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Trends in Business Video Usage

Quantifying Video Use and
How It Impacts Executives' Outlook on
Online Video Investment

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* All Statistical Results Presented Represent Results from the Interactive Media Strategies' Enterprise Web Communications Survey, conducted in the Fourth Quarter of 2009. In the survey, 1,003 corporate executives were asked to detail their use, deployment and perceptions of a wide range of Web Communications technologies, including online video, social media, rich media, Web Conferencing, instant messaging and podcasting.

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I. Introduction

Corporate spending on online video capabilities is influenced heavily by the way individuals use the technology for business communications. The more the technology is used, the more organizations are likely to boost their spending on online video.

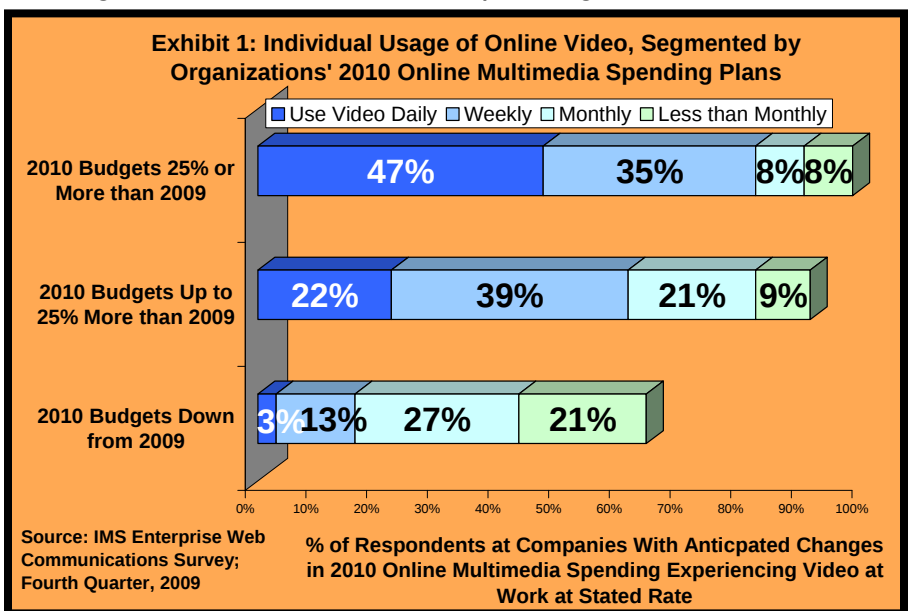
Survey results shown in Exhibit 1 help to illustrate this correlation between individual use of video and anticipated spending for online multimedia technology in 2010. At organizations planning to boost their budgets for online multimedia by more than 25% in 2010, 47% of respondents report experiencing online video for business communications on a daily basis.

The pace of video use rises less rapidly among companies with more modest spending increases in mind for the coming year. Twenty-two percent of executives at companies planning 2010 online multimedia spending increases of up to 25% above 2009 levels report daily use of online video for business applications. And, at companies planning to slash online multimedia budgets in 2010, only 3% report daily usage of online video.

The usage patterns can be used to flip traditional notions driving online video adoption in the enterprise. Historically, most companies have embraced the “If you build it, they will come” metaphor in which the availability of sophisticated video platforms helps foster added use of video content by individual employees. This approach still holds true but may not remain the sole way to explain the interaction between individual usage and spending implementation.

Today, the availability of homegrown online video solutions as well as free online video services such as YouTube makes it possible for some individuals to experiment with using online video before making significant investments. For some organizations, this fosters an “If they use it, we will build it” deployment mentality.

In many ways, this approach is an extension of the iterative adoption cycle for online video seen in many enterprises. Customarily, usage of online video within



an organization expands with the company's tenure (and associated financial investment) in the technology. The historic assumption is that availability of the technology drives its usage. In this report, we turn the tables on this thinking to examine business online video usage trends by executives to better gauge the potential demand for sophisticated online video platforms in the enterprise.

About the Author

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About Interactive Media Strategies

Understanding How Multimedia Transforms Communications

The first three waves of mass media served to transform the way people live. From Gutenberg forward, the printed word has allowed people to share ideas stretched across time and distance. Audio gave consumers their first taste of sharing broadcast media simultaneously with the later advent of the video offerings of broadcast television to create the ultimate electronic community.

Mastering the Change Fostered by Technology

Interactive Multimedia opens the door to new forms of tailored communications experiences for consumers. Digitization, connected networks and a sprawling array of emerging devices to handle digital content create the opportunity to weave audio and video into the interactive communications experience. In the process, corporations can capitalize on new tools that enable them to deliver powerful messages enriched by audio and video and tailored to targeted groups. Likewise, media firms can capitalize on the new flexibility of digitization to serve up content, products and services using business models heretofore impossible for media distributors.

Interactive Media Strategies provides research and consulting services to help companies involved in the communications, collaboration and media distribution chains to recognize the potential of interactive multimedia, not only in the packaging of audio and video content but also in the development of new services improved and enriched through the integration of audio and video content that can be accessed on demand.

Interactive Media Strategies provides quantifiable analysis of how business users, IT professionals and corporate executives perceive, use and deploy communications applications delivered via connected networks. Subscribers to the Enterprise Web Communications Research Service can benefit both from IMS' core research activities along with custom support designed to address clients' specific business needs. The foundation of Interactive Media Strategies' research offerings is an annual research and consulting subscription. Individually tailored or proprietary projects or market research studies are also available. The annual subscription package serves up a consistent stream of relevant research publications and slide presentations that help to expand our clients' understanding of the overall marketplace and developing trends. For more information on Interactive Media Strategies and its service offerings, please contact us.

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