product demos to all company webcasts.

Incorporate these recordings into the enterprise content management strategy. In most cases, legacy enterprise content management systems will not be sufficient and video cloud options for video content management and delivery will need to be explored. When evaluating options, ensure that video content can be made available to internal as well as external constituents.
While video has many benefits, enterprises need to have the proper infrastructure in place to fully take advantage of it. Cloud and mobile have become key enablers for video in the enterprise. A video infrastructure that leverages cloud allows enterprises to ease the management burden of on-premises deployments. Going forward, cloud will be a part of current and future video investments.

Develop an architecture that includes cloud and hybrid cloud for video usage. For example, when a real-time video session requires multiple external constituents and needs to scale, the cloud is an effective option to minimize impact on internal network resources.

Enterprises need a video strategy that takes into account business use cases, cloud or on-premises deployment models, storage, network bandwidth, security, endpoints and requirements for vendor selection. Internal and external communication and collaboration should also be factored into the strategy. Understanding the use cases will be key in positioning video investments in the right areas.

**Aragon Advisory**
- Identify the key use cases and applications where video can have an impact.
- Manage video content as part of the overall enterprise content management strategy.
- Evaluate cloud video content management services to manage video recording storage and delivery.
- Leverage cloud approaches where possible.
- Develop an architecture that includes cloud and hybrid cloud for video.

**Bottom Line**
While video itself is not a panacea for poor enterprise communication and collaboration, its growing use in a number of business processes is giving enterprises a competitive advantage and also impacting the bottom line. Enterprises need to act now to understand the video use cases and develop an overall strategy to enable video usage in multiple areas. The enterprises that wait may find themselves playing catch-up.