



UC: Enterprise Solution Case Study: Travel and Hotel Sector Focus

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Bill Rojas, Director Telecom Research, IDC Asia Pacific says: “In our Group we do research in wireless services, fixed line services, managed services, UC in collaboration as well as carrier capital expenditures and infrastructure research. For this session I’d like to quickly give you an overview of how IDC sees the taxonomy and share with a few data points that we have on visual collaboration.”

The taxonomy that we have for collaboration falls into four categories. You have the customer interaction, enterprise collaboration, email and IP telephony. The video conferencing is part of the overall enterprise collaboration. This is the taxonomy that we have. And of course mobility, if you look under the video conferencing, is right under it. Over time obviously there’ll be probably more and more mobile aspects of video conferencing, but certainly the mobile operators aren’t ready to handle this traffic yet.

We conduct annual surveys on UC collaboration. Typically when we do the surveys it’s across each of the countries in Asia Pacific. We tend to take pretty large sample sizes. Can be anywhere from a few hundred to a few thousand, depending on the study. And in the case of the UC study we had 1,100 samples. And we do it by country. And we also look at the way that IDC breaks up the company sizes is shown on the right pie. You can see larger than 1,599 and then the various sizes, 250 to 499 in the medium.

Now, based on that study, we – it’s quite interesting, the idea here was to understand are we using desktop video, video conferencing or telepresence, or are you planning to use them one year or is it going to be after two years? So you can see, for example, desktop video, about 5% said that they are already using it. And about 7% said that they’re planning to use it.

Now if you go to video conferencing and telepresence, which is going to be the discussion coming up with Tata and Cisco, is that you’ll see that video presence is already over 10% and there’s another 7% or 8% that are planning to use in the next year. And telepresence, similar to the desktop video.

Now we asked what best describes your organisation’s video conferencing solution? And not surprisingly, small/medium-sized conference rooms was the majority of this, the majority of answers of users said that it was small/medium-sized. And then you have large conference rooms after that, and then desktop video, in that order. And that makes a lot of sense, especially for Asia Pacific, because in most countries, even including Japan, although Japan

wasn't part of the study, SMEs is usually anywhere from 100 to 500 times the number of large firms in terms of the number of firms.

Now this is an interesting question here, is what is the rationale for the visual collaboration? And you can see on the far left that in the case of telepresence, which is the red line, 40% said that it's for collaborating internally and then another 10% said that it's for sales demonstrations, and then after that it tapers down. So those are the two principal reasons for telepresence, which intuitively make sense, but it's nice to see that in a large sample.

Now 2009, with the global financial crisis, was I guess highlighted the importance of telepresence and how it can save on cost savings. So the question we had here was which of the following best describes your minimum return on investment requirement for implementing telepresence and video conferencing. And you can see that about 15%, 13% said that they would require at least a 51% or more reduction in travel expenses, whereas between 11% and 50%, well, between – around 65% of the respondents said that it would be between 11% and 50%. So you can see that's split out.

So clearly this shows that you don't need to have 50% reduction in travel expense. Maybe a 20% or 30% would be quite enough to justify the investment, which is important, I think, for us to know because intuitively you wouldn't really, you know, if you spoke to the CFO and said well what would your requirement be? What would justify the expense of the system? Would it be 15% or 30% or 50% reduction? And this survey shows that it can be as little as 11%.

Then the next question is what is the organisation's preferred deployment model for video conferencing and telepresence? And if you look to the right on telepresence, you'll see that about 10% is for hosted and another 10% is as a service, or as a cloud service, and then another 7%, 8%, 10% again for managed and then on-premise as being the remainder. So clearly about half of the users said that the reason that they would want on premises. But it's the other 50%, the other half which is broken between the managed services, the hosted and the SAS, which is the interesting area that you may not have intuitively thought would be as large as they are.

And the same for video conferencing. Now, on video conferencing, on-premise will not be, intuitively will not have been as large. As you can see, it's a smaller amount.

So our future outlook is that, to put it in a nutshell, perhaps 10 years ago video conferencing and visual collaboration would have been a luxury. In the next decade it's going to become a requirement, whether it's a mobile service, if it's a portable service, if it's at a hotel, anywhere video conferencing and visual collaboration will become a required service. And whether or not cloud is the way to deliver or on-premise is the way to deliver, this is up to the commercial enterprises that carry out the service to see what the best business cases are.

(Story Courtesy: NetEvents 2010 APAC Press Summit)