

# THE VALUE OF WEBCASTING IN THE VIRTUAL WORKPLACE: A Key Component of Enterprise Communications



A Frost & Sullivan White Paper

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## **EXECUTIVE SUMMARY**

Enterprise communications are changing, as companies look to support the virtual workplace, grow their global business, cut costs, shrink their carbon footprints, and leverage new opportunities. More executives are deploying next-generation communications technologies, including voice over IP, web and video conferencing, instant messaging and unified communications. Many companies are now looking for ways to complement these technologies with webcasting, to create a fuller, more valuable unified communications strategy.

Webcasting allows companies to reach large, dispersed audiences by streaming content over the Internet, either live or on demand. The technology is already familiar to many consumers, who frequently participate in webcasts related to entertainment and sporting events. But increasingly, large enterprises are using webcasting technology for investor relations, corporate communications, training, and large-scale B2B and B2C marketing communications lead generation opportunities.

Smart businesses know that traditional web conferencing tools are not ideal for delivering branded, high-quality, one-to-many online presentations. Instead, they use applications and services specifically designed for the purpose, making it easy to create and deliver content; manage registration, participation and follow-up; and control the presenters' and participants' experience. They recognize that webcasting is more than a medium—it's a business-changing technology.

As webcasting becomes more common in the enterprise, companies are also moving away from stand-alone, full service solutions. Instead, they are looking for applications that integrate with their broader unified communications deployments and corporate CRM applications, while allowing for self-service and ad-hoc capabilities as required.

This whitepaper will discuss the value of webcasting and offer suggestions for finding best-of-breed application services that deliver the necessary functionality, helping companies benefit from using webcasting in the enterprise.

## **CHANGING BUSINESS ENVIRONMENT: OPPORTUNITIES AND CHALLENGES**

The world is changing, and business is changing right along with it. Companies are becoming more global, and as a result they're more virtual: more employees, partners, suppliers and customers are working in locations that are geographically dispersed. Meanwhile, the pace of business is changing, making the need to connect quickly and efficiently to share important information even more important.

The virtual workplace presents significant opportunities for businesses, which can enter new markets with limited up-front investment, hire the best and the brightest regardless of where they're located, and work more closely with far-flung partners and customers. But as a result, companies are facing a significant challenge: even as employees are scattered around disparate regions and remote offices, they need to collaborate with one another, as well as with partners and customers. They need to receive training quickly and effectively, without losing time and productivity to travel and in-person meetings. And they need to be able to develop and jump on new opportunities, regardless of where those opportunities lie.

### **Evolution of Enterprise Communications**

Enterprises today are deploying a number of tools to help them lower operational costs while increasing productivity; support remote, geographically dispersed and mobile workers; shrink decision cycles and times to market; deliver faster, more effective customer and partner interactions; and pursue new business opportunities. Enterprise communications have developed to support those needs, and forward-thinking executives are deploying them sooner rather than later.

Partly, that momentum is supported by the growth of high-speed Internet connections around the world, and in small and home offices. The worldwide broadband subscriber base has increased to nearly 304 million and is forecast to grow to 593.1 million in 2012, according to Frost & Sullivan's "World Internet Media Streaming Platforms Market" study (2007). That makes it easier to access to high quality audio and video content live or on demand, and it has led to the accelerated use of streaming media applications such as webcasting. We predict that increased broadband penetration will continue to be a key driver for webcasting.

Webcasting is also beneficial in the face of the growing desire to limit travel, as costs rise, stress levels increase, and productivity plummets when employees spend time on the road. According to a 2005 study by Robert Half International, 48 percent of employees polled said they travel for work less frequently compared to five years ago (and that was before oil hit \$130 a barrel). In another study, when asked how a lack of sleep from business travel affected their work, 23 percent of business travelers said they fell asleep in a meeting, 18 percent said a presentation went badly, and 14 percent missed a meeting or flight, according to British Airways.

Finally, many organizations are seriously thinking about ways to limit their carbon footprints and find "green" alternatives to in-person meetings and events.

## **VoIP, Conferencing, Unified Communications**

Voice over IP has been deployed in both business and residential environments for many years, but it is now becoming a default technology for Greenfield and replacement environments. IT managers are no longer justifying their decision to deploy VoIP—they're justifying the decision not to.

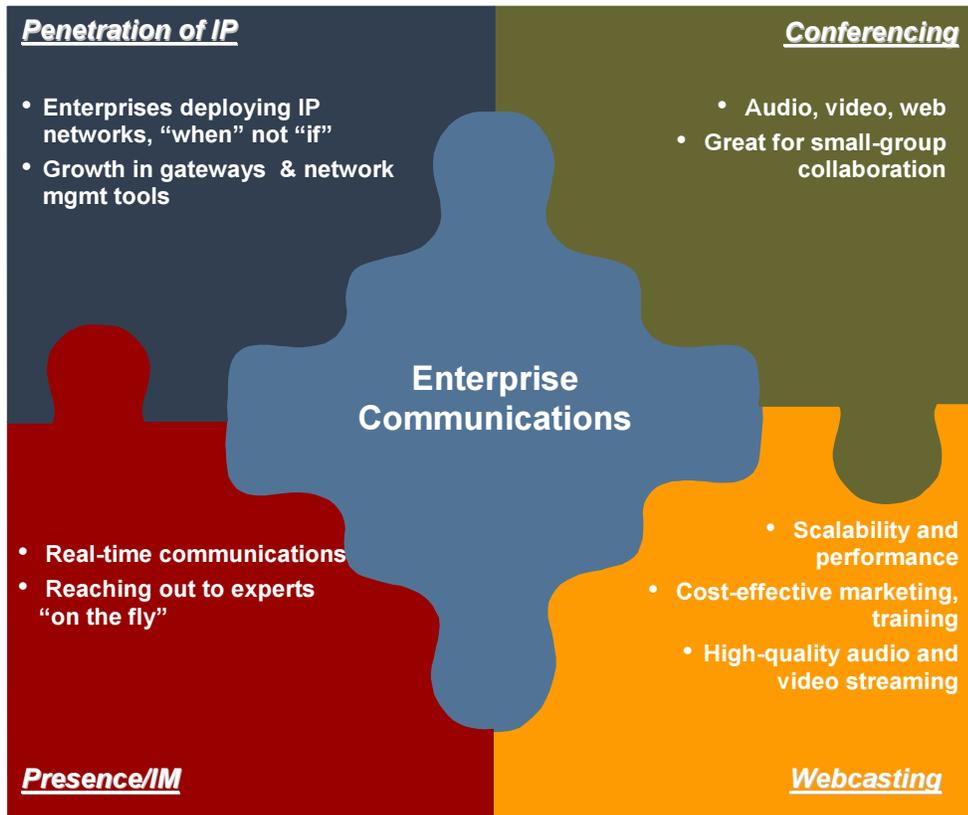
Companies are also increasing their use of audio, video and web conferencing to decrease travel and boost collaboration. Web conferencing, in particular, is ideal for small-group meetings and collaboration sessions in which participants act as both presenters and attendees, and routinely need to share documents, mark up files and otherwise interact.

Finally, as the number of remote and virtual workers grows, companies must ensure those employees can connect, communicate and collaborate across geographic and cultural boundaries. Unified communications merges VoIP technology for point-to-point calls, presence awareness, instant messaging, and voice, video and web conferencing into a single user interface, letting employees literally click to communicate.

## **One Noticeable Hole in Enterprise Communications**

When it comes to enterprise communications, many organizations are well prepared to meet the day-to-day needs of their employees, but they don't address the critical areas of corporate communication: training, certification, marketing and lead generation. For these business goals, webcasting is the technology of choice. However, many companies mistakenly attempt to use basic web conferencing to deliver information to large audiences, often with less than desirable results.

**Figure I –Webcasting is Part of the Enterprise Communications Puzzle**



Source: Frost & Sullivan

For the purposes of this paper, as well as for companies interested in best practices information, we distinguish between web conferencing and webcasting as follows:

- **Web conferencing** transmits data via the Internet, and typically streams audio content over a separate phone line (although sometimes Voice over IP is used for the audio connection). Attendees use either a Web-based application (thin client) or an application downloaded onto their PCs (thick client). Web conferencing is best used to conduct interactive meetings, which require collaboration among participants, are informally structured, and are often ad hoc.
- **Webcasting** services use the Internet to broadcast live or pre-recorded audio and/or video transmissions, and unlike many web conferencing platforms, do not require users to download a plug-in onto their PCs. Webcasting provides a platform to more formally communicate information via a web event, and offers interactive features such as surveys, polls and Q&A sessions to engage the audience and gather real-time feedback. Webcasting services are designed to deliver professionally produced messaging and content, and they can scale to support very large audiences.

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“What’s the difference between webcasting and web conferencing? Under what circumstances should each be applied? This has been one of the most confusing topics in the online events business for the past decade.”

– Shaun McIver, President and CEO of Streamlogics

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**Figure 2 – Differentiating Between Web Conferencing and Webcasting**

	<b>Web Conferencing</b>	<b>Webcasting</b>
<b>Audience Size</b>	Small to medium	Medium to large
<b>Audio</b>	Two way audio conference at extra charge	Broadcast/Streaming audio included, often have the ability to integrated audio bridge
<b>Ease of Use and Security</b>	Most web conferencing platforms require downloading a plug in	No download, often includes enterprise security capabilities
<b>Customization</b>	Limited	Extensive
<b>Interactive Features</b>	Annotate, two way audio interaction, polls, survey and text chat	Text chat, polls, surveys, closed captioning
<b>Testing and CE Issuance</b>	Limited	Integrated rules-based testing and CE tracking and automation systems
<b>Video Integration</b>	Limited	High quality
<b>Cost per Event</b>	Low upfront cost; higher per participant fee for large events	Moderate upfront cost; low or no per participant fee for events

Source: Frost & Sullivan

**WEBCASTING: ADDING VALUE TO ENTERPRISE COMMUNICATIONS**

Webcasts are fast becoming a widely accepted alternative to face-to-face events for both the B2B and B2C markets, especially as they allow organizations to easily and cost-effectively reach out to geographically dispersed prospects, customers, partners and employees. Webcasts can also complement in-person meetings, allowing companies to deliver targeted and frequent follow-ups with select constituents as needed. Compared with traditional “road show” product launches, webcasting can deliver better information retention, to larger audiences, in less time—and all at a much lower cost.

**Figure 3 – The Value of Webcasting**



Source: Frost & Sullivan

In today's fast-changing business environment, companies must lower cycle times—whether in product development, training or product launches. Furthermore, companies must address a variety of learning styles and audiences, delivering compelling content on multiple levels to drive information retention. Webcasting supports both those needs.

Best of all, perhaps, webcasting lets organizations outsource their needs for all phases of an event, including software, services, hosting and reporting. Since every company is different, and since companies use webcasting for a variety of purposes—ranging from marketing to corporate training—users must be able to make the software their own. Webcasting providers are continuously adding new, customizable features to their services; as providers look for ways to differentiate themselves in a competitive market, they must deliver ways for their customers to differentiate themselves from *their* respective competition.

### **Key Benefits**

Webcasting offers a variety of key benefits in a variety of use cases:

- **Reaching geographically dispersed audiences.** As companies embrace an increasingly virtual workplace, they must connect with and support audiences around the world. Whether they're training employees on new software or corporate policies; delivering information to partners, customers or shareholders; or generating new leads, companies today must be able to do so across geographic boundaries. Webcasting makes it easy and cost effective to broadcast content to people regardless of where they're located, without their having to travel to attend the event.
- **Maximizing branding opportunities.** Unlike generic web conferencing applications, webcasting services let companies brand their content in any way they choose. That ensures a consistent, corporate message for every presentation. Such branding applies to the entire event, from registration, through the presentation, and during follow-up.
- **Delivering targeted, specialized content.** When it comes to messaging, one size doesn't always fit all. Some corporate events are, ideally, structured to appeal to specific audiences at specific times. For instance, a pharmaceuticals company looking to launch a new drug may need to reach out to its field sales force; its shareholders; its employees; physicians, pharmacists, and other healthcare practitioners; and even, perhaps, consumers. Creating specific messaging for each audience is crucial, but it's cumbersome and costly with live meetings. Webcasting enables companies to create and deliver multiple versions of events in different formats allowing them to tailor their message to each audience efficiently and cost effectively.
- **Scalability and reliability.** Large meetings have different requirements than smaller ones, and those requirements are better met by webcasting technology than by web conferencing. In small, internal group meetings, there is far more tolerance for mistakes;

large events must generally go off without a hitch. Web conferencing applications often can't support more than a few hundred attendees; they often require that participants download a plug-in; and they don't support high-quality audio/video and audio streaming. Webcasting, on the other hand, delivers a web-based application that can scale to thousands of users on demand, and which supports broadcast-quality video and audio presentations that are typically produced by experienced content managers. Finally, streaming video is a high-stress event for any network; only top-tier webcasting technology—which often includes dedicated network connections used to deliver the encoded stream to a highly-reliable Content Delivery Network (CDN)—will support the heavy load of hundreds or thousands of concurrent connections.

- **Creating and streaming high-quality presentations.** Web conferencing applications typically rely on web cams for video content. Webcasting, on the other hand, allows companies to broadcast—live or on demand—TV-quality audio and video productions. That ensures participants get an engaging, immersive and often customized experience, which in turn leads to better information retention. Today's consumers expect the best from their entertainment—they expect no less from business-related content streaming. Webcasting also allows presentations to be pre-recorded and delivered in a “simulated live” format, which is very popular to address the needs of industries where content regulation is a concern.
- **Robust reporting.** One of the biggest benefits of webcasting technology is that it provides truly robust reporting capabilities that start with registration and carry through all the way to follow-up engagements. Advanced reporting typically goes beyond basic facts and figures. Registrants can be “scored” on various criteria, allowing organizers to parse information about participants as needed—placing, say, specific values on leads in one event, or rating training attendees on learning and retention for another.
- **Cost effectiveness.** Although many web conferencing solutions come with a low upfront cost, fees can get very expensive very quickly for large events, for which customers are typically charged a per-participant fee on a per-minute basis. By comparison, webcasting services offer a moderate upfront cost, but with a low or no per-participant fee. This lets organizers reach out to as many attendees as possible, without having to worry about the cost of each new participant. And, of course, webcasting is significantly less expensive than live meetings, often by a factor of ten.
- **Access Control.** Webcast platforms offer many more options for controlling access to the presentation beyond basic username and password authentication available with web conferencing tools. For many companies searching for a webcasting solution, security and access control is paramount. Some webcast providers offer solutions that can be fully integrated into a corporate infrastructure such as an intranet portal.

- **Campaign Management.** Integrated e-mail messaging can be an important feature for communicating with the audience before and after a webcast. Managing all reminder and other campaign e-mails directly from the webcast platform can be the most efficient process.

## Usage Trends

For many organizations, webcasting is moving away from being a single, stand-alone medium, and is instead being leveraged as part of a larger communications effort throughout the enterprise. Many companies may want to purchase webcasting services as part of a broader, overall unified communications implementation. Forward-thinking companies are also using webcasting to support their multi-channel marketing initiatives, using the technology to educate and motivate channels and consumers.

Other companies, including high-volume webcast users and resellers, are moving away from full-service webcasts to semi-service and even self-service models. This allows them to have more control of the entire event, including content production, registration and reporting. It also allows them to be increasingly nimble in a fast-paced world, and to further reduce their costs on virtual events. This is particularly true for larger organizations that host dozens of webcasts per year—they're often already very well versed in the technology and delivery, and can leverage their experience through self-service options.

## Features to Look For

Just as not all web conferencing vendors are alike, neither are all webcasting providers. When shopping for a complete webcasting solution, managers should look for these key features and services:

1. A **stable, scalable platform**, to guarantee a successful event. Not all webcasting providers can support large enterprises, so make sure yours can, if that's required.
2. The best **customer service**, which is the only way to deliver a consistent, high-quality outcome.
3. **Multi-lingual capabilities**, especially for culturally and geographically diverse audiences.
4. **High-touch live video** capabilities and a premium production environment.
5. A focus on **outcome-based solutions**, such as audience recruitment and retention capabilities, rather than point products or campaigns.
6. **Integration capabilities** with content management and customer relationship systems, allowing for a simplified customer experience and improved data management (real time reporting integration).
7. Value-added **services** that allow customers to leverage the provider's experience and expertise in designing and hosting events.

## Questions to Ask Before a Webcast Event Objective

Is it a sales presentation, for which you want to generate leads? A marketing launch for a new product or service? A training exercise? Each type of event has its own branding and messaging requirements. Various features and value-added services can also be leveraged to ensure the desired business outcomes are met.

Audience Profile How many attendees do you want to reach, and where are they located? Are they internal (behind the firewall) or external? Is attendance mandatory or will you be required to recruit attendees? What tactics will you use to recruit them (e-mail, phone, fax)? Knowing this is critical for marketing and sales presentations. Include your vendor early in the process to ensure objectives are achieved.

Reporting and CRM Integration Do you need to capture registration data for lead generation purposes or otherwise? Does this information need to seamlessly integrate with your CRM system?

Security Is your content proprietary? What level of security is required (basic password protection, encryption)?

Production Quality Do you need a polished production for an external audience? Is advanced content editing required? Do you want to highlight your brand above all else? Do you want to interact with attendees through polling and Q&A?

Testing and Certification Is your audience required to complete a test? If so, what rules are available (content duration, minimum score)?

Interactive Features What interactive feature features are required? Q&A, polls, testing, or exit surveys? Understand how these features work in advance to ensure your event is delivered without surprises.

## CASE STUDY

About four years ago, a global smart phone manufacturer was looking for a new way to reach a more diverse and dispersed audience. The company knew that an educated customer base was a loyal customer base, and it wanted to deliver up-to-the-minute content for IT managers and end users alike. Aside from generating new leads, the company hoped to grow its contacts within existing customer organizations, for cross-selling and up-selling opportunities.

At the time, internal sales teams were using web conferencing for small group meetings, but the company's Loyalty & Retention Manager knew he needed something better for the large-scale, global events he had in mind. He wanted a tool that was easy to use (for both administrators and, more importantly, presenters and attendees), but that also had robust reporting capabilities, scalability and language translation. He turned to Streamlogics, he says, because "their platform is easy, the customer service is top notch, they offer competitive pricing, and they have a great management team."

This customer has found great success with the technology, and has used it to run dozens of online events every year. The company streamed tens of thousands of hours worth of content in 2007, on occasion seeing as many as 1,500 people on live events, and thousands more downloading content on demand. "We couldn't do that in the past without spending a ton of money on travel, just putting lots of people on planes," he says. "We've had events around the world, in local languages. We couldn't ask for a stronger partner."

The customer manages all its content, including webcasts and associated podcasts and whitepapers. Streamlogics developed and hosts the site and manages all the data collection and reporting, which is linked into the customer's SAP enterprise CRM implementation. That way, sales and marketing teams can see who's downloaded what, as well as how much time they spent with the content, and what they looked at next. That kind of granular information helps them identify the best leads to hit first, and where their areas of interest lie.

"We're extremely ROI-centric," says the loyalty & retention manager. "We've been thrilled with the results we've seen from Streamlogics. We find a massive percentage of attendees opt in to get more information on [the company]. It's around 79 percent. That builds a relationship. We look at our data and we can see all the touch points that contribute to that. We have metrics that show real success."

His advice for IT or line-of-business managers interested in online events:

- Look for strong professional services; even if you use self-service options most of the time, having the customer service on the back end there if you need it is key.
- Make sure the software is easy to use for attendees and participants. The interface needs to be simple, because people delivering content may not be technically inclined.
- Look for innovative applications as well as robust reporting capabilities.

## **STREAMLOGICS**

Streamlogics has been delivering integrated webcasting and media portal solutions for almost 10 years throughout North America and Europe. Its services include webcasting , portal development and streaming media hosting. The company has supported thousands of online events, and it prides itself on customer service.

Designed to meet the complex and changing needs of today's businesses, Streamlogics' proprietary EVENT<sup>TM</sup> webcasting platform is a highly advanced and integrated webcast system that can be administered internally or via a managed service engagement. The platform offers flexible end user interface options, which are completely customizable and include automated system checks to enhance the experience. No plug-ins or downloads are required for viewing, and administrators can choose from many default layout options that can be customized to meet branding and marketing needs. Features include registration, e-mail management and event reminders, security controls, integrated web conferencing, slideshows, closed captioning, question management, polling, continuing education credit management and testing.

Extensive end user reporting and tracking delivers detailed information on who watched what, when, and for how long; data on levels of interaction around polling and Q&As; and continuing education management and administration. Marketing tools include e-mail and notification management, podcasting, downloadable resources, surveys, audience recruiting and extensive branding capabilities. Streamlogics provides advanced content management, which can be integrated with any authentication, content management, learning management, and CRM and lead management systems.

Streamlogics' broadcast operations center is modeled on traditional television broadcast techniques, but digital compression is optimized for webcasting. The service offers simultaneous translation and production assistance as needed, and all webcasts benefit from the platform's four-level redundancy for rock-solid reliability. Access and entry can be protected in a variety of ways, and all customers are assigned a dedicated webcast producer or project manager.

Streamlogics supports customers in the United States and Canada, and in the United Kingdom, continental Europe and the Pacific Rim through regional reseller partners.

Customers span a variety of businesses and sizes, predominantly in financial services, health sciences, technology and professional services. Customers typically use Streamlogics services to support marketing and lead generation, training and certification. Customers include Barclays, Blackrock Financial, EMC, Liberty Tax Group, Merck, Manulife Financial, and Research In Motion.

## **CONCLUSION**

As companies face an increasingly global and geographically dispersed business environment, they must leverage technology to stay ahead of the competition. Voice over IP, conferencing and unified communications are valuable for keeping employees connected, but they are not enough to deliver high-quality audio and video content to a large, remote and sophisticated audience. For that, leading organizations are looking to webcasting as a cost-effective and successful solution.

Before they deploy any webcasting technology, however, managers should assess their own needs, and then evaluate providers based on their ability to meet specific criteria. Scalability, reliability, performance, branding, customization, production capabilities and reporting are all key features. Only by engaging a provider with a history of offering all these features, complemented by value-added services, can companies leverage the full value of webcasting for the 21<sup>st</sup> century.

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