

Cheaper, more flexible video, data and web conferencing is helping businesses to cut travel costs and serve their customers better.



### INTRODUCTION

Video conferencing used to mean a complicated set-up, jerky images and expensive equipment. The high cost meant it was the preserve of blue chip companies, with plush boardrooms. These days, the technology's more reliable and the picture's smoother. Crucially, the kit has come down in price, so small to medium businesses can now afford it. It's even possible to run video conferencing on a desktop PC, if you attach a webcam and microphone to your PC.

Increasingly businesses aren't just content to use the technology to talk with people – the focus now is on working with people. Most video conferencing systems have facilities to let you working collaboratively with colleagues around the globe on documents, spreadsheets and presentations alongside the video link.

This so-called data conferencing means that businesses can do better than simply eliminating some meetings – they can develop and maintain long-term business relationships globally without needing a company infrastructure abroad.

The most important recent development in data conferencing is called web conferencing – which replaces expensive video/data conferencing systems with a PC-based system running that allows people to dial in and log on from their desks.

You can annotate documents and type messages, while you talk. This technology could help you demonstrate new products, talk through presentations or take people on a web tour. It's an affordable option as you don't need to buy extra hardware.

INTRODUCTION	1
THE BENEFITS	1
HOW IT WORKS	3
VDC OPTIONS	4
IMPLEMENTATION GUIDE	6
CASE STUDIES	8,10
FURTHER HELP AND ADVICE	12





### THE BENEFITS

- Lower travel costs
- Better customer service
- Improved staff training

#### Lower travel costs

If trimming your travel budget is a priority, it's worth considering video conferencing. A good place to start is to look at the amount you spend each year on flights, train tickets, hotel and restaurant bills and taxis. Was every meeting necessary?

Businesses that use video conferencing don't intend it as a total replacement for face-to-face contact – but rather as a way of cutting down unnecessary travel. Many find the investment pays for itself within a year.

And while travel and subsistence costs are clearly visible on a spreadsheet, video conferencing can also save money in a less obvious way, by ensuring staff are at their desks working, rather than out of action on a motorway or in an airport lounge.

Video conferencing can also help you keep in touch with staff that work from home, giving them a link back to the company so they feel less isolated.

#### Better customer service, competitive edge

Whatever industry you're in, you're always looking for ways of improving customer service. More and more small businesses are trading overseas, with all the communications issues that entails. With an enhanced communications link such as video conferencing, many businesses are finding they can have more 'quality time' with customers, resulting in a better relationship – and increased business.

Using a video link to show your supplier/customer pictures of components or machines in need of repair can help you sort things out rapidly. Large, high street retailers already use video conferencing to talk to suppliers, so if you win a contract to supply them, you will need to install the equipment.

There are times when you need to make quick decisions and get everyone together ASAP. If you're spread across several locations, it's not practical to call a meeting at short notice. This is where video conferencing comes in, giving you the flexibility to call a meeting whenever and wherever you need it. It helps you react instantly to changing requirements.



### Improve staff training

One of the biggest uses of video conferencing is staff training. If you need to educate people in several different locations, you have the flexibility to train people in their own office, as and when needed.

Web conferencing, where you talk on the phone and share documents onscreen, could also be handy for training staff in remote locations. You can talk staff through PowerPoint presentations or take them on a web tour.

Many schools and colleges have already seen the benefits of video conferencing, for teaching several classes of pupils at the same time, and for taking children on virtual visits that take them to a new environment.

### HOW IT WORKS

There are a number of conferencing options:

- From office A to office B
- Video conferencing over the internet
- Web conferencing

#### From office A to office B

For point-to-point video conferencing between two or more offices, you need to set up a dedicated room at each location, away from noisy open-plan offices. If you already have a TV screen, you can get a video conferencing camera to plug in.

Manufacturers include Tandberg and Polycom. You need a high speed data line such as ISDN or broadband, to transport the images from A to B. It gives you near TV-quality.

This is ideal for companies who want to enhance their relationship with overseas customers/suppliers. Of course, your customer/supplier will need video conferencing kit too, although it doesn't have to be the same brand as yours.

#### Video conferencing over the internet – the DIY option

Businesses that want to use conferencing regularly, but without the requirement to assemble in a specific room, can conference over the web.

This works by attaching a webcam and headset with a microphone to any reasonably new desktop PC (one less than two years' old should be powerful enough). You need to download video conferencing software (some software is free), and you need to make sure your PC has a video compression card. And you're off.



Compared to point-to-point video conferencing, which is reliable and gives you near TV quality images, internet video conferencing is still evolving. Video images are too large for standard dial-up phone lines.

Consequently, most businesses only conference over the web like this if they have broadband. While the quality is not that of a television, it's sharp enough for serious business use – like training and aftersales support.

Some of the businesses that get most out of video conferencing are consultancies or companies who sell high-value goods or services and support them with a Service Level Agreement.

It's also useful for less formal occasions, like keeping in contact with staff who work from home or for brief discussions with customers or suppliers with whom you have a well-established relationship.

### Web conferencing

Web conferencing is cut-price data conferencing that focuses on collaborative working rather than discussion.

With web conferencing, all participants need a phone line, a PC and an internet connection, ideally a high speed connection. The advantage is you're not using video, so there is less data on the network, and the experience is smoother. Because you don't need any special equipment, anyone can dial in and log in from anywhere in the world. Companies such as BT offer a web conferencing service similar to a telephone conference call.

This is ideal for companies who need to present new products to their salesforce or customers. Also suitable for companies where technical/design staff are geographically scattered, and need to share documents regularly. As well as cutting travel costs, many businesses find that it can cut lead time and get client approval more quickly.

### VDC OPTIONS

#### How video conferencing has changed

In the last decade, the main users of video conferencing have been cash-rich blue chip companies. Equipment was expensive, as was the dedicated data line you needed to run it on. Systems were big and clunky, and you needed exactly the same brand of equipment at both ends. Not to mention jerky pictures that were out of sync with audio.



Now, the kit's smaller and cheaper. And, thanks to industry standards, each brand of equipment talks to everything else. Equipment now runs on a range of networks, so you can shop around for the best high-speed data line. Picture quality has improved too, thanks to better compression techniques - the stream of images takes up less space in the data line, so the picture is near TV-quality.

Technical improvements have gone hand in hand with more competitive rates for high speed networks. High-speed phone and data lines such as broadband are now much more affordable.

#### Invest in your own facilities

If you want a high quality video link to talk regularly to the same people, you could consider investing in a point-to-point system. It can cost from £2,500 to £5,000 for each location, depending on whether you use your existing TV equipment or whether you purchase a specially-designed screen. Add on around £100 a month for the cost of the network.

#### Hire video conferencing facilities by the hour

If you want high quality video conferencing facilities, but you don't want to invest in the kit or upgrade your network, you could consider a bureau service such as Eynetwork. The company charges by the hour, and has facilities around the UK and the rest of the world - so both you and the person you want to talk to need to go to an Eynetwork centre. Facilities are fully managed, with technical support on hand to smooth out blips. Prices start from around £140 an hour to hire the facilities for an hour. The person receiving the call pays around £100 to hire the facilities at their end, or the caller can pick up the tab.

#### Hiring video conferencing equipment for a day

It is possible to hire equipment for a day or a week, prices start at around £200 a day and £400 a week. This option may be more favourable for accounting purposes - if you've run out of capital budget. Companies such as Bracknell-based AuDeo offer this service. Hiring equipment for more than several weeks is likely to be less economical than investing in your own system.



### Web conferencing

Web conferencing's best done over a high-speed internet connection such as broadband, although you can still take part if you have a dial-up connection. A high-speed internet connection such as broadband costs under £100 a month. You don't need additional hardware. One of the easiest options is to use a pay-as-you-go service, offered by companies such as BT. BT's service costs from 14–16p per user, per minute. There are also packages that give a user unlimited web conferencing – handy if certain staff are likely to need it regularly.

### Video phones

These currently cost around between £50 and £300. They may be suitable for one-to-one business conversations, but bear in mind the video image is only as big as the screen on the phone.

## IMPLEMENTATION GUIDE

The following is a checklist to help you to choose a video, data or web conferencing system for your business.

### Research & analyse

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#### Set objectives

Set clear measurable objectives for what you want to achieve. Do you want to cut travel costs, provide better training and support, or improve communication with customers and suppliers?

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#### Cost/benefit analysis

Try to quantify the anticipated benefits of using video, data or web conferencing.

- Establish the costs of your option:
  - What is the cost of the hardware?
  - What is the cost of the software – is there a cost per user or per licence?
  - How many licences do you need?
  - Will you need broadband?
- Balance these costs against the benefits, such as increased productivity and reduced costs.



## Consult

### Professional advice

If you lack the skills in-house, contact your local Business Link, or equivalent in your area, for help on how best to:

- outline your requirements
- establish how much you can afford to pay
- scope the project
- implement your chosen solution
- provide training and software support.

### Talk to your trading partners

If you want to change the way you communicate with your customers and suppliers, it's important that they're on board with your changes.

- Check they are happy to have less face-to-face interaction
- Check what technology they have in place.

## Plan & test

### Evaluate options

So, which system should you choose? The answer will vary from organisation to organisation, according to your budgetary realities, and your ambitions for your system.

- Do you have a one-off need for video conferencing? For example, if you are recruiting staff from across the UK or overseas, and need to conduct interviews in different locations.
- Do you have a regular need for video conferencing? For example, if key staff, customers or suppliers are scattered across the UK or overseas, and you need to meet regularly.
- Do you already have a high speed internet connection such as broadband or do you need to get one installed?
- Do you need a video link or do you just want to collaborate on documents onscreen? If the latter's true, you may be able to get by with web conferencing – talking on the phone while working together on documents onscreen.

### Plan the rollout phase

- How will you co-ordinate team working across the supply chain?
- Look at training implications – which staff will require training and how much will this cost? Make sure you allow time for them to adjust to the new system.



### ✓ Act

#### Implement

Encourage staff involvement and feedback – this will help smooth implementation, as staff buy-in can make or break a technology project.

### \* Evaluate

- Monitor and review the impact on your business and against your objectives.
- Get feedback from staff, customers and suppliers on the changes.
- Evaluate the impact after 6 months and a year. Have you achieved your objectives? Establish how you could improve things further.

#### CASE-STUDY

#### CommonTime

Sector: **Software development**  
 Size of firm: **23**  
 Location: **Derby**  
 Website: **[www.commontime.com](http://www.commontime.com)**

CommonTime has used video and data conferencing to cut travel costs and improve the service it offers its overseas customers.

#### Objectives

Established in 1994, software developer CommonTime provides both connected and wireless mobile computer solutions for businesses.

Some 60% of CommonTime's sales are from clients based overseas, so good communications are crucial to maximising revenues. While much business can be conducted over the telephone or by email, face-to-face meetings are often necessary. This used to involve frequent travel abroad, which was not only expensive but also meant key members of staff were out of the office for extended periods of time.

In addition, since post-sales support and training was a key part of the company's offer, it was keen to find a better way of working with its clients.



CommonTime therefore sought a technology solution that would reduce travel costs, improve staff management and allow the company to provide enhanced customer service and support. An application able to connect to their existing PC network and allow participation from multiple users was also vitally important.

### Solution

During a trip to clients in the US, CommonTime staff discovered that many customers were using videoconferencing software. This, they believed, could provide a solution to their problem.

Back in the UK CommonTime contacted a videoconferencing reseller and received demonstrations of equipment from various manufacturers. A product from Tanberg stood out. The PC Presenter function, allowing connections to existing PCs, met with CommonTime's important requirement and eliminated the need for new hardware costs.

"As a small, high-tech company, we were concerned with value for money and excellent functionality," says CommonTime's vice-president of marketing, Ollie Omotosho.

### Results

The videoconferencing facility allows users across CommonTime's company network to join meetings either silently or actively. Files can be shared and clients can be easily taken through the training process.

CommonTime has made significant cost savings as the need for foreign travel has been reduced and meetings can now be arranged on a more ad hoc basis.

"The videoconferencing software greatly enhances the service we can provide our customers. During our pre-sales process we can use it to make sure client systems configure with our software. Post-sales, the system allows us to resolve any problems and take customers through software training," says Omotosho.

The system also features a web cam option which helps CommonTime to maintain a personal relationship with clients.



### The last word

CommonTime widely promotes technical support over videoconferencing to its clients and the system has also been used to pitch for new business. A new contract with a wireless business client in Canada, for example, was secured using it.

The success of virtual training has prompted CommonTime to begin developing real time technical support on its website. Some 65% of revenue is already generated via the web with software available for download on the site. The company also has plans in place for website integration with client systems for self-service account management.

#### CASE-STUDY

### Information From Data

Sector: **Education**  
 Size of firm: **8**  
 Location: **London**  
 Website: **[www.ifd-education.co.uk](http://www.ifd-education.co.uk)**

Information From Data has used videoconferencing to slash travel costs and provide online meetings, training sessions and conferences.

### Objectives

Established in 1992, Information From Data (IFD) provides data management software for use by local education authorities in England and Wales.

In the early days of his organisation, IFD Managing Director Geoff Abbot used to spend many hours on the road visiting clients and setting up conferences and workshops in hotels and conference halls around the country. As a diabetes sufferer who occasionally needs to use a wheelchair, Abbot is prevented from driving so had to rely on train travel. However, this was proving to be expensive as he spent £10,000 a year on train tickets. Abbot believed the money and time he spent on trains could be far better used on improving his business and securing new clients.

### Solution

Abbot turned to virtual conferencing technology provided by WebEx. The WebEx Meeting Centre provides the facility for online meetings, training sessions and conferences. The system integrates into existing PC systems including Microsoft Outlook and uses standard SSL encryption to ensure secure and private logins, accounts and meetings.



Using the WebEx Meeting Centre, Abbot is able to show full demonstrations of his company's software products via the web. Clients are able to view the presentation on their own PC and access files. The system also includes a messenger feature for instant communication.

### Results

For Information From Data the benefits of implementing the WebEx Meeting Centre have been significant.

"Using WebEx where you are geographically is irrelevant. The system is very useful. I am able to fully demonstrate our software to clients without having to physically go and see them," says Geoff.

Annual travel costs have been cut dramatically and the company has able to increase the number of workshops and conferences it holds. "The same presentation that used to take hours during a workshop can be encapsulated via WebEx in an hour," says Geoff.

As time restrictions are no longer an issue IFD is able to spend more time training individual rather than groups of clients. This allows the company to provide a much more personal service, a factor in many of IFD's sales. Abbot and his staff are also able to conduct WebEx meetings from home.

The benefits of the WebEx system for IFD were demonstrated by the fact that one client agreed to purchase the company's software after taking part in a WebEx presentation without ever physically meeting the IFD team.

"I thought that WebEx could just cut down on the number of visits required. I didn't think clients would order using Webex," Geoff admits.

### Challenges

Although the advantages of the WebEx Meeting Centre have been significant, Abbot admits he has informed his staff to not forget the benefits of face-to-face meetings.

"We are wary of not losing touch with customers. It is imperative to still go and see most clients at least once as it's always better to put a face to a name. We are selling a service so that's important," he comments.



### The Last Word

Information From Data will continue to demonstrate to LEAs the benefits of using their software to turn complex data into useful and meaningful information and online meetings play an important part in this process.

“We are branching out into more commercial and finance products such as time recording services which help education authorities identify which schools they need to be targeting for support,” Abbot says.

### FURTHER HELP AND ADVICE

US industry analyst Wainhouse offers free updates on video conferencing and web conferencing at [www.wainhouse.com/](http://www.wainhouse.com/)

Read about BT’s video, data and web conferencing services at [www.conferencing.bt.com/index.jsp](http://www.conferencing.bt.com/index.jsp)

Read case studies for Microsoft’s NetMeeting software at [www.microsoft.com/windows/NetMeeting/default.ASP](http://www.microsoft.com/windows/NetMeeting/default.ASP)

Video conferencing specialist Audeo Systems offers video, audio and web conferencing equipment to buy or hire at [www.audeo.co.uk](http://www.audeo.co.uk)

Find out about hiring a video conferencing room by the hour or by the day at [www.eyenetwork.co.uk](http://www.eyenetwork.co.uk). Intercall Europe, at [www.intercalleeurope.com](http://www.intercalleeurope.com), supplies video conferencing services.

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