

# Video killed the jet-set Tsar

After a shaky start, Video Conferencing technology has come a long way in recent years; possibly even far enough to put the high-flying, globe-trotting business executive on the endangered list after all, says Gareth Kershaw...

These are worrying times for the seasoned road warrior; for the city-hopping international executive; for the jet-setting company director accustomed to his champagne and foie gras punctuated, transit lounge, club-class, mile-high existence.

You see, along with creatures like the smoker, the UK motorist, and the Britney Spears fan, the corporate globe-trotter is an increasingly persecuted breed.

OK, so their natural habitat isn't exactly under threat, and they're not quite an endangered species – not yet anyway – but business travel is less and less the done thing these days. It's just so 2005. Why? Less time, less budget, less justification. Greater responsibility, pressure, and expectation. And that's without the great green environmental monster throwing its spanner in the jet engine.

Then, as if that transatlantic trip wasn't hard enough to rationalise, along comes this thing called "Video Conferencing", and nauseas things up even more by enabling you to meet face to face with Joe in New York without leaving Basingstoke. And where's the fun in that?

Thankfully, there were teething problems. Early VC solutions were stricken with all manner of difficulties, most of them well-publicised. It was too expensive. It was complicated. It was difficult to integrate and use. There were no real standards. Worst of all though, it didn't really work. As often as not, the frustrated user would end up face to face not with Joe in the Big Apple, but with a jumble of pixels and noise more closely resembling a big mess.

Suffice to say, the world wasn't terribly impressed.





## Special Report: AV: Entering the Mainstream?

Other factors stymied VC's early growth too, says Mitch Lewis, a Senior VP and General Manager with converged video pioneer Dillithium.

"At the start of the century, it was thought that an assumed threat of global terrorism post-9/11 and an increasing focus on green issues would spur VC and collaboration. However, until recently, that hasn't been the case."

"In addition, while the largest corporations could easily afford the huge costs associated with running and maintaining the private networks needed for successful VC services, their less-well-off brethren continued to find the one-time hit of taking a flight (or indeed a train or an automobile) to their meeting more convenient."

Much has changed in the intervening few years however. The technology has brushed up, sped up, and cheapened up to an almost unrecognisable extent, greatly broadening its appeal on several levels.

There's more choice, more quality, and more variety than ever before. Perhaps most crucially of all, businesses are under greater pressure than ever to cut operational costs and inefficiencies, making collaborative solutions like VC all the more attractive and justifiable. As a result, video looks to be enjoying something of a renaissance.

In 2005 the global VC market was worth around \$1.15 billion according to industry analysts Frost & Sullivan, but they expect this to treble to more than \$3 billion by 2010, at a CAGR of 22.1 per cent. Fellow analysts at Gartner are even more bullish, estimating that the sector will be worth almost \$13 billion by 2011.

In common with several other market observers, Kent Lowell, VP Video at BT Conferencing believes that video's resurgence is being driven by the confluence of three key trends: the increasing availability of inexpensive, pervasive bandwidth; the emergence of reasonably priced high definition (HD) systems; and the "spiralling" expense of travel.

As such, he notes, conferencing technology – specifically that which allows participants to see, share, and edit content as well as interact face to face – now looks to be turning VC into the popular alternative to business travel that it always promised to be. And even more so as adopters begin to grasp VC's decision making, productivity, and green benefits. ↪



# Video killed the jet-set Tsar

Recent research from Interoute – owner of Europe's largest next generation network – appears to bear this out. Surveying more than 1,000 business leaders including MDs, CEOs, CIOs across seven European countries about their use of technology and its impact on carbon footprints, the study saw a massive 83 per cent of UK business leaders (and an average of 65 per cent across Europe) citing collaborative technologies including VC and Instant Messaging (IM) as key to their carbon reduction strategies.

Susie Davison, VC product manager at Easynet, suggests that video's new-found success is down to a combination of the market gaining critical mass and ongoing solutions innovation – in video support technologies as well as in VC itself.

She comments: "Continuing (travel) budget cuts have inspired both growing demand and product development. Innovation is focused (mostly) on quality and HD, but there have also been significant advances in areas such as the availability of HDTV monitors at reasonable prices; compression techniques; and high-quality microphone and camera technologies, also at accessible pricing."

She also cites the growing ubiquity and the improved ease of delivery of technologies such as IP Virtual Private Networks (IPVPNs), which guarantee the quality of the transmission for real-time services like VC.

Perceptions of how and where VC can be deployed are changing too, notes Victoria Kemp, Senior VP for EMEA and APAC at BCS Global. Until recently, she says, VC was seen by the majority of businesses as the preserve of the boardroom, or only worthwhile for 'serious' meetings with large groups.

"(But) VC is now truly an option for mid-market and smaller businesses – in fact it is suitable for any business with multiple locations." Barry Cross, MD of Touchline Video thinks similarly. "There has been a dramatic reduction in costs, which has allowed SME's to move into the VC market. VC has been brought into the mainstream – it's no longer just aimed at corporates."

HD-based products and more immersive, fully-integrated solutions – often collectively referred to under the umbrella of telepresence – are growing in popularity too.

As the word suggests, telepresence typically incorporates a range of elements designed to make the VC experience even more lifelike and seamless; to help conference participants feel more like they're in the same room as fellow attendees. More cameras, better camera placement, higher screen resolutions, enhanced sound-proofing and processing, and innovative room design, for example.

Cisco for one has seen particular success with its telepresence offerings. Since entering the market just over a year ago, Cisco TelePresence has been adopted by over a hundred companies including Proctor & Gamble, SAP, and Regus – making it the fastest growing new product category in the company's history. Quite a boast given Cisco's pedigree.

## Demand for VC is ramping. But why?

**Technological improvements.** The arrival of High Definition (HD) has drastically improved VC quality in high-end systems delivering improved clarity and visibility of facial expressions and body language.

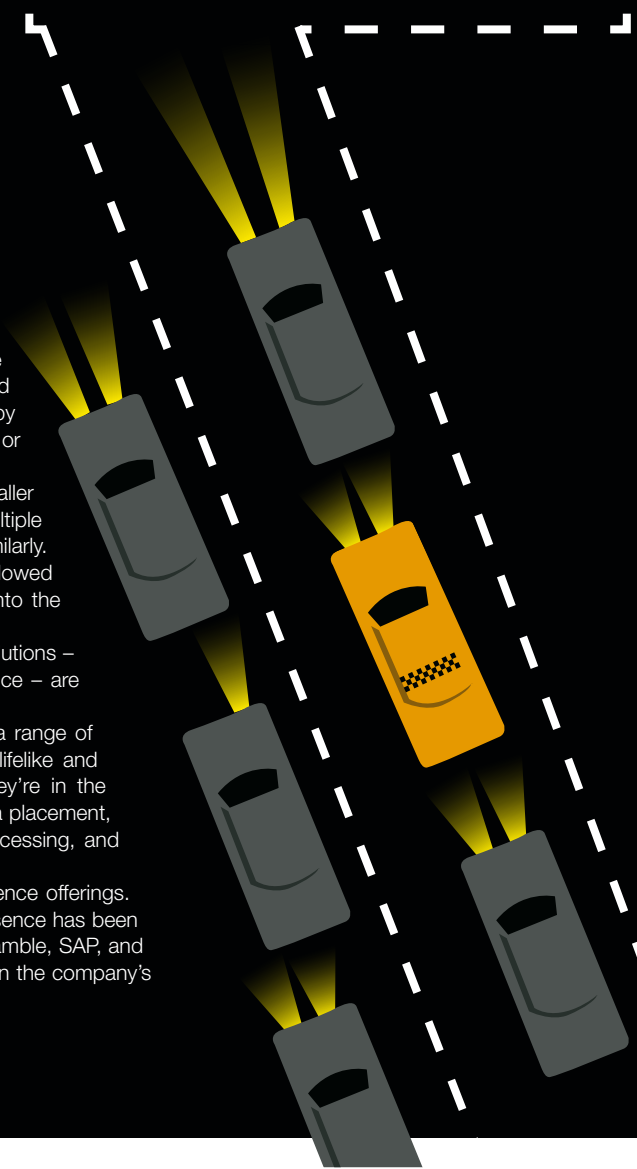
**Bandwidth is now more widely available at a lower price,** while WAN optimisation solutions like Riverbed are reducing the amount of bandwidth needed for certain applications; freeing more pipe for hungrier apps like Video and VoIP.

**Profile.** High-visibility VC marketing from the likes of Cisco and Microsoft is driving the market and benefitting incumbent providers.

**Increasing IP convergence is negating the need for separate VC networks** requiring extra support and expertise.

**Commercial and 'green' pressures to cut business travel and other operational inefficiencies**

**David Galton Fenzi, Group Sales Director, Zycko**





# Special Report: AV: Entering the Mainstream?

“ VC is now truly an option for mid-market and smaller businesses – in fact it is suitable for any business with multiple locations... ”

And it isn't just multi-nationals and blue chips that are buying into the ideal, says Marcus Gallo, European Marketing Manager for Unified Communications with the networking giant.

“It's not only the large enterprises who are picking up on the benefits. Forward thinking smaller enterprises are also looking to VC as technologies like Web 2.0 collaboration raise expectations of how communications need to evolve in the business sphere.”

The Regus Group, for instance, is currently looking to make Cisco TelePresence available at its managed offices on an 'on-demand' basis.

Ray McGroarty, EMEA Solutions Marketing Director at Polycom believes that the drive towards greater “naturalness” will be a major factor moving forward, with resolutions increasing, in turn enabling larger screen sizes and deployments in larger spaces. Better handling of voice in terms of positioning and processing will also be key, he says, allowing, for example, a conference attendee's seating position to be identified by voice alone.

Other enhancements will likely include better handling of conference content (from freehand drawings to DVD), smoother integration with other applications and new display technologies (e.g. to simulate 3D presence), and the broadening of the user's choice of conference launch points to include the PC, documents and spreadsheets, phones, mobiles, and PDAs.

“All need to be managed in an appropriate way and to an acceptable, natural quality level”, he says. Easier call launching via integration with the applications from the likes of Microsoft, IBM, Avaya, Nortel, Alcatel-Lucent and others will be a further area of focus, notes McGroarty, as will integration with VoIP, which is often a precursor to video deployments.

But companies are well advised to consider shifting cultural dynamics as well as logistical and financial concerns, he warns. Changing employee working practices and expectations for instance.

“Young directors and managers coming into the business matrix have more than just profits to contend with. They need to think about environmental impact, resourcing, and new ways of working. Here too, new generations of workers – who have already been using video for many years on their PCs via applications like Instant Messenger and Skype, and on their phones and gaming consoles too – will hit the workforce and ask: ‘where's the video kit?’.”

## Burgeoning video applications currently include:

### Product development and evaluation

With quality and resolutions reaching new heights (it's now possible to examine finely detailed items like chips and boards) video is becoming increasingly viable for use in areas such as product design, development, and manufacture.

### Education, training, team building, and remote collaboration

#### Sales and marketing

Slick, content-rich video demos enabling faster, greater, more effective customer reach.

#### Corporate updates

Boardroom keynotes and presentations delivered 'live' worldwide

#### Distance recruitment and interviewing

#### Work/life balance

Social imperatives, especially work/life balance, have never been more topical

#### Remote troubleshooting, supervision, diagnosis, and surgery

Increasingly useful in technical industries and in areas like medical diagnosis.

#### Reporting

Improvements in quality and reliability are driving greater use of video in reporting from “front-line” locations such as war zones.

#### Law enforcement

