

An Emerging Triple Play: Video Communications, Managed Services and Unified Communications

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Executive Summary

Key Findings

- Video communications are a strategic service as part of a unified communications environment
- Video managed service providers deliver comparative advantages to enterprise customers as specialists in managing service transitions - SD to HD, ISDN to IP, room systems to personal systems
- Video managed services enable overflow demand for bridging and secure inter-company communications
- Video VARs find new margin sources in a range of managed services
- Service reliability is the top managed service decision criteria
- Enterprise priorities for communications are easily addressed with managed services

An intriguing triple-play is emerging - the combination of video communications, managed services and unified communications - to create a new approach to inter- and intra-company collaboration and operational excellence.

Video communications is going through a significant transformation based on the great improvements in equipment, the widespread availability of lower cost and higher speed networks and the increase in user expectations which raises the bar for experience-affecting service attributes. At the same time, in the broader enterprise communications environment, the latest software innovations classified as Unified Communications promise to sweep the entire market. This spurs great increases in personal productivity since the boundaries of disparate real-time communications services are being blurred, opening the door to new kinds of integrations - integrations of communications with business processes to create new, proprietary communications-enabled business processes.

Among the many effects of these market transitional dynamics, is the shift in margin sources for the channel, the value-added reseller (VAR) that is selling, supporting and servicing communications equipment. With the technology shift from hardware-focused sales and service to software-based sales and managed services, the emerging Managed Service Provider (MSP) is rapidly developing extensive professional services or availing of virtual managed services to address a complete set of enterprise needs, well beyond the equipment. These services are categorized and discussed in light of the emergence of the virtual MSP, and in the context of enterprise communications services priorities.

Enterprises are well served by contemplating the introduction of video managed services, particularly as the firm engages the technology transitions - standard definition to high definition, ISDN to IP and room systems to personal systems. The project management, operational disciplines and advanced session orchestration services are typical capabilities of MSPs which are well positioned to deliver their service at a lower cost and higher service reliability than the enterprise could itself. Enterprises would be well served to consider MSPs as video communications experts and partners in managing the transition to high quality user experiences.

Video Communications and Unified Communications (UC)

The Role of Telepresence

Some have suggested that Telepresence, as the new entrant to the video market is a contributor to this energy. This is not accurate. Instead, telepresence is a beneficiary of these factors, not a contributor. Telepresence is a premium subset of the video conferencing market. It leverages HD video conferencing technologies and high speed networks that with a high degree of 'experience engineering' standardizes the wall treatments, room geometry, furniture, lighting, audio, seating and fixed camera placements to create a completely consistent and immersive experience. Telepresence makes you feel like you're in the same room as the remote participants.

Video communications is a strategic business service

The video conferencing market is facing a *Perfect Storm*¹ due to the convergence of three market factors – advances in video conferencing endpoint technologies, improvements in speed, cost and availability of networks and increases in user expectations – that are colliding to accelerate the adoption and amplify the significance of video conferencing technology for business communications. This is best manifested in the rapid growth in equipment shipments by the leading vendors, representing double-digit growth in year-over-year revenues, shipments and profits in the recently ended second quarter of 2008.

Those organizations adopting the premium-priced immersive telepresence platforms or services recognize that they can justify the premium and can justify the extensive resources not just because of the quality of the experience, but as recognition of the *strategic significance* of the experience, based on the people who use it and the

value of their time and contributions to the business. Yet, even the lesser room video conferencing is a resource intensive service.

Endpoint devices and telepresence systems generally cost thousands and in some cases hundreds of thousands of dollars, which although inexpensive compared to frequent and long distance business travel, they are expensive compared to alternative realtime service infrastructures such as softphones on PCs and business telephones and IP telephony systems. Network-wise, the video component of a session can consume at least 15 times greater bandwidth than the audio stream of the same conversation.

As it stands today, a video conferencing unit can only connect with another video conferencing unit. Unlike a mobile telephone which can connect with any other mobile phone or any telephone around the world with a total network domain of approximately 4 billion discrete possibilities, the video conferencing unit can at most, connect with a few million units in service. But, many of these units will only be addressable by ISDN and many others will be inaccessible behind corporate firewalls. Furthermore, large enterprises have tended to operate their corporate

“The value of video comes from seeing each other.”

¹ [The Perfect Storm: Why Video Conferencing Will Dominate Business Communications](#), Brockmann & Company, 2007

video environment on a separate IP-based MPLS network distinct from the converged data and voice traffic of the enterprise because the long session duration and high bandwidth demands of video conferencing can put the reliability and flow of lesser applications at risk for packet discard or instantaneous delay.

High quality experiences leads to customer interactions via video

Simply being invited to participate in a video communications instead of an audio conference improves the brand of the inviter for most business users.² Yet, there are several barriers to be addressed before inter-company video communications becomes widespread. For many enterprises, particularly those in financial services, medical, high technology or government agencies where sophisticated IT security policies are prevalent, the inter-enterprise video session is rare. Security professionals have a saying that ‘the lowest security policy prevails’, which explains why they are naturally leery of any request to interconnect networks.

Usually, the security discussions overwhelm the network interconnection negotiations. These organizations struggle with enabling high speed interconnection without compromising security policies. The security engineering required can often introduce delays in the approval, testing and scheduling of sessions. This restricts the usefulness of the implementation and lengthens the lead time required to schedule and conduct an inter-company video communications.

That’s why carrier-peering specialists that manage the secure peering requirements have a big role to play in enabling effective inter-business video communications.

Working with other strategic communications services

Figure 1 – Unified Communications involves the integration of multiple communications services and the integration of communications with business processes and the applications that embody them. [IM=instant messaging, ERP=enterprise resource planning, CRM=customer relationship management, LMS=location management services.] Source: Brockmann & Company, 2008.



Video conferencing however, is not the only strategic communications service present in the enterprise. As shown in figure 1, enterprise real-time services – voice, instant messaging, mobile voice and video communications – are blurring together to improve user productivity. At one level, shown as phase 1 above, UC promises to deliver a stream of seamless click-to-engage capabilities so users can start with an instant message and escalate into a telephone call or a video collaboration. And when integrated with calendaring and presence publishing services, users can click the event in the calendar to automatically engage and authenticate the call, the web conference and or the reserved video

² [The Value of Video Communications](#), Brockmann & Company, 2008

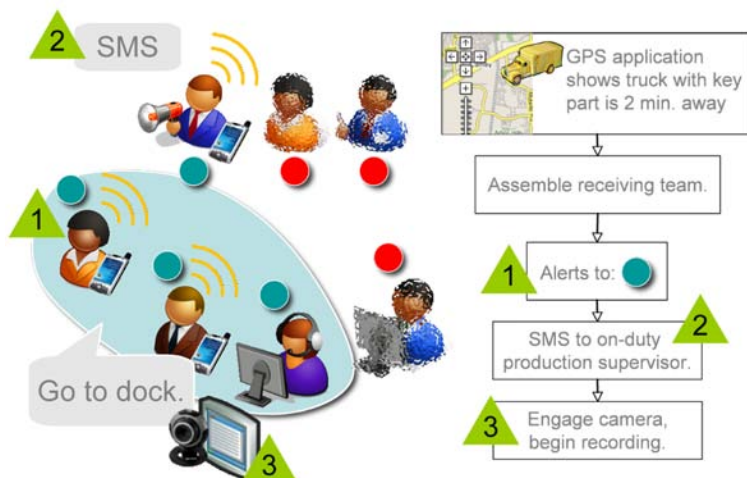
communications service as specified in the event record. This capability is a kind of communications on steroids, something described as Communications raised to the nth power or simply, Communicationsⁿ because it greatly improves the personal productivity of the workforce, since they can get decisions or answers faster than before.

It is through the widespread adoption of Session Initiation Protocol (SIP) that many real-time communications services such as voice, video, instant messaging and mobile voice can be integrated together, with store-and-forward applications such as email, Short Message Service (SMS) and voicemail. Integration with resource management applications such as scheduling or session orchestration services can show user presence and availability, simplify session setup and reservation with a one-click function and ultimately create new kinds of communications-rich business processes. The promise of unified communications (UC) lie initially in reducing the cost and complexity of independent networks, improving user productivity through accelerated decision-making and to innovate in communications-rich business processes to create new sources of revenue. Naturally, video communications can play a big role in achieving these UC goals.

Integrations of these services help the video communications service more tightly integrate with the available collaboration services of the enterprise. Being able to schedule an HD video conference room or a telepresence room within the same application as scheduling a meeting room or confirming participation in the video session makes it easier to imbed video communications into the corporate culture. Also, being able to right-click to escalate an instant messaging chat dialog into an executive video conferencing or room conferencing session is useful and accelerates adoption and use of the collaboration option.

Video communications can enable other strategic goals as part of a UC implementation. For example, in one professional services firm, the international telepresence system was justified not as a substitute for traveling to deliver on-customer premises work, but as a key business continuity tool. In the event of a catastrophic event curtailing business travel such as war or pandemic, video-based face-to-face meetings with clients can still occur. An oil exploration company uses video conferencing to quickly respond to technical problems at the remote drilling platform. Corporate experts can provide detailed visual guidance on diagnosis and resolution without travel, delivering higher expert productivity and more confident on-site engineers and technicians. And in an urban health care setting, physicians can communicate better with patients who speak other languages when they have a video-based translator who can hear, see and show the physician's questions and the patient's answers.

Figure 2 - The receiving team spins into action as a high priority shipment approaches the loading dock. Source: Brockmann & Company, 2008.



UC phase 2 involves the integration of UC with business processes to create completely new communications-rich applications. Figure 2 shows just such an example. In an assembly facility, GPS-logistics application automatically places phone calls to the receiving team about the incoming shipment of time critical parts arriving in two minutes. Acknowledgements are recorded. A series of HD video cameras are engaged to record the arrival process for analysis and training. The goal is to enforce a seamless servicing of the incoming truck like a Formula 1 pit crew services the car and driver in the middle of a race and in this way improve a vital business process.

Bringing it all together

What is particularly significant in this evolution is that many of the common features or services of all participants in unified communications phase 1 and 2 are in fact, shared capabilities. In the figure 2 scenario, we see how the various services interact with the business applications. At a layer below the basic functionality is the shared communications infrastructure.

This is where the information architect defines the common policy towards presence reporting; leverages the common user authentication service; and coordinates session initiation with the appropriate gatekeeper or call control server. So bringing video communications within the unified communications framework requires an awareness of other services, their communications potential and interactions that can simplify the users' experience and otherwise enable collaboration at a faster pace, more easily than before.

The Evolution of Video Managed Services

The state of video managed services

Companies everywhere are realizing the benefits of outsourcing select corporate operations and working with market specialists to raise the effectiveness and reduce the cost of other business functions. At the country-level, lower trade barriers and the formation of free trade policies around the world has led to the emergence of comparative advantage of nations. Entirely new services industries have grown as comparative advantage is applied to the structure of mature industries and mature business processes. Instead of being best-in-class at both auto assembly and auto parts manufacturing, companies have tended to spin out or sell off one unit to enable more choice and flexibility of both, and therefore greater shareholder returns.

Many companies outsource business processes and services to specialists who can deliver the required service at lower prices. This improves return on assets and increases revenue per employee.

The primary candidates for outsourcing have been non-core business processes such as expense voucher processing, travel services, payroll processing, telephone support services, event management, transportation and logistics, warranty return and repair, electronics manufacturing and even software development. In every case, the vendor promises a higher quality service at a lower cost than the firm had been able to when they owned all the necessary production machinery and had employees doing the processing.

For business process outsourcing (BPO) companies and IT services companies that operate data centers and desktop support, it is the adoption of industry best practices, specialized employee training, career paths, specialized application software and economies of scale that the BPO vendor can actually deliver on the lower price promise.

Managed Services are a case of comparative advantage

Managed services refer to a particular class of professional services involving the supervision, troubleshooting and repair of Wide Area, Local Area Network, communications systems, services and servers on behalf of independently served clients. Managed service providers (MSPs) design their services to deliver a stable information and communications environment and therefore continuous business operation for clients. Higher availability, faster problem resolution and regular recommendations on the performance of infrastructure and network practices are valuable in their own right.

An Experiment in Vertical Integration

Begun in 1917 and opened in 1928, the Ford River Rouge Complex was the world's largest integrated factory. Henry Ford's ultimate goal was to achieve total self-sufficiency by owning, operating and coordinating all the resources needed to produce complete automobiles. To that end, Ford Motor Company acquired forests, iron mines, coal mines, limestone quarries, a Brazilian rubber plantation, a fleet of ore freighters and a railroad company. Although Ford's ambition was never completely realized, no one has ever come so close on such a grand scale. At no time, for example, did Ford have fewer than 6,000 suppliers serving the Rouge.

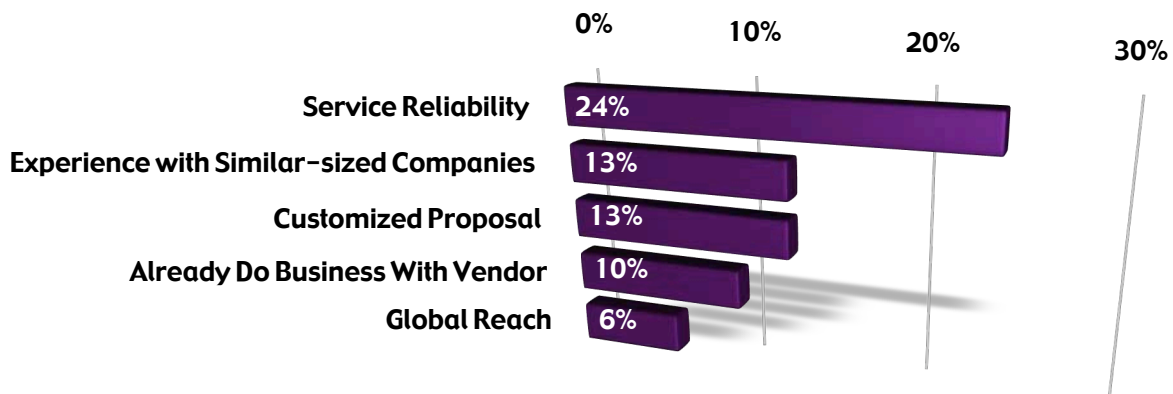
However, if MSPs are assigned a broad scope for network operations, they can frequently free up client resources for higher priority functions such as architecture, planning and design in a time when many companies and many countries are experiencing the effects of a global IT skills shortage:

- 60% of CxOs surveyed by the IT Governance Council report that quantity of IT staff is a continuing problem.
- In 2008 SAP invested \$565 million to train college students around the world in SAP-specific products and skills.
- In the UK, the Council of Professors and Heads of Computing reports that there are 22% fewer higher education computing students in 2007 than in 2004, in the face of increasing demand for talent.
- One third of Massachusetts government IT employees are expected to retire in the next five years.

MSPs, like their BPO cousins are able to deliver on a lower cost, higher availability business benefit on the basis of best practices, economies of scale, specialized applications and world-class talent retention. One of the growing segments of managed services is the video managed service.

The video communications system in medium and large organizations has evolved from a finite number of endpoints and ISDN network service into a large and complex array of various endpoints, bridging technologies and high speed IP network services. As the number and variety of endpoints rise, so does demand for advanced scheduling and meeting support services. Economic delivery of services for room equipment maintenance, session monitoring, agent assistance, scheduling, satisfaction measurement, session orchestration including call setups, catering and room housekeeping require standardized management and operational support. This is exactly the competencies that video MSPs have developed. They take a consultative perspective on the management of the growing complexities of maintaining, growing and upgrading video communications resources including human resources. Video MSPs exploit competencies in integration, management economies of scale, engineering choices and can offer extensive video-specific skills that are often concentrated and readily available as a service of the MSP.

Figure 3 – Top 5 managed service decision criteria. Source: Brockmann & Company, 2008.



The skill concentration and economies of scale afforded MSPs as shown in research by Brockmann & Company on managed service users must be centered on delivering higher availability, since user expectations for higher service reliability is paramount. Figure 3 above shows that reliability is 2 x more important than the next highest factor, being experience with similar-sized peers. Regional organizations need regional skills and services, while global enterprises need global MSPs.

There are two implications from this result. Firstly, that there are distinct segments for regional MSPs and global MSPs. Competing networks of video MSPs with standard service elements will emerge as like-minded regional MSPs search for

“Virtual MSPs offer wholesale services for rebranding and resale by VARs.”

methods to grow and address larger and more complex market opportunities. There will be many tough choices to be made to enable a market approach like this, including how to split revenues and recover sales and marketing expenses.

The second implication stems from the immaturity of UC. As UC moves into the second phase (UC=Communicationsⁿ+Business Applications) as shown in figure 1, UC will become more like classic enterprise software. In this model,

communications services are tightly integrated with business workflow, and the integrator’s and or MSP’s experience with the specific workflows and processes of a given industry will therefore rise in importance.

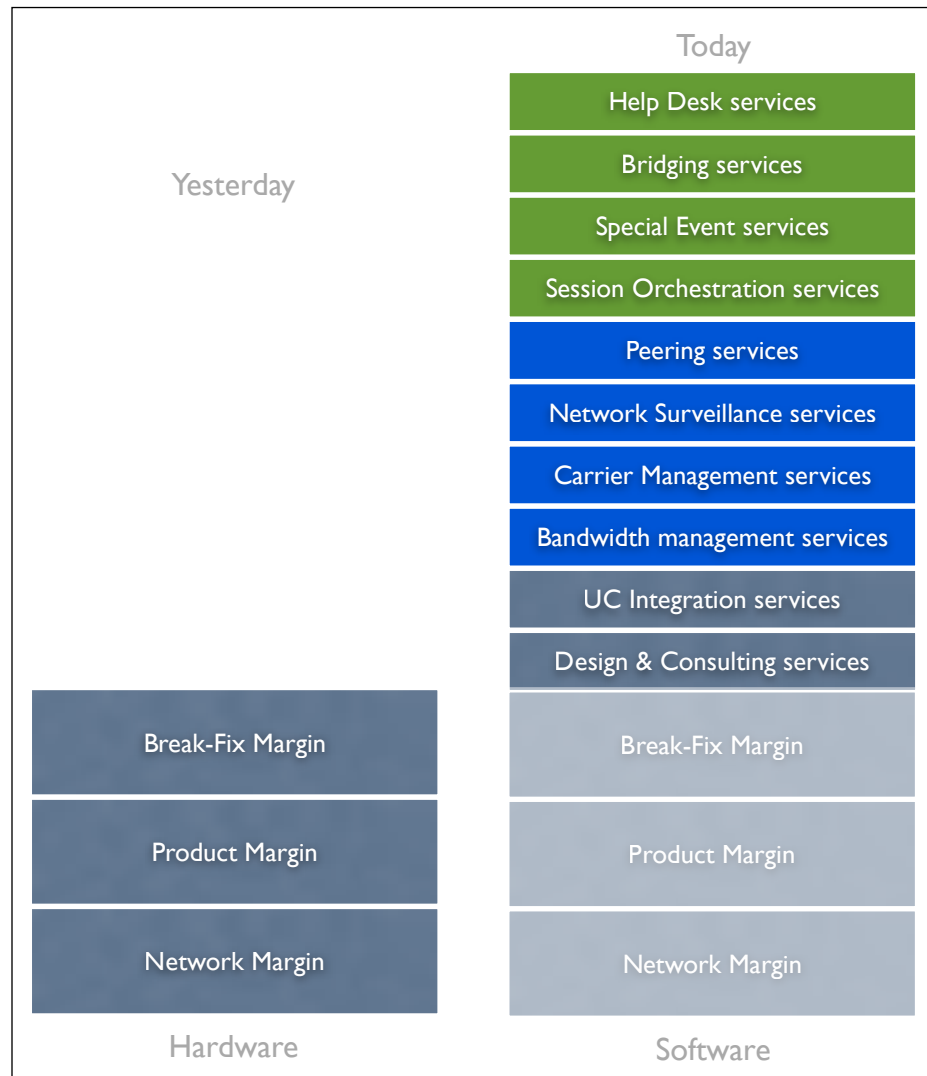
Also, price didn’t make it to the top five criteria, which highlights the immaturity and high degree of customization still required for managed services.

MSPs > VARs

Figure 4 – The basic margin composition in unified communications markets is changing dramatically, driven by the industry shift towards software and managed services. Source: Brockmann & Company, 2008.

The ecosystem of value-added resellers (VARs) has changed too. Driven as a result of a shift in margin sources, shown in figure 3, the evolution of hardware-centric systems to open software-based systems has upset the typical VAR’s margin mix. And it’s a titanic upset from the transaction-oriented implementation revenues and margins to an annuity-based subscription fee model. This change in sources of margin shifts the operational focus from successful project implementation to successful ongoing client relationship.

Historically, VAR margin relied on three basic elements: network margins, paid by the competitive carrier, product margins paid as a percent of the equipment sold by the VAR, and break-fix margin for repair and warranty work on previously sold products. As



business communications systems, under the auspices of UC, move towards standard interchangeable hardware, the role of software becomes the source of value and the legacy margins on legacy equipment shrink.

Some VARs will act in advance of this transition by moving up the value chain to expand their services business satisfying enterprise needs for effective, professional operations and higher service reliability. Some will even develop wholesale services that can be rebranded and resold by competing VARs. Virtual MSPs leverage the local sales organizations and client relationships of VARs, spreading the service infrastructure costs over more customers and increasing the competitiveness of both VAR and MSP.

Consulting services

The video MSP offers services that complement their intimate understanding of their customers' video communications environment, the technology, networks and account management services to serve the client executive responsible for video communications operation and quality. As shown in figure 3 above, this includes design and consulting services for developing business cases, strategic planning, auditorium system design, tele-collaboration suite engineering, network assessments and implementation plans including project management. Previously these services had been billed as part of the installation, yet in this new model, they will be specifically called out because of the need to show the perceived value to customers.

This is where the effort to standardize best practices throughout the customer base needs to begin. As well, the development of a UC integration practice or forming a virtual relationship with one or more UC integrators (which may in fact be equipment manufacturers) for developing, testing, implementing and maintaining software and configurations that enable the integrations at the center of reliable UC operations, is useful and valuable to leading customers.

Network services

The network-class of managed services shown in blue on the right of figure 4 above, incorporates bandwidth management, network engineering, carrier management, network surveillance and peering services. These WAN-oriented operations management services incorporate resources commonly centralized in engineering and operations facilities called Network Operations Centers (NOCs).

The 7x24 operational design of competitive NOCs incorporate an array of management applications, network engineering skills, troubleshooting tools and problem-solving procedures to assure operational integrity that addresses the top user decision criteria – service reliability. NOC engineers typically respond to alerts from network elements and apply appropriate diagnostic and recovery methods for remediating problems according to agreed-to Service Level Agreements (SLAs) with customers.

Carrier management services includes carrier negotiations where the MSP is authorized as an agent of the customer and can leverage their network of favorite carriers for better deals and carrier project management services for controlling installations of new circuits, sites and services. Most organizations don't have the frequent purchasing demand, the technical, negotiation or sheer buying power of the MSP and can't extract the very best deals from competitive carriers. Since the WAN is such a substantial cost component of the service, these attributes work to achieve substantial cost reductions.

Peering services are a special case of inter-carrier networking. Because of the complexity of broadband network connectivity and the very-real concerns about networking security and addressing, a specialized peering class of service providers, that can network enterprises on different carriers while maintaining very high security has formed with the skill and technologies to manage the highly-secure, high speed interconnection. Examples of this are the Masergy Extranet

service and the IPV-Gateway Interconnection service. Being a reseller of this class of specialized services facilitates market evolution towards a more connected network and, of course, satisfies sophisticated customers' needs.

Video-specific services

The video communications services, shown in green in figure 4 above are specifically tied to video session operation. The session orchestration service defines the scope of functionality for automatically initiating connectivity to the endpoints in a previously scheduled session, including interfaces into catering, housekeeping and audio visual support management applications. From time-to-time, enterprises need to conduct video-based events. These could be employee information sessions with presentations by senior leadership in a multi-site division or might involve participation in an investors' conference or an online conference for resellers. The skills to produce the event, coordinate participation of audiences, music and speakers with graphics, endpoint technologies and networks in multiple and sometimes international sites are required. Many times, the managed service provider can also resell event production services by subcontracting to production houses specializing in these services.

Bridging services provide ad hoc or scheduled access to multi-site video bridges. They can be housed in MSP-owned facilities, in third party tele-hotels or on the enterprise premises. And as part of a concierge-style service, MSPs often incorporate agents at help desks to be available instantly for user support, questions, changes and problem reporting.

Many of these services require large investments in network infrastructure, engineering and consulting expertise and even call center technologies, yet an important feature of the modern information technology services industry is its propensity for virtual services. Like in US retail banking, where many small banks leverage their deep roots in the local community, the small bank offers big bank services by rebranding wholesale services, so the local or regional MSP can offer sophisticated services with virtual MSPs providing the bulk of the core service, sharing some portion of the service revenue with the local MSP. This way the local/regional MSP can leverage their relationships and compete effectively with the name-brand MSPs.

Leading enterprises are moving aggressively on deploying telepresence and high definition video communications systems throughout the enterprise and are simultaneously looking to MSPs to deliver both insight and key project-specific, ongoing operational skills. These video-specific professional services reduces cost for enterprises by executing the appropriate service they need when they need it, raising uptime and improving quality of experience.

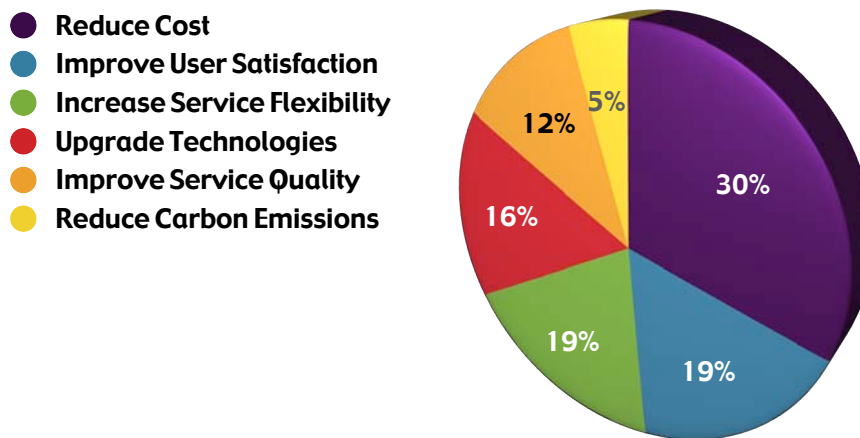
Increasingly, video managed services will be integrated as part of a unified communications implementation that will imbed the service directly into relevant processes, creating new classes of business applications. MSPs will be asked to fit within and complement these circumstances which will only increase the demand for both equipment and services.

The Case for Managed Services

Video MSPs satisfy top enterprise communications service priorities

Applying the expertise and service technologies of the MSP to enterprise video communications needs and environments is often a platform for reducing cost and increasing user satisfaction, particularly when the enterprise anticipates a technology transition from SD to HD, from ISDN to IP and from room systems to personal systems.

Figure 5 – The primary enterprise communications service priority for 2008. Source: Brockmann & Company, 2008.



A recent Brockmann & Company report showed that a third of enterprise IT executives reported their primary service goals for 2008 were to reduce cost (figure 5). MSPs have many clients so they can amortize the sunk cost of the network operations center technologies and staffing across many contracts and time zones, reducing the implied cost of 7x24 surveillance and remediation services.

Economies of scale also apply when the MSP is engaged in bandwidth acquisition processes. The MSPs' larger buying power and professional negotiation resources can deliver a lower price for WAN service as an agent of the enterprise than the enterprise might otherwise be able to negotiate on their own.

The greatest advantage of engaging an MSP comes from the skill concentration. Initial MSP deals may involve the transfer or sanctioned hiring of corporate video staffs and technicians as part of a contract. The employee transfer is often a good thing for employees. Instead of being the misunderstood and under-appreciated video specialist with aging credentials and lack of experience on the latest technologies, being part of the MSP can offer dynamic, global and diverse career paths that are part of the conversion of the employee from being a cost center to being a revenue center. Successful MSPs understand that the employee is an asset and therefore has an interest in developing the person with training and diverse experiences so that the employee has higher satisfaction, is more interested in service quality and therefore is less vulnerable to voluntary departure.

Best practices are a common element of MSP operation, particularly those centered around improving user satisfaction, which is the second-highest priority selected in figure 5. Of course, the old Management 101 story that “if you want something to grow, measure it” applies.

Taking that to heart, some MSPs have processes to capture user feedback after most sessions and service interactions to immediately capture unreported problems and to estimate the clients’ carbon emissions avoided, while others conduct random online surveys with samples of recent participants. Still service agents of other MSPs immediately call into the rooms of sessions that are prematurely curtailed to assure the session end was desired and to enable automatic session recovery as required. Either way, the regular review of statistical reports provide insight to the MSP and the client on the success of new service features or indicate the need for changes in operational processes to suit user behavior and business goals.

Because MSPs offer a range of services, addressing the needs of many customers, it is likely that they can be more flexible in adapting to changes in the clients’ stated need. For example, if a client that doesn’t normally need interconnectivity with other firms, needs a secure session established with a third party within the hour as part of a merger negotiations, the MSP’s network service team can leap into action to achieve the goal because they are experienced with establishing secure connections through their peering service, while the enterprise staff would not normally have the knowledge, technical and commercial relationships to act or deliver on this request.

Similarly, many enterprises have more endpoints capable of service than they have bridge capacity to bind them together. The MSP often delivers an overflow service so that users are not turned away whenever the circumstances of high user demand for bridge capacity are greater than the capacity the company can deliver on its own. Most MSPs offer the ability to enable those services not previous expected and overflow services that exceed corporate capacity. In this way, MSPs are an excellent method to increase service flexibility.

Upgrading technologies is the fourth highest priority as shown in figure 5. In terms of video communications, moving from standard definition to high definition, and moving from ISDN to IP network services are the central changes, but they have huge positive effect on the user experience. But, in these uncertain economic times, some companies may be concerned about conserving cash and may consider postponing technology upgrades such as these. MSPs can play a role in balancing cash conservation with the need for a technology upgrade.

Table 6 - Comparison of life cycle costs of project with \$100,000, 5% annual interest rate, \$10,000 annual cost of operations over 3 years, future value of implementation is \$0 in 3 years. Source: Brockmann & Company, 2008.

Period	Purchase & Operate	Lease & Operate	Managed Service with 20% lower cost of operations
Year 1 costs	\$110,000	\$46,720.86	\$44,720.86
Year 2 costs	\$10,000	\$46,720.86	\$44,720.86
Year 3 costs	\$10,000	\$46,720.86	\$44,720.86
Current Value of Cash Flows	\$122,470.58	\$127,232.49	\$121,785.99

As shown in table 6, the managed service can be designed to convert the depreciating assets into a utility cost - a monthly bill scaled to number of users for example - and unlike straight leasing arrangements, can reflect the lower cost

from technology efficiency improvements. In table 6, this lower cost is 20% lower than the operational cost of the purchase and operate and lease and operate options.

If the relative cost of operations were higher as compared to the purchase price, (in table 6 this is a 10% ratio), then the 20% typical operating cost reduction would have a much greater effect on the comparison of the current value of cash flows.

Some managed service options such as hosted services allow for new technologies and may even cost less since they are designed to scale with the number of users, so the company will not need to purchase excess inventory of functionality (hardware or spare licenses) in case the organization need grows. Hosted service users typically purchase what they need and can add or subtract capacity as required.

For organizations with the goal of improving service quality, the MSP's broader service portfolio can in fact offer greater options to the typical resource-constrained internal service team. For example, the MSP can offer both web and telephone reservation services, while the internal team may not be staffed to enable the telephone reservation service. For some users, the personal attention of a telephone agent is a higher quality service.

The MSP can also play a role in the clients' carbon reduction initiatives. Leveraging the best practices discussed in the Brockmann & Company report [Stimulating Alternatives to Business Travel](#), can go a long way towards reducing carbon emissions by increasing the adoption of video communications.

The video MSP offers access to a comprehensive infrastructure and skill set to enable sophisticated operational support and maximize service uptime. Bringing a broad set of services, an expert staff, well defined operational procedures and industry-leading technologies will help make the video MSP an integral component in an enterprise strategy to manage their network and endpoint transitions and raise user satisfaction while lowering costs.

Conclusion

The video communications market manifests a major market discontinuity emphasizing the convergence of higher quality endpoint capabilities, lower cost high speed networks and higher user expectations. Video communications promises to be a major component of the emerging unified communications environment within enterprises around the world.

Despite the momentum, many video communications department leaders are discovering that their organizations do not have the skills to design, plan, implement and manage the transitions of SD to HD, room to personal systems, ISDN to IP, and as video is integrated into the corporate unified communications environment, all of which will greatly increase the business use of and dependence on video. Faced with these complex issues within the confines of continuous operation, many see the engagement of video MSPs as **the** platform to achieve corporate priorities of reducing costs, raising user satisfaction and increasing service flexibility for video communications.

Clearly, video has a lot to do with business communications already, and it will have even more to do with business communications in the coming years as the service is more tightly woven into the fabric of business infrastructures and applications. The emerging 'triple-play' of video communications, managed services and unified communications sets the stage for new levels of inter-company and coworker collaboration. It's Communications[®].

Appendix A: Related Research

The Value of Video Communications

[Details](#). We all know that seeing is worth more than simply hearing, but, how much more? The substitute value of video communications are compared against business travel and other business collaboration choices.

Telepresence by Industry 2008

[Details](#). Telepresence is defined as a new class of video conferencing technologies including immersive, modular and high definition room video conferencing products and services. Some industries are adopting the technology faster than others, with greater expectations for growth in adoption and usage than others.

Stimulating Alternatives to Business Travel

[Details](#) What are the most effective methods to change the business culture and encourage use of video conferencing services? Several techniques are reviewed.

Video Conferencing Around the World 2008

[Details](#). The adoption of video conferencing products and services is not uniform throughout the world. This report defines the perspective of our global business user panel and presents regional variances for discussion.

The Perfect Storm: Why Video Conferencing Will Dominate Business Communications

[Details](#). Do you see what I see? Based on the study of 350 business users of video conferencing, this report sets the stage for the dominance of video conferencing as the business communications tool of choice in the coming decade.

MidMarket Leads Video Conferencing Adoption

[Details](#). The MidMarket is defined as organizations with more than 100 users and less than 2,500. In this report, it is determined that the MidMarket user consumes more video conferencing than other segments. The MidMarket also uses it more to communicate and collaborate with partners and suppliers than the enterprise and small business market segments.

The Desktop Video Conferencing Experience

[Details](#). Desktop video conferencing is not the geeky technology toy it used to be. With the advent of high speed networks, built-in cameras, and excellent computers, H.264 on the desk is not as far fetched as it used to be.

Telepresence: Seeing is Believing

[Details](#). This report reviews the insights provided from respondents that had determined that room video conferencing was very important to their job success. Telepresence is defined as a particularly high-end bandwidth implementation of high definition room video conferencing.

About The Author



Peter Brockmann

is President of Brockmann & Company, a high tech analyst and consulting company. Prior to forming Brockmann & Company, Brockmann was the Senior Vice President of Sales, Marketing and Business Development for FirstHand Technologies, an innovator in mobile VoIP software. Brockmann facilitated a rebranding, repositioning and refocusing of the company that led to a successful C round of investment by Canadian venture capitalists.

Brockmann also worked at 3Com where he was responsible for the product introduction of the 3Com Convergence Applications Suite as the Vice President, Enterprise Voice Solutions Marketing, was Vice President Marketing for bTrade and co-founder of A4 Networks Corporation, a startup focused on business-to-business process automation software.

Prior to 2001, Brockmann held various executive, product marketing, and business development positions at Nortel Networks in customer relationship management software, enterprise data products, and enterprise telephony businesses. In 1998 he served as an expert witness before the United States Department of Justice and the European Commission during inquiries into the Nortel Networks' acquisition of Bay Networks. A frequent writer and presenter on issues in communications and business technologies, Brockmann offers unique insights into how communications and computing technologies change business and change our lives.

Brockmann is a Wikipedia contributor and a regular contributor to Sales & Marketing Magazine [Soundoff](#). An accomplished pianist, Brockmann has an MBA from McMaster University in Hamilton, Canada, a Bachelor of Engineering Science from the University of Western Ontario in London, Canada, and a piano performance degree from the Western Ontario Conservatory of Music in London Canada.

About Brockmann & Company

Brockmann & Company is a consulting and advisory firm serving high tech equipment & application vendors and service providers. Clients accelerate growth through customer research & thought leadership. Our motto: "In God we trust, all others bring data." Learn more at www.brockmann.com.

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