

Gauging Demand for SaaS Network Expansion

**Understanding How Companies
Grow Capacity to Handle Added
Business Video Usage**

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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

The adoption of business video and rich media is a key driver of new demand for network capacity in the corporate sector. More frequent use of video translates into a need for more pipes to shuttle multimedia data from place to place.

Historically, many organizations have responded to the networking challenge of multimedia adoption by simply adding more hardware capacity to their behind-the-firewall networks. And this remains a common approach today for beefing up network capacity in the face of increased data traffic resulting from the adoption of business video.

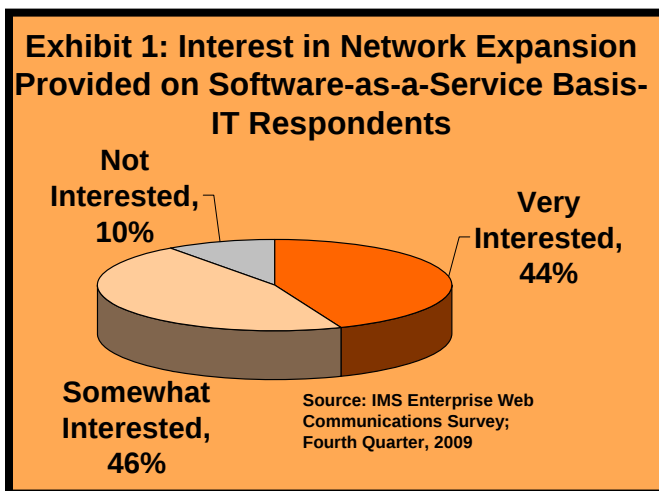
But IT executives increasingly are evaluating service-based alternatives for dealing with video-driven network demand. Software-as-a service offerings in the

form of eCDNs and hosted peer-to-peer solutions offer organizations fresh SaaS alternatives that make it possible to add capacity for video traffic growth without fundamentally altering an organization's primary data network.

Certainly, interest in service-based network expansion runs high in the corporate sector. As illustrated in Exhibit 1, 44% of IT executives surveyed by Interactive Media Strategies in the fourth quarter of 2009 report that they are "very interested" in

exploring ideas for expanding their network using SaaS alternatives. Another 46% said they are "somewhat interested" in the opportunity for SaaS-driven network expansion.

As might be expected, different segments of the corporate market display different propensities for embracing SaaS video network expansion. This report will identify characteristics of organizations most likely to embrace SaaS network alternatives and then discuss the factors deemed to be most important in the evaluation of network expansion investment options overall.



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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