

# Business Benefits of Web Conferencing

Love your meetings even more by installing a solution that not only brings people together, but also creates new efficiencies and saves money.



ENERGIZE YOUR CONNECTIONS™





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## Executive Summary

Across North America and the world, economic conditions are driving business leaders to critically evaluate all facets of their business to improve efficiency and reduce costs. In this process, adoption of collaboration technologies is often identified as a necessary means of reducing travel costs and leveraging expertise across an organization without geographic limitation. With current estimates of roughly 30% market penetration (Wainhouse Research) there are many potential users and organizations who are not yet utilizing these powerful technologies. This document is not intended to provide a detailed analysis on the business case for deploying web conferencing tools. It is instead offered to allow our audio conferencing customers to leverage the extensive experience provided by PGi's 10-plus years in the collaboration space to provide a high level overview of the feature, technology, and pricing drivers to help guide decision-makers through the product selection process.



## Feature Set

### Basic Features and Approach

Understanding the feature sets of the various platforms, and the needs of your user base, is one critical component in successful product selection. Core features such as PowerPoint sharing, application/desktop sharing, and chat are supported on most platforms and enable the core value proposition of web conferencing. In working with our 30,000 conferencing customers, we find that on occasion, shortly after a significant time investment has been made by both PGI and our client, a subset of end users have needs that are not met by the deployed solution. In order to avoid this scenario, we strongly suggest that decision-makers be mindful of higher-level features such as live webcam video, multipoint video, rich media content, registration tools, and recording options when evaluating online meeting technologies. Detailed surveying of your user base regarding their needs is suggested to avoid deploying a technology that doesn't meet end user specifications. Surveys of potential users often reveal that one or more collaborative tools are already in use within some user groups, although not company-sanctioned or supported. Some specific items of concern are listed below.

### Recording

Similar to conference calls, there are always users who cannot attend live online meetings. Ensuring a technology that can accommodate the recording needs of your internal users is generally straightforward, as most tools offer recording features. However, organizations should be mindful of recording charges and storage fees, along with recording formats. In our experience, the format of the recordings is most critical if they are intended to be distributed outside the host organization. If that is the case, recording formats that are viewable in a web browser without the installation of proprietary software are recommended.

### Live Video

While our experience at PGI is that the majority of online meetings do not leverage live video today, the adoption rate is growing. Very regularly, it is tech-savvy executives that are first to request the functionality. We strongly encourage decision-makers to proactively approach their senior leadership about this functionality proactively and assess their need and interest level prior to standardization and deployment of any online meeting technology.

### Rich Media and Event Registration

While we find that it is the minority of meetings within our client base that leverage this functionality, we also observe that the meetings that do are often the largest and most important hosted by our clients. These include Marketing Webinars and internal Town Hall meetings. Again, we recommend proactively soliciting feedback from Marketing departments and executives to ensure that their needs are met. Very often, the infrequent niche nature of these types of meetings necessitates using a different technology platform than is leveraged for day to day meetings, and leveraging a single vendor for multiple technology solutions offers cost, service, and support advantages.



## Technology Integrations

Will web conferencing be leveraged for training by your users? Do you have a separate training department, and/or a Learning Management System? Can, or should, the technologies integrate? These and similar questions should be asked and addressed prior to deployment. Other similar options include CRM integrations, and integration with Active Directory to enable single sign on. Most organizations in the initial adoption phase of deploying online meetings do not pursue these integration options. Awareness of what integration options are available can help companies plan for the future even in early usage stages and avoid having to migrate users between web conferencing tools in order to meet integration needs. Few things can be as frustrating to end users as getting confident and comfortable presenting in a specific online meeting tool only to be migrated to a new platform.

## Feature Set Summary

Finally, when evaluating web conferencing tools based on feature set, it is often helpful to look at the various products and their feature sets in a matrix format. Most vendors can provide this information, and the matrix for the products offered by PGI is attached in Appendix A for your reference. Further, it can also be worthwhile to label features as must-haves, nice-to-haves, or not necessary. This documentation of necessary vs. luxury features can be especially worthwhile when working in committees, can provide each member to have input on the relevance of each feature, and allow them to quickly evaluate the products and services being considered.

## System Requirements

Understanding your own technology infrastructure, and that of the attendees in your meetings is also critical in successful deployment of online meeting tools. Each online meeting tool has a distinct set of system requirements, supported browsers and operating systems, etc. Some require downloads to attend meetings, and most require a download to host meetings. The exercise of evaluating online meeting technologies is generally straightforward with meetings inside your own company. Trials are nearly always available, and you can easily ensure the tools will function in your environment, working with your IT staff to ensure system requirements are met. Alternatively, if your users expect to host meeting with attendees outside your own organization, a product that is easily accessed from multiple operating systems and browsers without a download or administrative rights required will likely be attractive.



## **Application-Based Approach, End User Needs and Expectations Sales**

End users who leverage web based meetings for sales are generally presenting products and/or services to prospects and clients to drive the sales process forward. Typically sales meetings can be expected to happen very regularly, often on the fly, to be small (under 15 attendees), and leverage a very straightforward feature set. Sales presentations often leverage PowerPoint presentations and very little else. Based on our own experience selling and working with our clients to use web meetings for selling, PGi suggests consideration of using live webcam video. A brief introduction over live video can transform a virtual meeting into an experience that much more closely approximates a live sit-down meeting with a prospect – a very important shift, especially when selling.

## **Training**

Trainers who make the transition from a classroom setting to a virtual training environment are likely to expect and demand a more comprehensive feature set. Understanding the media they use to train live is a good place to start when beginning to evaluate their needs in relation to the web conferencing tools available. Trainers typically will require PowerPoint sharing, application/Desktop sharing, quiz and testing capabilities. Video, and supporting it in an online environment, can also be critical if it is already leveraged in a classroom setting. Our experience at PGi is that when training departments do migrate to online learning they are keen to continue leveraging existing training resources such as presentations, videos, and learning management (LMS) systems. Integrations with LMS systems is available with some web conferencing technologies and we suggest decision-makers be aware of potential integrations prior to deployment.

## **Marketing**

Online marketing events, generally referred to as webinars, are generally broadcast to large audiences with minimal verbal interaction. Content can be expected to include slide presentations, online Q and A, and voice broadcast over the web. Marketing managers may also be interested in integrated registrations, and technologies that can manage email correspondence for pre-meeting reminders and follow-ups messages with call to action items. Live video and multimedia content may also be leveraged as they provide compelling, engaging content that is viewed as highly valuable by marketing departments. Regardless of the feature set demanded, ease of entry will be a key to successful marketing webinars. Large audiences are preferred, and online meeting tools that accommodate that audience attendance from the widest variety of operating systems and browsers will help in maximizing attendance and ensure those that do attend have a positive experience.



## General Meetings

While generally straightforward from the standpoint of feature set, general internal meetings account for a majority of actual online meetings in most organizations. Hosts are generally existing audio conferencing users who embrace online meeting tools as a means to improve the impact and retention of their content and improve overall efficiency. General internal meetings usually require minimal feature sets such as desktop sharing, presentation sharing, and chat. Technology concerns are also more easily addressed, as the attendees are part of the host organization and compliance with minimum system requirements can be addressed proactively. Areas of greatest concern for the general meeting end user are reliability and ease of use, as the meetings occur regularly and are often unplanned.

## Support

Providing technical support is another key application for online meeting tools. Depending on the level of support your organization intends to provide, a basic tool that support desktop sharing and remote control may suffice. Alternatively, there are specialized technologies in the marketplace designed exclusively for providing remote technical support. These tools are ideally suited to provide support to clients, and can help in providing a very positive customer service experience

## APPLICATIONS - SUMMARY

Based on the variety of applications and customer preferences, there generally is not a single “perfect” web conferencing technology for all users across an enterprise. When evaluating vendors, we recommend researching their expertise in different types of meetings, and willingness to offer multiple solutions. Vendors such as PGi offer training and coaching services to assist new hosts to deliver impactful presentations across the suite of technologies offered.



## Pricing

There are several pricing models available in the collaboration space today and all are offered by PGI. When evaluating pricing, understanding your own usage patterns is the critical variable that will help identify which of the available options is best-fit. Depending on your usage patterns and whether they are known or unknown, one or more may provide the greatest value to you and your organization.

### Uncommitted Cost-Per-Minute

This is an attractive pricing model during initial deployment of collaborative tools. The model allows for an unlimited number of meeting hosts to have access at no fixed cost per host. Cost is completely dependent on usage in this model. For example, at a rate of \$0.15 cents/minute for the web, a 60 minute meeting with 10 people would cost:  $\$0.15 \times 60 \times 10$ , \$90 total, or \$9 per person (web conference only). The analysis of cost-per-head to deliver content is often leveraged in ROI calculations when comparing online meetings to business travel, and will generally demonstrate a compelling case for online meeting adoption. Organizations new to collaboration tools and cannot identify their group of end users or estimate their usage levels find this model attractive as it generally does not require contracts or setup fees and does not force them to limit access to any select group.

The major downside of this pricing option is scalability. While very effective when usage is low and users have not been identified, the cost/benefit of the model breaks down once the tools are adopted enterprise wide and are leveraged regularly by end users. The cost per minute model has escalating costs for escalating usage, and breaks down quickly which when compared to unlimited-usage licensing options. Additionally, websites on cost per minute models are often shared between numerous organizations and as such do not allow for any customizations such as corporate branding, custom URLs, or API integrations.

In general, we recommend cost per minute only when initially deploying collaboration tools, and suggest close monitoring of usage during the training and adoption program. Monitoring of the usage will quickly identify when the costs justify the migration of users to an unlimited-usage license.

### Named Host/Named User

Named Host (or named user) licenses account for the majority of new licenses on collaborative tools across the industry. The model assigns licenses to individual account holders (not to be shared), who are able to run an unlimited number of meetings, up to a pre-defined maximum cap of people in any single meeting. Typical caps per meeting range between 15 and 200+ people per meeting, generally with higher cost for higher capacity meetings.

Named hosts have two significant drawbacks to consider prior to deploying on this model exclusively. First is the meeting cap. Most organizations that leverage online meeting tools hold a small number of meetings per year that will not be accommodated by the named host cap. These meetings will require a different licensing option. A second challenge is to organizations which have a very high number of hosts they intend to provide access to, but are unsure of who will adopt. For example, if a company has 5000 users they intend to give access to, but expect only 20% to adopt the tool in the first year, the pricing per host can become prohibitive.



## Named Host/Named User (cont.)

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## Concurrent User

Concurrent user licenses are designed to be leveraged across an enterprise as a shared resource. An unlimited number of meeting hosts can have access to the service, and the number of concurrent licenses purchased can be divided between multiple simultaneous meetings. For example, an enterprise with 1000 concurrent licenses could allow every employee in the company to have access, and would have the ability to host a single meeting of 1000 participants, 10 meetings of 100 participants, etc. The primary differentiator of this model is its flexibility.

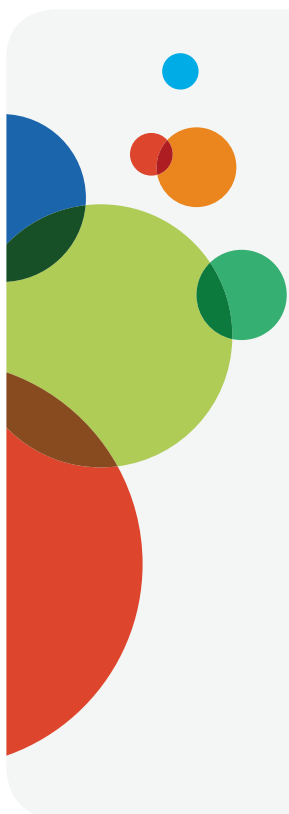
A significant detractor of concurrent users is cost. They are highly flexible, but that flexibility costs a premium. Concurrent users are the most expensive model on a per-license basis across the industry. Another potential pitfall is overage fees, which have surprised many concurrent user subscribers over the years with usage bills far larger than expected. Overage applies when the number of concurrent licenses purchased is exceeded by the number of attendees in meetings. Overage is generally charged in a cost per minute per attendee, or lump sum per attendee. Further exacerbating the issue of overage fees is the absence of scheduling features and administrative controls designed to provide scheduling information so users can avoid incurring overage fees.

## PRICING SUMMARY

In your evaluation of online meeting tools, PGI suggests a stepwise approach. We have found that customers who evaluate, rank and come to a consensus on the technologies based on feature functionality and overall fit with their organization prior to evaluation of pricing have the most successful evaluation processes and deployments. Once the preferred technologies have been identified, adding price to the conversation and having open discussion of value vs. price can quickly bring even large committees to an agreement on the best option.

# Conclusion

Web Conferencing technologies provide a compelling value proposition centered on reducing travel costs and improving efficiencies throughout an enterprise. The philosophical decision that the adoption of collaboration tools is healthy for an organization is often the easiest part of the process. The challenge then becomes how an organization approaches making a good, informed choice on what product and service is best fit for their organization, culture, and anticipated applications. A tiered approach including surveying potential users regarding anticipated needs and applications, evaluation of potential technology solutions by feature set, and finally adding price to the process, has proven in PGI's experience to be a highly successful decision-making approach.



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Visit us today at [www.pgi.com](http://www.pgi.com). View customer videos, product demonstrations, and get the details on all of our global meetings and communications solutions.

**About Us**  
The world collaborates with PGI. Our advanced meeting, conferencing and collaboration solutions energize people and organizations to connect more meaningfully and work together more productively. PGI is headquartered in Atlanta, Georgia with operations in 24 countries worldwide.

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