



WHITE PAPER

# Executive Visions on Video in the Workplace

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## A New View on Video

Video is coming of age as a viable business communications tool. Six of 10 executives participating in a survey of 1,007 respondents conducted by Wainhouse Research in the fourth quarter of 2013 report that they watch live online video for use in business communications. Whether they are viewing employee town hall meetings, participating in workplace training sessions, or using online video to connect with prospects and customers, executives increasingly are exploring ways to leverage online video to disseminate their message to large, far-flung audiences.

And employees are not only tuning in, they are discovering that live video webcasts can help them achieve their business objectives. As illustrated in Figure 1, more than three-quarters of executives (78%) surveyed by Wainhouse

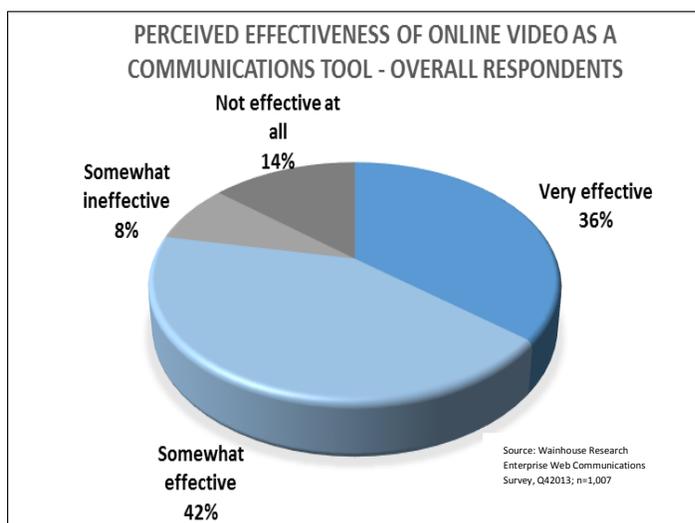


Figure 1: Perceived Effectiveness of Online Video as a Web Communications Tool – Overall Respondents

Research describe online video as an “somewhat effective” or “very effective” tool for conducting business communications. The positive perceptions of online video’s usefulness intensify as individuals use the technology more frequently. If you go beyond the results from overall respondents to instead consider the responses only of those who watch online live video on a daily basis at work, 73%

### ABOUT THE BUSINESS VIDEO NOW SERIES

This report is the first in a series of white papers and webinars tracking the usage, deployment and executive perceptions of online video in the corporate sector.

The concept for this series was inspired by previous market research published on behalf of Cisco Systems that measures the growing use of online video on the Internet. Commissioned by Ustream and produced by Wainhouse Research, the Business Video Now Series seeks to take the next step in gauging momentum in the evolving online video market.

The aim of Business Video Now is to foster greater awareness of and understanding of online video trends by providing data-driven insight, focusing on the expanding role of the technology in enterprise communications. Results from a survey of 1,007 executives conducted in the fourth quarter of 2013 serve as the foundation for information presented in this series.

Future editions of the Business Video Now Series will gauge the extent of live video use in the enterprise, identify the video applications that executives frequently employ and discuss lessons learned from implementations of the technology.

describe online video as a “very effective” tool for communications. That’s more than double the 36% of the overall survey respondent group assigning the top effectiveness rating to online video in the workplace.

Indeed, the proliferation of technologies enabling more cost-effective live video webcasting appears to fit hand-in-glove with the traditional day-to-day demands of business executives, particularly those new to the idea of using online video to distribute their message. In a corporate marketplace where the return on investment on newly implemented technologies must always be justified, live video represents the streaming venue most likely to generate a tangible financial benefit. That’s because live video can be implemented as a solution that expands the reach or reduces the expense of business

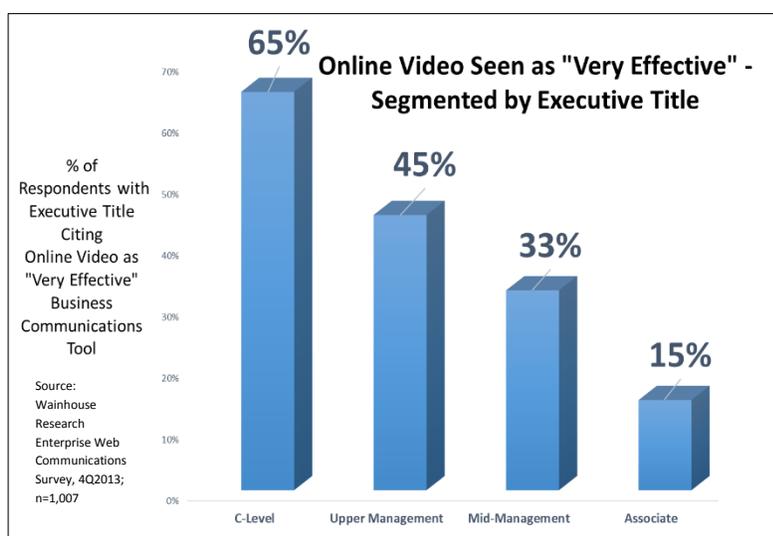


Figure 2: Live Video Preference - Segmented by Executive Title

communications events already taking place. Consider the costs, for instance, of gathering national sales reps together in a single city to learn the details of a new product launch. The same information can be distributed in a live online video session, saving an organization thousands of dollars in travel costs and lost productivity time.

Not all workers within an organization, of course, share the same viewpoint on the role of video in the enterprise. The beauty of video truly is in the eye of the beholder.

That said, any executive with aspirations of climbing the corporate ladder may be well advised to educate themselves on the benefits that come with deploying the technology. At the lowest levels of most organizations, one should expect only moderate recognition of the value of online video for business communications. But, as you go higher in the corporate ranks, one can find more and more executives who understand the role that online video can play in business messaging. As illustrated in Figure 2, nearly two-thirds of C-level executives (CEO/CTO/CMO and others) describe online video as “very effective.” Ask the same question of upper management executives (typically vice presidents) and only 45% of respondents describe online video as “very effective.” That total drops to one-third of respondents from mid-management and further declines to only 15% of employees who describe themselves as working at the “associate” level.

## Live Online Video and the Enterprise

Not all video is created equal – at least in the eyes of corporate executives. For business purposes, online video can be divided into two distinct categories: live and on-demand.

Live online video webcasts often can replace – or extend the reach of – business meetings where information is distributed to large audiences on a real-time basis. The communications value comes from the immediacy of these events, enabling executives to disseminate information rapidly and directly.

As the name implies, on-demand involves the playback of pre-recorded content, allowing viewers to access video when and where they want. When used in corporate settings, on-demand is most closely associated with the preservation and sharing of institutional knowledge. These videos typically are stored in archives and used as reference material, providing information to employees, customers and prospects when it is needed.

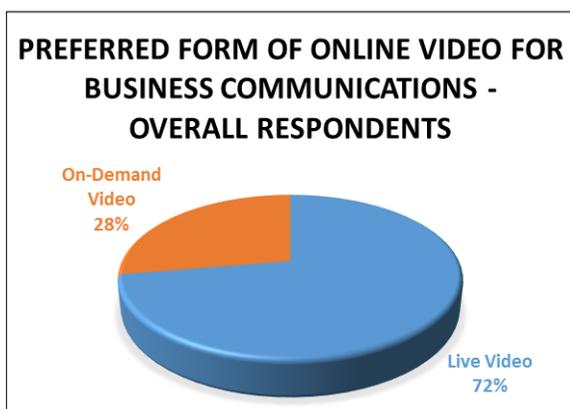


Figure 3: Preferred Form of Online Video for Business Communications-Overall Respondents

When comparing live online video with on-demand, corporate executives prefer live video on an overwhelming basis. When asked to state a preference between live and on-demand options, 72% of the Wainhouse Research survey audience stated a preference for live online video. (Figure 3)

As might be expected, executives at organizations that deploy live online video the most frequently demonstrate the strongest preference for this form of video distribution. At companies that produce more than 100 live video webcasts each year, 86% of respondents cite a preference for live. At companies that do not use any live online video, in contrast, only 63% of respondents report a preference for live online video. These results suggest that live video has become far more than a corporate novelty act. As companies deploy the technology more extensively, executives appear to recognize the value that comes from regularly incorporating it into their business activities.



Figure 4: Live Online Video Preferences - By the Numbers: Deployment

The divergent opinions on live vs. on-demand appear to stem, in part, from the way that executives conduct business today. Whether their meetings are large or small, most executives represented in the Wainhouse Research survey communicate with their colleagues in real-time settings. Four out of five

executives, for instance, say they take part of in small in-person meetings with fewer than 10 attendees. And one-quarter of the survey group say they attend in-person meetings with groups of 100 or more attendees at least weekly.

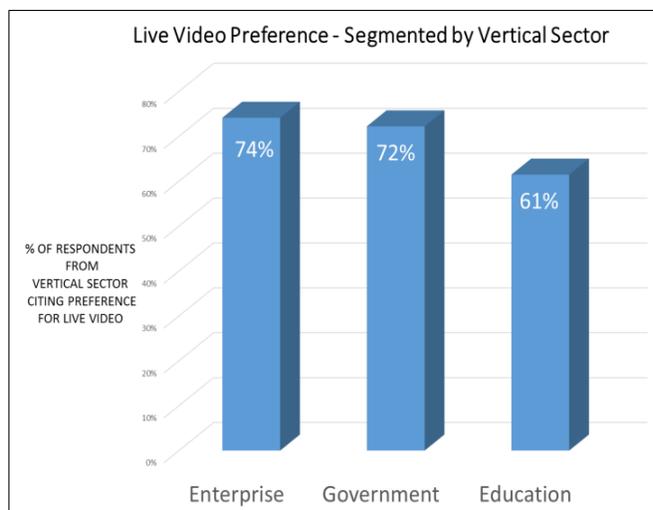


Figure 5: Live Video Preference - Segmented by Vertical Sector

As a result, live video in many ways represents an extension of existing day-to-day business activities. On-demand, in contrast, asks employees to adjust how they convey business information. Presentations are recorded ahead of time, with executives providing answers to commonly asked questions. Certainly, this approach to video can create valuable repositories of executive insight that can be accessed time and again. But it doesn't mesh with the nature of instant information dissemination familiar to most executives.

The ability to leverage these technologies to achieve organizational objectives certainly influences the perceptions of live and on-demand online video. As illustrated in Figure 5, 74% of survey respondents working for corporate employers – labeled “enterprise” in this chart – cite a preference for live online video when compared with on-demand. Likewise, 72% of respondents working in the government sector report a preference for live online video. In both cases, these results appear to reflect a clear preference for real-time communications.

The results are more muted among respondents from the education vertical – a market segment where demonstrable value comes from recording instructor lectures and making them available to students on an on-demand basis. Among education respondents, 61% cite a preference for live online video when compared with on-demand. And – among education respondents who specifically describe themselves as classroom instructors, rather than as administrators – only 59% cite a preference for the live option.

In short, individuals like technologies that help them tackle their tasks. Instructors see more value than others in on-demand because it can be used to archive repeatable information presented in lectures. Executives in the enterprise, in contrast, value the real-time flow of communications, fostering their higher level of preference for live online video.

For the near-term, at least, expect live options to continue to play a significant role in the deployment of online video in the enterprise. That's because the executives with control over the purse strings for technology investment still prefer it. Among executives with purchase decision authority for web communications technologies, 81% say they prefer live online video to the on-demand alternative. Among those without purchase decision authority, only 67% cite a preference for live online video.

## Factors Influencing Online Video Deployment

As purchase decision makers evaluate their options for implementing online video technologies in their organization, they weigh a diverse set of factors that combine to shape their deployment choices. While the ultimate selection can be swayed by a range of tangible and intangible factors, any evaluation of streaming technology deployments begins with a cold, hard calculation of dollars and cents.

In the eyes of corporate executives, the cost of streaming solutions still matters greatly. A total of 52% of respondents cite “price” as a “very important” factor in making a streaming purchase decision, making it the issue most frequently cited in this way. The related financial issue of “return on investment” was cited by 47% of total respondents as a “very important” deployment factor, ranking it third on the list. (Figure 6)

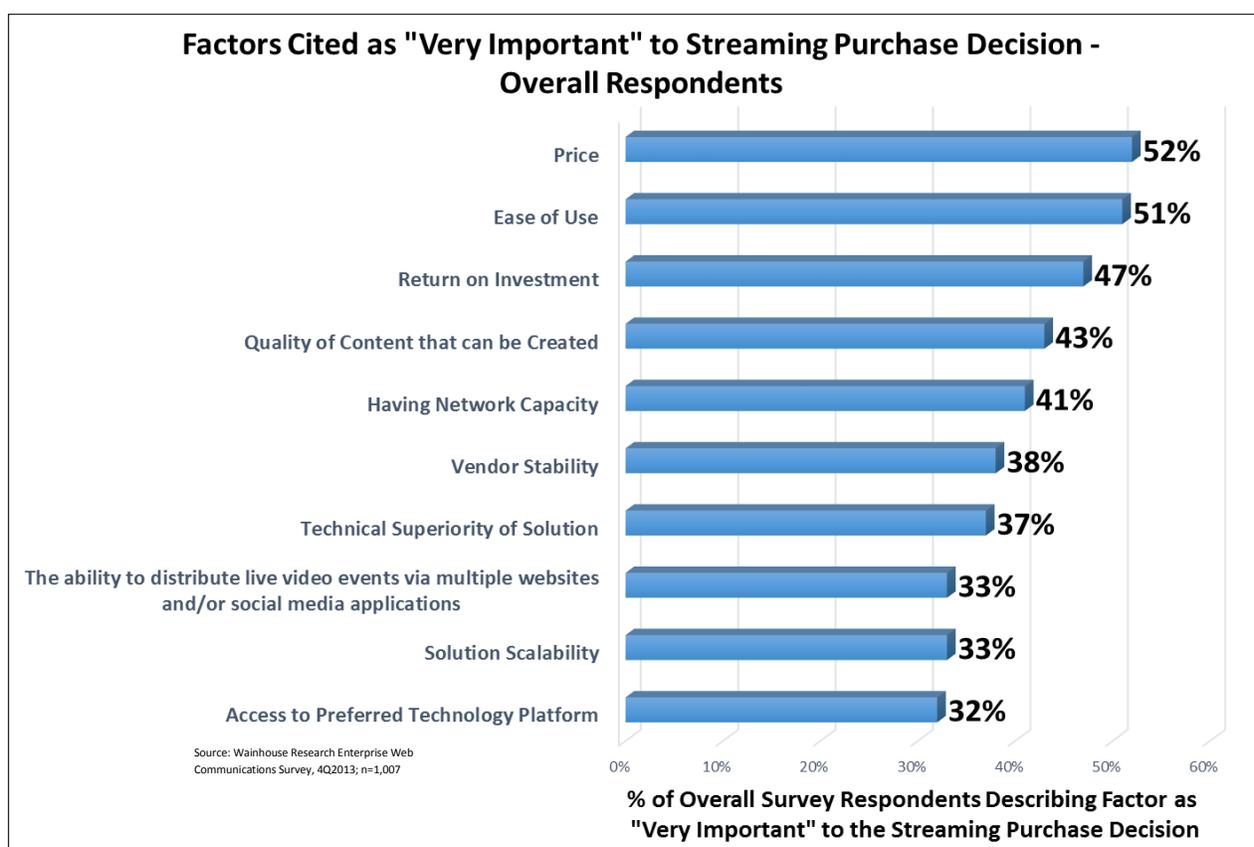


Figure 6: Factors Cited as "Very Important" to Streaming Purchase Decision – Overall Respondents

Nestled between “price” and “return on investment” is the issue of “ease of use,” cited by 51% of all respondents as an issue “very important” to the streaming purchase decision process. On an overall basis, other technology-related issues draw less attention from survey participants. The concept of having access to a preferred technology platform (on-premise or hosted solutions, for instance) ranks last on the list, cited as a “very important” issue by less than one-third of overall respondents. Likewise, the factors of “solution scalability” and the “ability to distribute live video events via multiple websites

and/or social media applications” are cited as “very important” factors by 33% of overall respondents, respectively.

Executive perceptions concerning what’s important in evaluating an implementation of technology enabling online video can change, however, when they actually get some experience in using it. While one can never discount the importance of financial considerations in this type of purchase decision, the relative outlooks on issues relevant to investing in streaming video technologies are starkly different between executives who use live online video and those that have never experienced it.

Figure 7 compares responses of executives from these two audience groups (live online video users vs. non-users) and ranks each factor based on the total difference in citations of each as “very important” in the purchase decision process. Across the board, executives familiar with live online video have a greater propensity to describe a scope of implementation issues as “very important” to the purchase decision process. This underscores the range of issues that carry weight with experienced users of the technology.

What is important to note here, however, is the relative difference in responses between users and non-users on specific factors. In Figure 7, factors are listed from top-to-bottom based on the size of the gap in responses between these two groups. As a result, the chart illustrates the factors that gain the most relevance in the eyes of executives as they gain experience is using live online video. The issues that

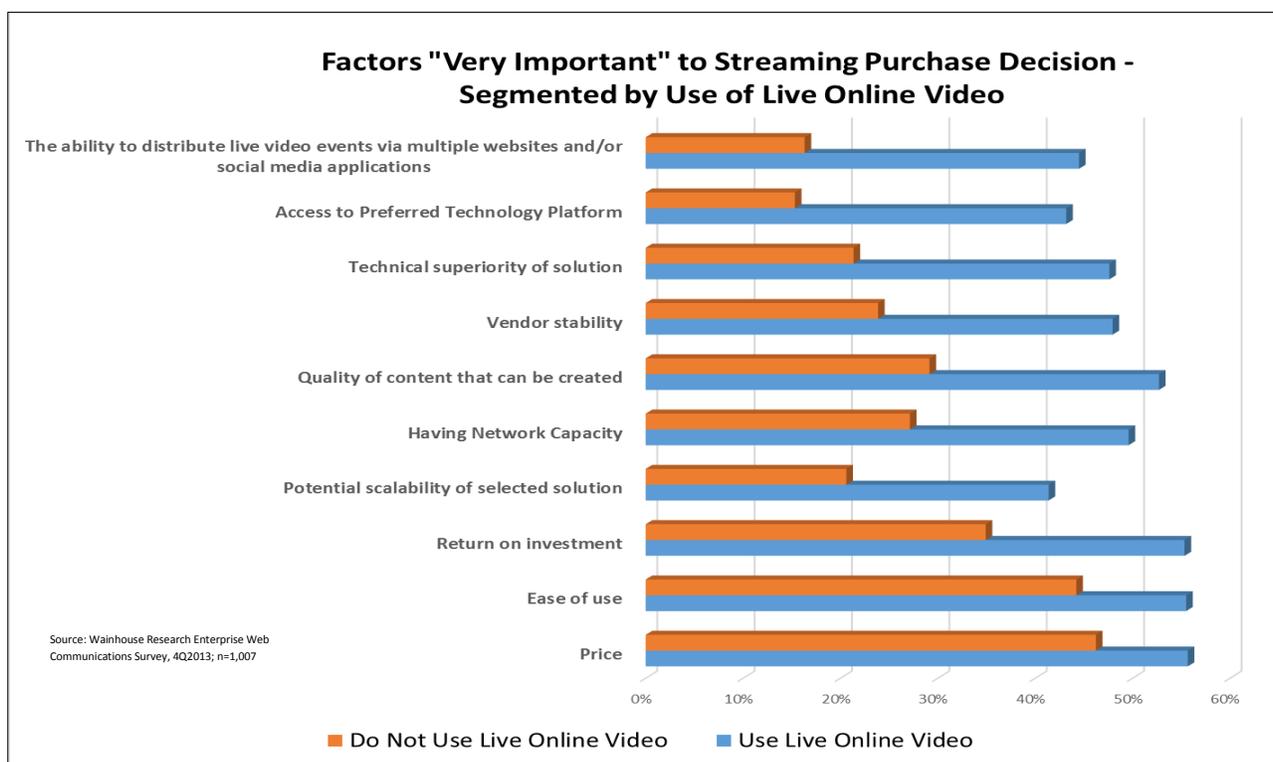


Figure 7: Factors "Very Important" to Streaming Purchase Decision - Segmented by Use of Live Online Video

register as most important with the overall respondent group (price, ease of use, and return on investment) show the least amount of gain when comparing responses between live online video users and non-users. Essentially, these issues are very important in the minds of those unfamiliar with the technology or just beginning to experiment with it: they should be considered as the basic table stakes that are vital in the early stages of streaming technology implementation. However, their importance in the eyes of executives does not change significantly once these solutions have been deployed.

Rather, experienced users begin paying more attention to what they can actually do with these technologies once they start using them on a regular basis. For instance, only 16% of survey respondents not using online video cite the factor of “ability to distribute live video events via multiple websites and/or social media applications” as a “very important” factor in the streaming purchase decision. Among those executives using live online video, 44% cite the issue of distributing video to multiple sites as “very important.” That represents a 28% gap between the two groups on this criterion. The gap for the issue of “price” between the two groups is only 10%.

Not coincidentally, the issues that are perceived to have a significant influence on the streaming purchase decision also emerge to create some of the biggest stumbling blocks to the implementation of

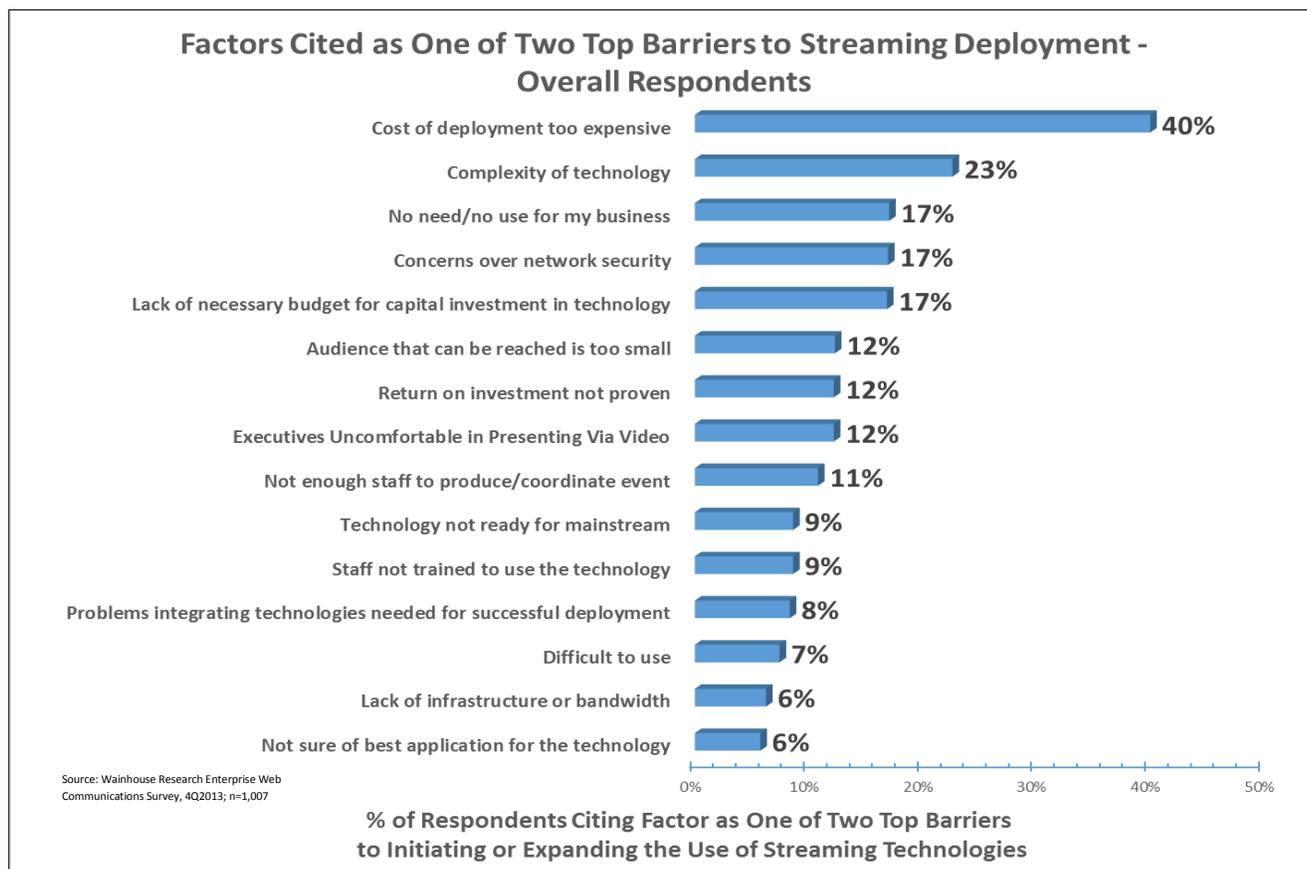


Figure 8: Factors Cited as One of Two Top Barriers to Streaming Deployment - Overall Respondents

the technology. Just as price is a primary factor influencing the streaming purchase decision, concerns over the costs of streaming technology for many stand in the way of implementing online, video-enabling technologies. When asked to cite the two top barriers to initiating or expanding the use of online video technologies, 40% of respondents say that the cost of deploying streaming capabilities is too expensive. That’s almost double the 23% who cite the next barrier on the list: “complexity of technology.” (Figure 8)

Indeed, corporate evangelists seeking to encourage more adoption of online video in their organizations face a range of executive excuses for not implementing the technology. More than one in six survey respondents, for instance, simply report that they have “no need/no use” for streaming video in their business. A similar number (17%) say that they don’t trust the security of their networks. Likewise, 17% also report that they don’t have the capital budgets needed to implement streaming platforms adequately.

Other reasons cited frequently include concerns that executives aren’t comfortable presenting via video (12%), the organization doesn’t have enough talent on-hand to produce webcasts (11%) and the fear of difficulties associated with integrating technologies in a way that enable a successful deployment (8%).

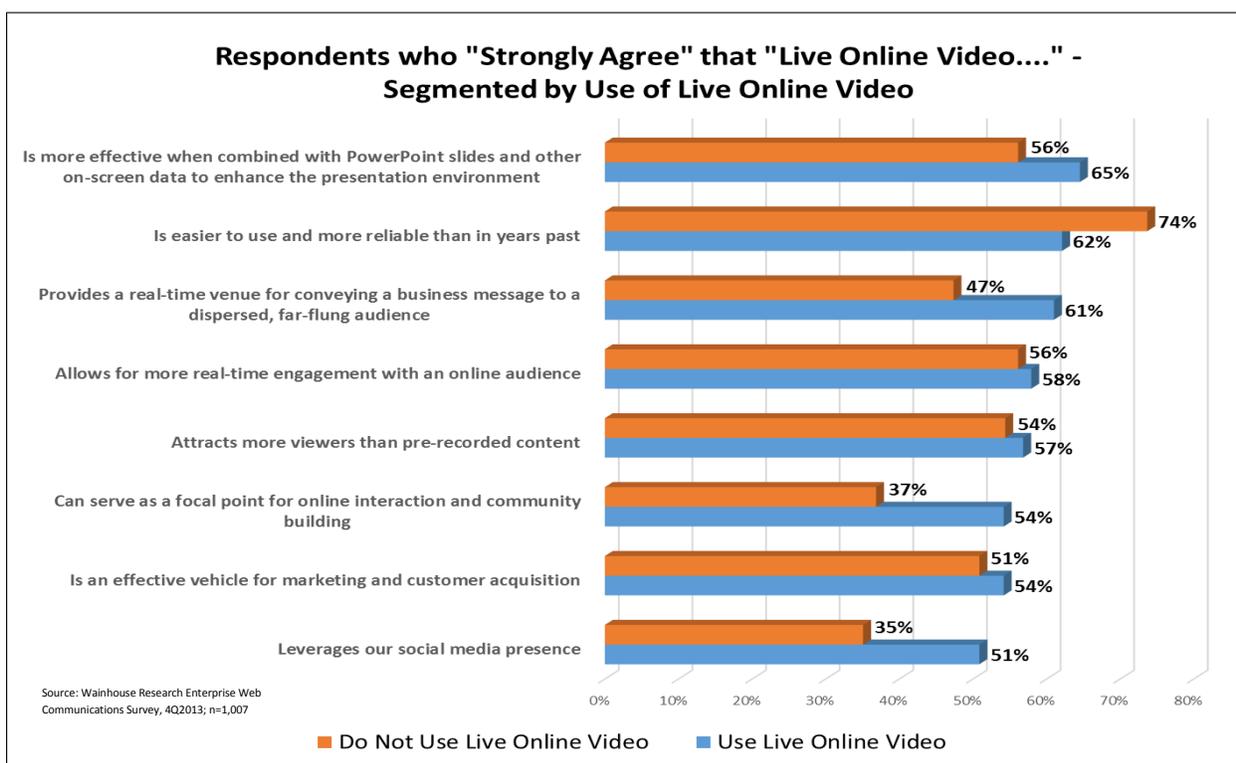


Figure 9: Respondents Who "Strongly Agree" that "Live Online Video..."- Segmented by Use of Live Online Video

Ultimately overcoming some of these barriers to streaming implementation can set the stage for changing executive perceptions of how live online video actually works in the day-to-day business environment. Figure 9 shows results from a Wainhouse Survey question that measures the differing

outlooks of users and non-users of live online video on a variety of topics related to the adoption of the technology for business communications. Participants were asked to agree or disagree with a range of statements designed to gauge executive attitudes towards components associated with the live online video experience.

In these results, all respondents demonstrated an affinity for the integration of live online video with on-screen data, such as PowerPoint slides. Sixty-five percent of those who have used live online video say that live online video is more effective when integrated with on-screen data applications.

The results also reflect that non-users are at least turning into believers on the technical viability of live online video. Nearly three-quarters of non-users (74%) “strongly agree” that live online video is “easier to use and more reliable than in years past. In some cases, users and non-users share common outlooks on the role of live online video. More than half of all respondents say they strongly agree that live online video allows for more real-time engagement with an online audience, attracts more viewers than pre-recorded content, and is an effective vehicle for marketing and customer acquisition.

Perhaps the biggest area of divergent outlook between users and non-users revolves around live online video’s role in integrating with web-based social applications. In general, executives without experience in using online video see little role for the technology in the social realm. In contrast, more than half of those who have used live online video say they strongly agree that live online video can be used to “leverage our social media presence (51%) and can serve as a “focal point for online interaction and community building” (54%).

## **Key Takeaways**

As illustrated in the results from Wainhouse Research’s Q4 2013 survey of 1,007 executives, recognition of live online video’s role as a business communications tool is significant and expanding. Survey results demonstrate the following trends shaping corporate perceptions of live online video in today’s market:

- **Online video perceived as effective:** 78% of survey respondents describe online video as either “very effective” or “somewhat effective” as a business communications tool. Positive perceptions intensify among those who actively use the technology.
- **Live format is preferred for business:** 72% of survey respondents say they prefer live online video to on-demand alternatives for use in business communications. These attitudes appear to be driven by the ability to adapt live online video to enhance communications activities already taking place in the enterprise.
- **Cash is not always king:** While users not familiar with live online video see “price” and “return on investment” as key factors influencing the technology purchase decision, experienced users look beyond financial considerations to gauge the viability of implementing solutions that enable streaming video.

- **Barriers to Streaming Implementation Remain Formidable:** Executives championing the implementation of streaming technologies within their organizations should expect to hear a range of arguments against its deployment. Beyond the most frequently cited issue of cost, factors ranging from technical complexity to a lack of executive presenter skills are all invoked as rationales to table investments in online video capabilities. Those in favor of streaming investments must be ready to counter this spectrum of arguments in order to win approval to spend on streaming.
- **Live video well suited for integration with other applications:** End users of all stripes see value in combining live video with other on-screen data, such as PowerPoint slides, to create an enhanced end user experience. The majority of experienced users of live online video also see a role for the technology in enhancing social media and in building better online communities.
- **Live online video seen as more reliable than ever before:** Even users who do not use live online video are developing the perception that the technology consistently works. Wainhouse Research believes this perception is a precursor to even more widespread adoption of the technology as more organizations demonstrate a willingness to experiment with using live online video for the first time.

## About the Author / About Wainhouse Research

**Steve Vonder Haar** is a Senior Analyst with Wainhouse Research, focusing on enterprise streaming & webcasting. Steve has covered the technology industry for more than 20 years. He previously served as Research Director of Interactive Media Strategies and as Director of Media and Entertainment Strategies for the Yankee Group. He is a graduate of the University of Missouri Columbia with degrees in Journalism and Economics, and holds a Master's degree in Business Administration from the University of Texas-Arlington. He can be reached at [svonder@wainhouse.com](mailto:svonder@wainhouse.com)

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