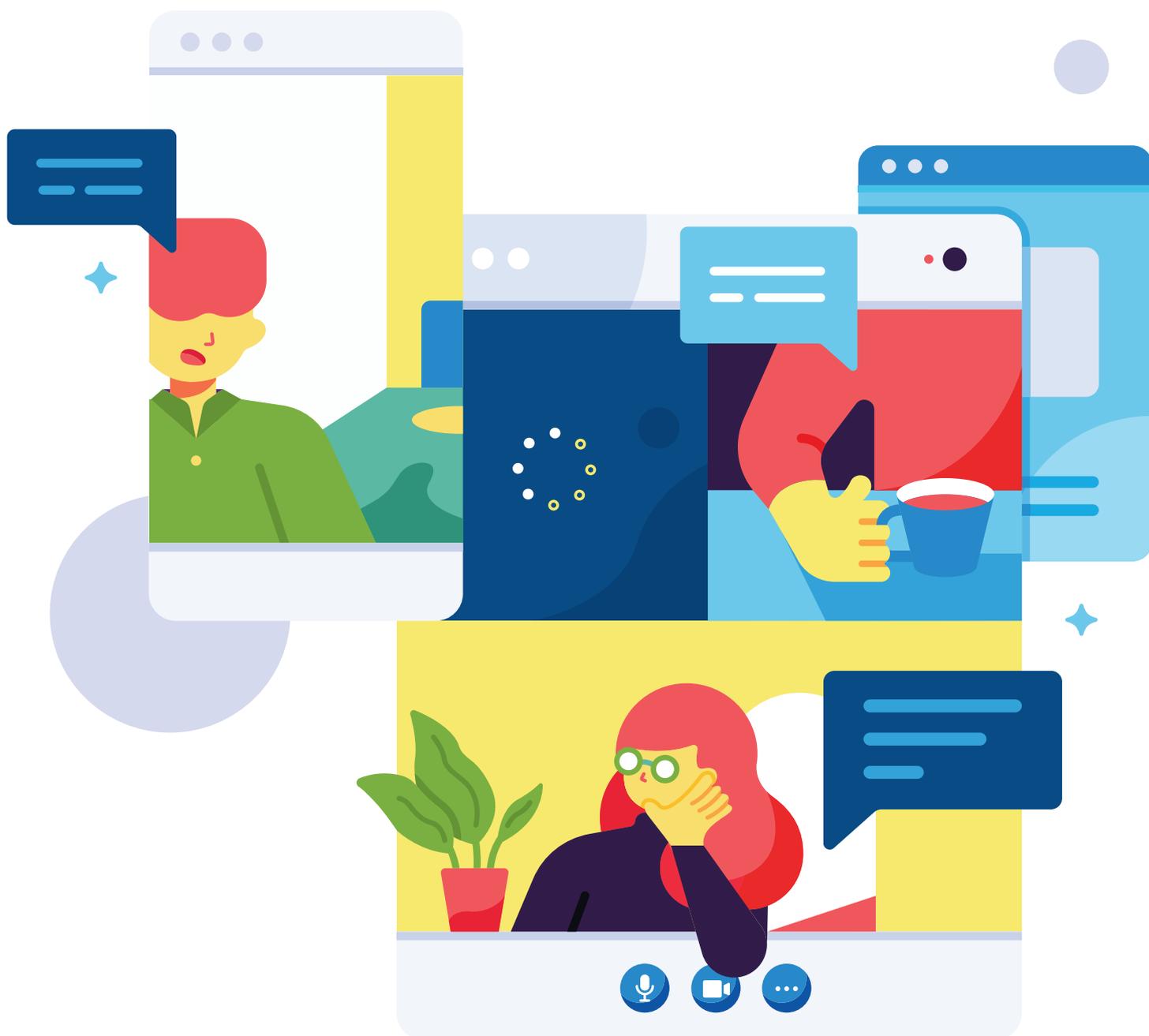


# Future of Video Conferencing



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# Future of Video Conferencing

The paper looks at the future of video conferencing, which has seen an increase in demand due to the higher levels of remote working brought about by COVID-19. It is based on IDC data as well as interviews with organizations across Europe and in different industries to gauge their adoption levels.



The overriding takeaway is that use of video conferencing has increased, but enterprises are not making full use of its capabilities. This is because there is a gap between work culture, still based on the previous mode of work, and the new wave of technology adoption. Even though the pandemic has triggered the adoption of technology, work culture has not caught up with the new way of working. Video conferencing is still very much a tool to communicate with co-workers while employees are working from home, instead of a means to collaborate to co-create and co-innovate.



As management dynamics shift to align with increased instances of remote working and adoption of collaboration tools, enterprises will start to make the connection between these tools and achieving long-term goals. This is when the more advanced features — such as cognitive functions, transcriptions, and automated administrative tasks — will see greater usage and eventually become indispensable for day-to-day work. The onus is on vendors to showcase its benefits and explain how it can drive business objectives.



## AT A GLANCE

Adoption of video conferencing increased during the pandemic as employees were forced to work from home. Enterprises are now investing in video conferencing as a permanent solution. As video conferencing becomes more entrenched in business communication, it will be linked to long-term business goals.

Succeeding in the video conferencing market involves providing basic features that are more commonly used, innovations to drive more productive meetings, and a strong marketing effort that showcases the huge potential of the tools. Currently, video conferencing solutions have more features than are being used, but the gap will narrow as video conferencing becomes more deeply entrenched in daily business practices.



# I. Changing Operating Context Impacts Enterprise Communications

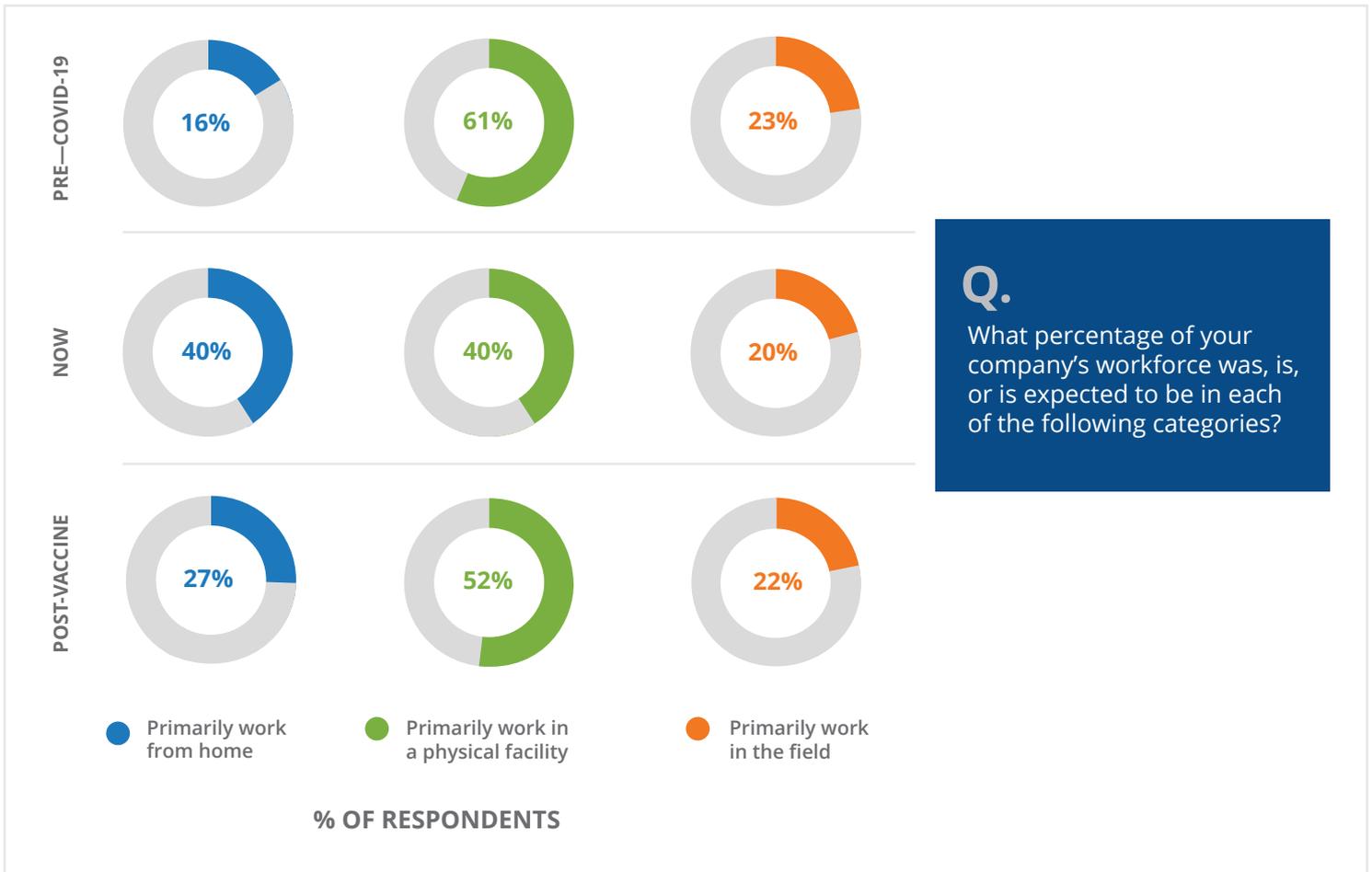
There is no doubt that the workplace is undergoing transformative changes primarily due to the pandemic. There were other drivers before COVID-19, however, that were shaping workplace changes and that have now received a boost.

## 1 COVID-19 Making Working from Home the Norm

COVID-19 has compelled employees to work from home on account of the travel ban and social distancing measures, and this is expected to become part of future work arrangements. Recent IDC research shows that working from home will increase from 17% of employees pre-COVID-19 to 27% post-COVID-19 (see Figure 1).

**FIGURE 1**

Breakdown of Employee Work Status Pre-, Current, and Post-COVID-19



**Q.**  
What percentage of your company's workforce was, is, or is expected to be in each of the following categories?

**NOTE** The survey data listed throughout the report covers enterprises with 2 to 1,000+ employees (unless otherwise stated) in various sectors, including public sector, financial services, manufacturing, utilities, oil and gas, retail, wholesale, transport, telecom, media, and business services in Western Europe; participants' roles included C-level executives, VPs, directors, and managers.

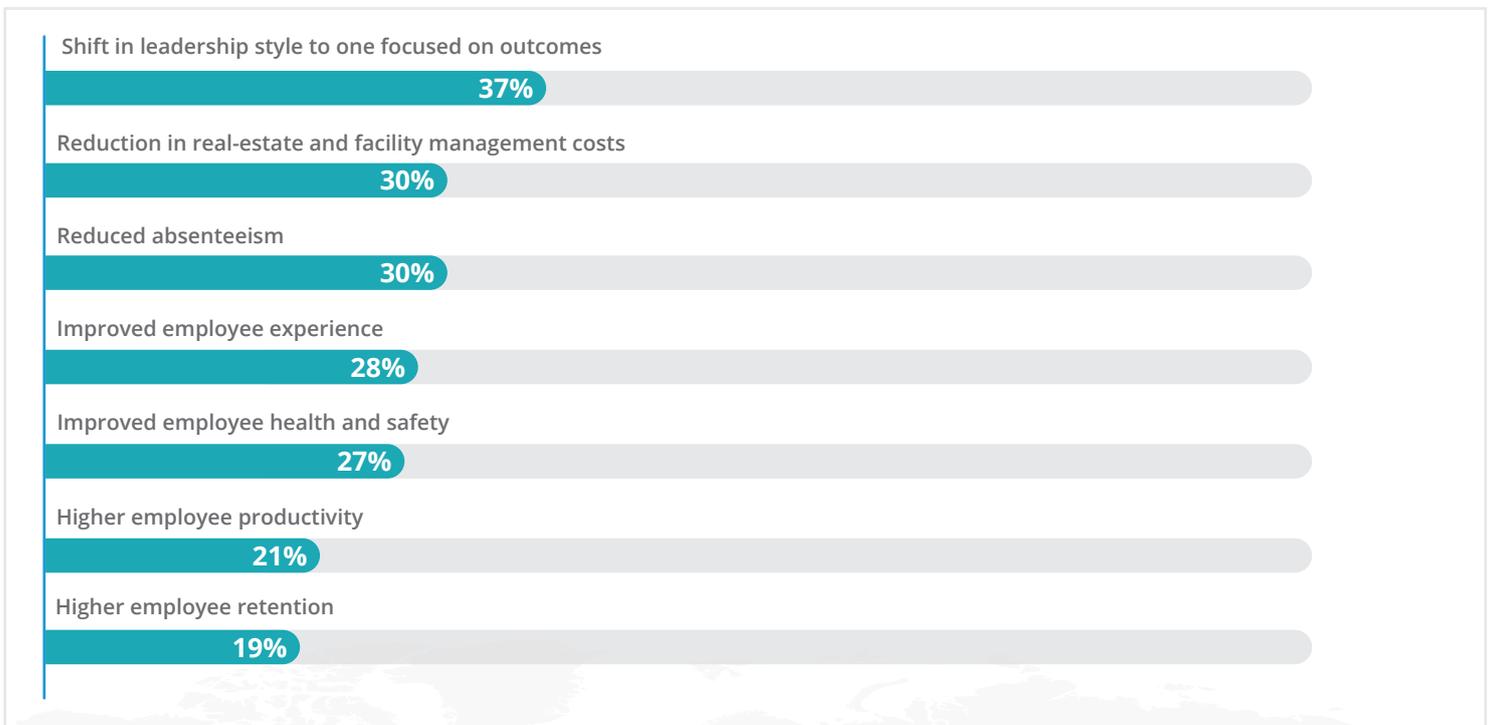
Source: IDC EMEA, COVID-19 Impact Survey Europe, Wave 10: August 5-14, 2020 (n = 530)

## 2 Workplace Flexibility for Cost Rationalization and Better Work/Life Balance

Discussions about workplace flexibility precede COVID-19, but the pandemic has been a test case that has helped to prove that working from home can drive business benefits. Employees have a better work/life balance without impacting business productivity, while new employees are more attracted to jobs that offer flexible hours. 38% of European organizations said they now encourage working from home and will invest in the necessary IT spending to make it possible. 59% said they believed that working from home will permanently change and will be included in HR policy. There are financial benefits too as working from home requires less office space, which could help to reduce real-estate costs. This is vital during the recession as enterprises look to rationalize spending; rather than reducing wages (and in the process retaining business expertise), enterprises can cut down on rental or lease payments.

**FIGURE 2**

Which of These Benefits Has Your Organization Experienced/Expect to Experience by Allowing a Portion of the Workforce to Primarily Work from Home?



Source: IDC EMEA, COVID-19 Impact Survey Europe, Wave 10: August 5-14, 2020 (n = 530)

## 3 Millennials and Generation Z and Y Prefer Flexible Arrangements

Shifting demographics, with millennials representing a major part of the workforce, will contribute to the changing work culture. Younger generations are used to conducting their activities online through social media and other virtual channels. More recently, the growing number of people attending online classes could further entrench the habit of working from home, especially if the pandemic lasts.

## 4 Less Traveling Improves Carbon Footprint

Cutting down on employees traveling either to work or across regional and international borders will reduce the carbon footprint, a commitment that enterprises have made as signatories of the UN’s Global Compact. There are currently 13,000 corporations across 170 countries that have pledged their commitment to the Compact.



## Collaboration Increasingly Integral to Business Culture for Continuity and Growth

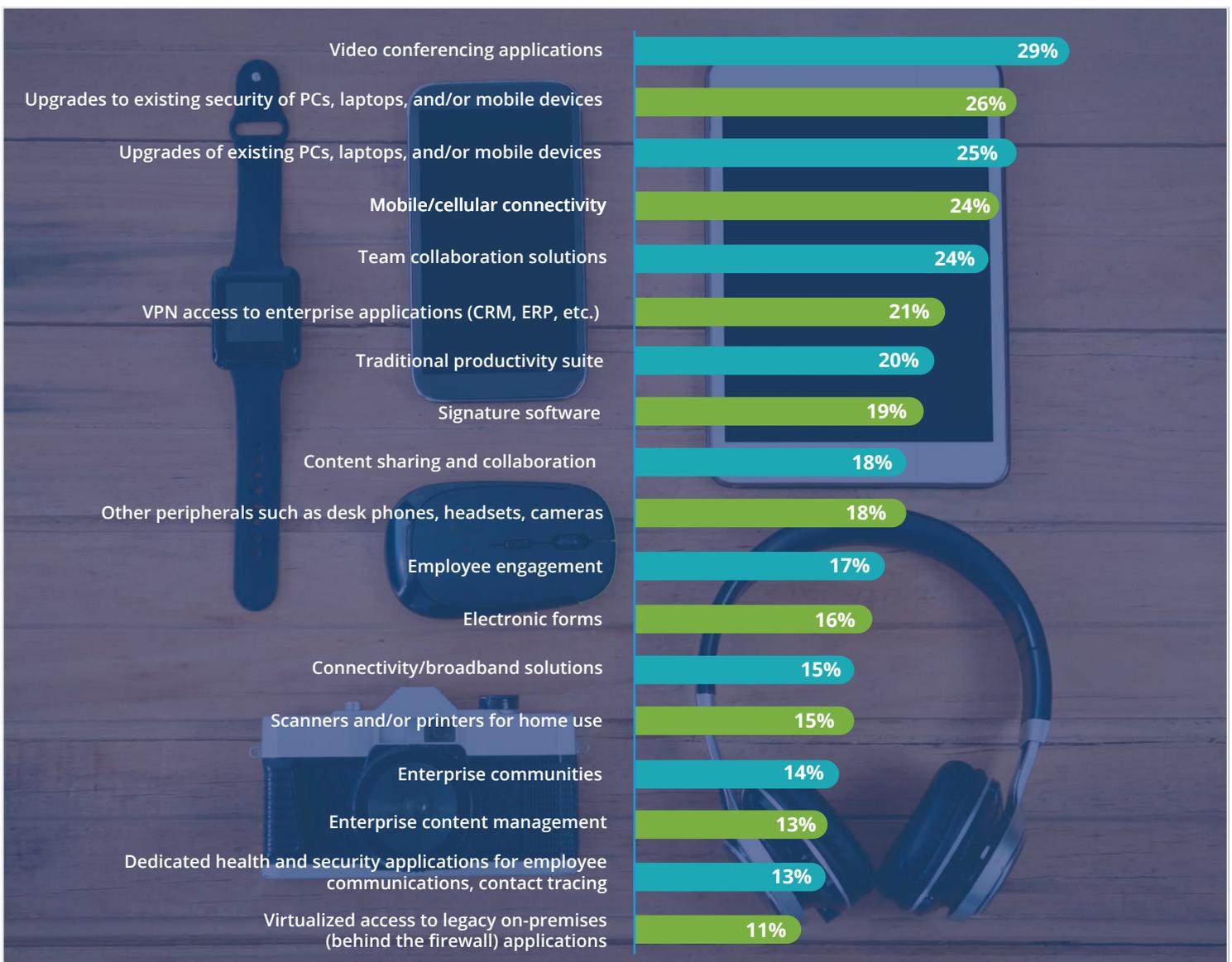
The increasing instances of remote working and distributed workforce indicate that communication methods will have to be aligned with the new system of working, making communication tools such as video conferencing and collaborative applications an integral part of business processes.

### 1 Enterprises Investing in Video Conferencing

IDC EMEA surveys consistently show that video conferencing is gaining prominence within business organizations (see Figure 3).

**FIGURE 3**

What Technologies Will Your Organization Be Investing in During the Rest of 2020 and 2021 to Enable Technology Parity for All Members of the Workforce?



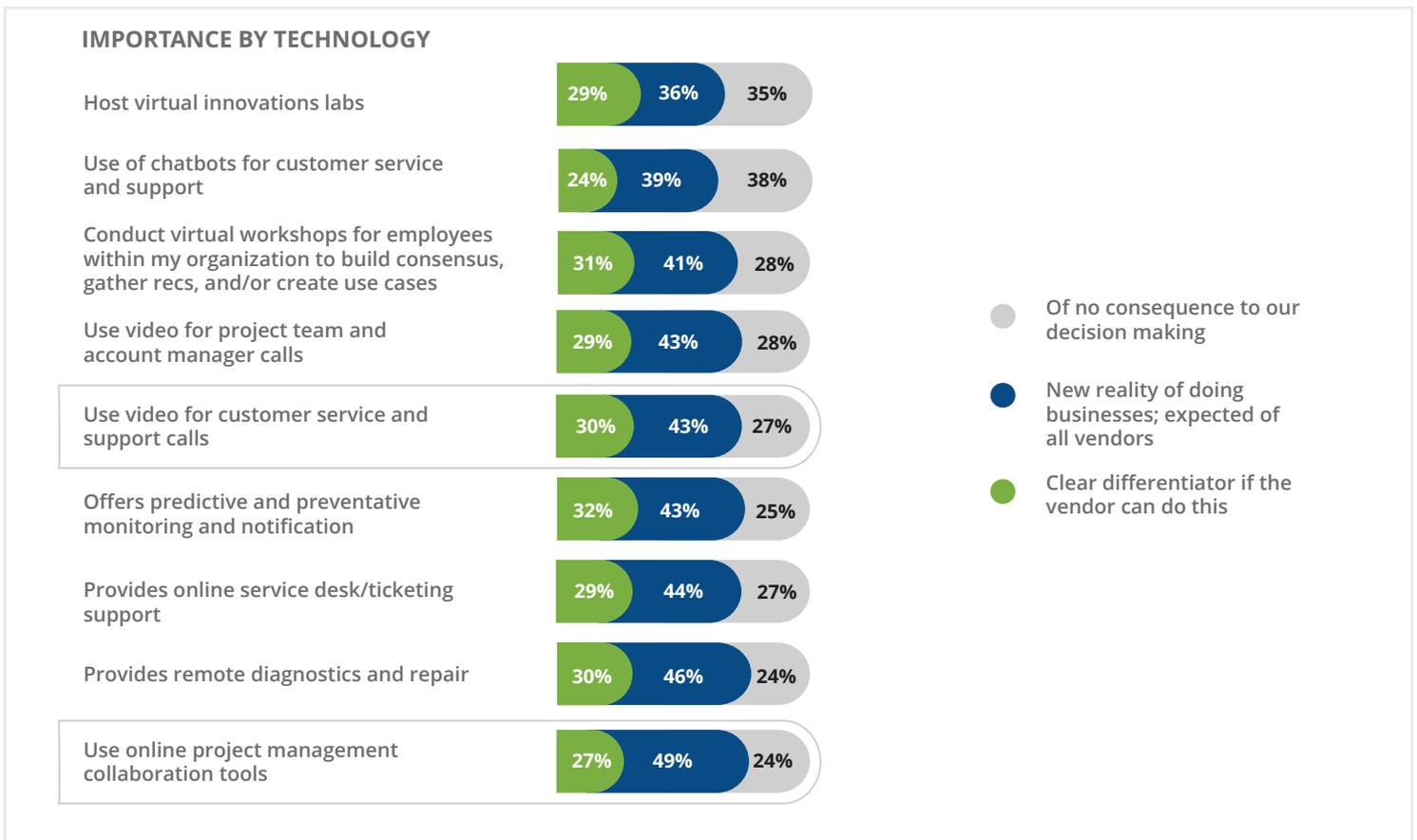
Source: IDC EMEA, COVID-19 Impact Survey Europe, Wave 10: August 5-14, 2020 (n = 530)

## 2 From Just Connecting a Distributed Workforce, Video conferencing Will Drive Business Goals

One of the benefits of video conferencing and other collaborative applications is that they help to connect a distributed workforce when people are working from home. They are still not viewed as an integral solution to drive long-term business outcomes such as profitability, cost savings, and innovation, however. As shown in Figure 4, this is set to change as video conferencing and collaboration tools are viewed as part of a new business reality. With the tools becoming more deeply entrenched in normal business practices, the benefits will also start to become more apparent. In the medium to long term, collaboration apps will help with cost rationalization by reducing real-estate costs and long-distance traveling. In the long term there will be more focus on driving co-innovation and improvements to work processes through collaboration, which in turn will help to drive go-to-market agility and profitability.

**FIGURE 4**

When Implementing/Managing a New Technology Investment or Solution, How Will the Application of Digital and Virtual Engagement Models Be Viewed?



Source: IDC EMEA, COVID-19 Impact Survey Europe, Internal, Wave 7: June 26-July 5, 2020 (n = 545)

## 3 More LOB Involvement in the Buying Process as Video conferencing Linked with Business Goals

As the focus on long-term business grows, LOBs will be an integral part of the buying process. IT purchases are currently mainly carried out by IT departments independently, but in the future LOBs will be more closely involved as return on investment and realizing business goals will depend on meeting the communication needs of business lines.

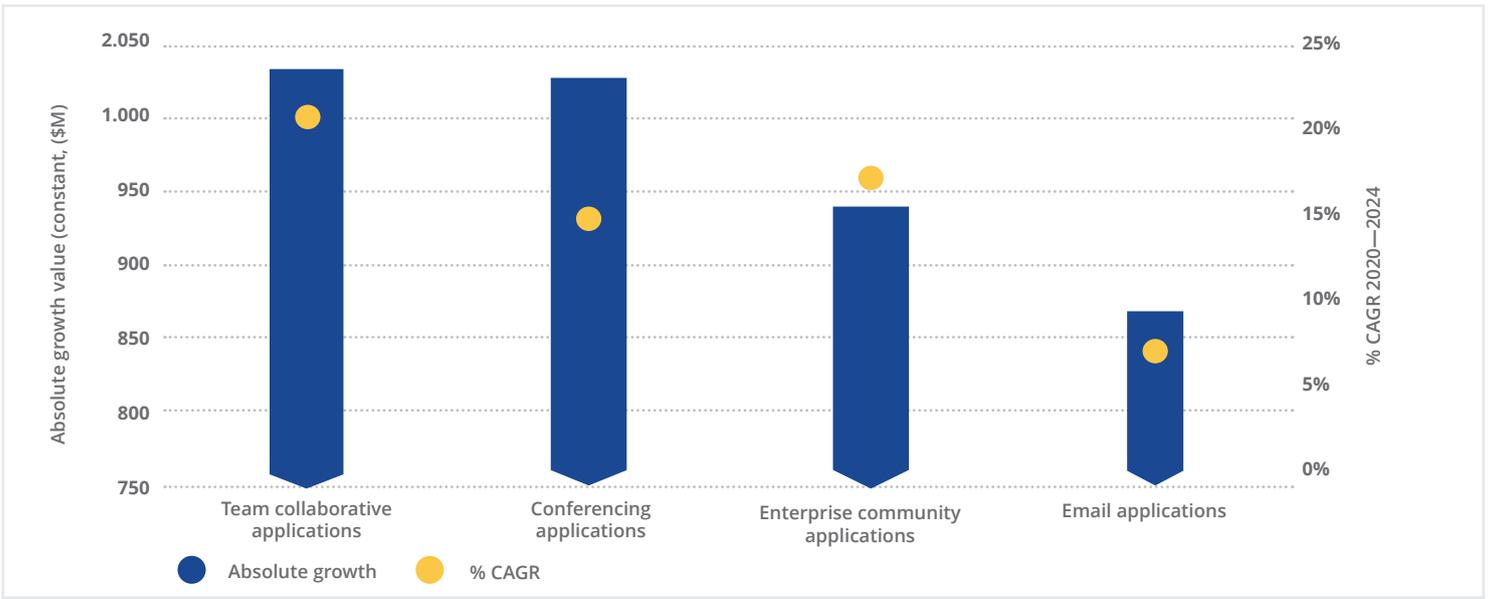
# III. Future of Video conferencing

## 1 Video conferencing Has Strong Growth Potential

Video conferencing will see strong growth as it becomes an integral part of business practice and connects to long-term business goals (see Figure 5).

**FIGURE 5**

European Collaboration Applications Growth Forecast, 2020–2024

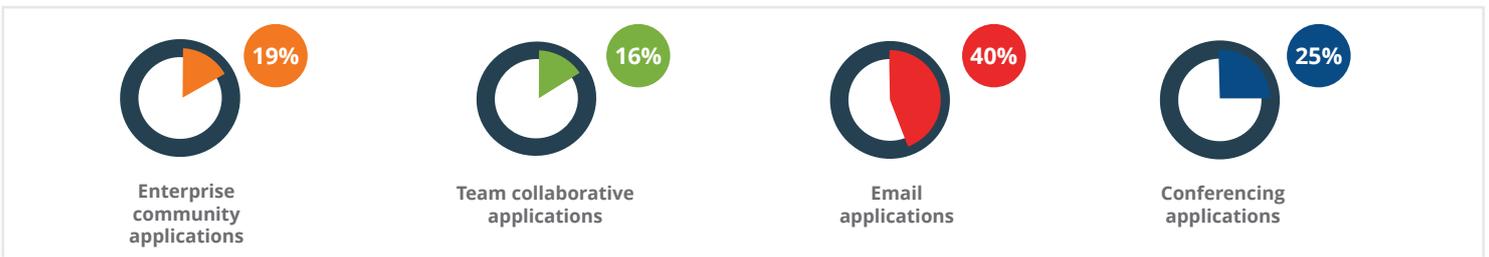


Source: IDC Software Tracker, 2020

Growth in video conferencing between 2020 and 2024 will match that of team collaborative applications, with both growing to more than \$1 billion. But video conferencing’s 15% CAGR forecast is slightly lower than that for other collaborative applications.

**FIGURE 6**

European Collaboration Applications Market Size, 2020



NOTE

Team collaborative applications provide a workspace and an integrated set of web-based tools for ad hoc, unstructured, document-centric collaboration between groups or individuals between known domains; enterprise community applications enable social collaboration capabilities to users either inside or outside an organization’s firewall. Solution capabilities should include activity streams, blogs, wikis, microblogging, discussion forums, groups (public or private), ideas, profiles, recommendation engines (people, content, objects), tagging, bookmarking, and online communities; email applications provide a framework for electronic messaging. The core integrated functionality can consist of mail messaging, group calendaring and scheduling, shared folders/databases, and threaded discussions. Conferencing applications (web, data, visual, electronic, real-time conferencing) provide a real-time connection for the viewing, exchange, or creation of content and information by two or more users in a scheduled or ad hoc online meeting or event. The functionality of conferencing applications includes application and screen sharing including markup and annotation, instant messaging (IM) and presence, livestreaming video, video and audioconferencing, polls and surveys, and whiteboard capabilities, with markup or annotation.

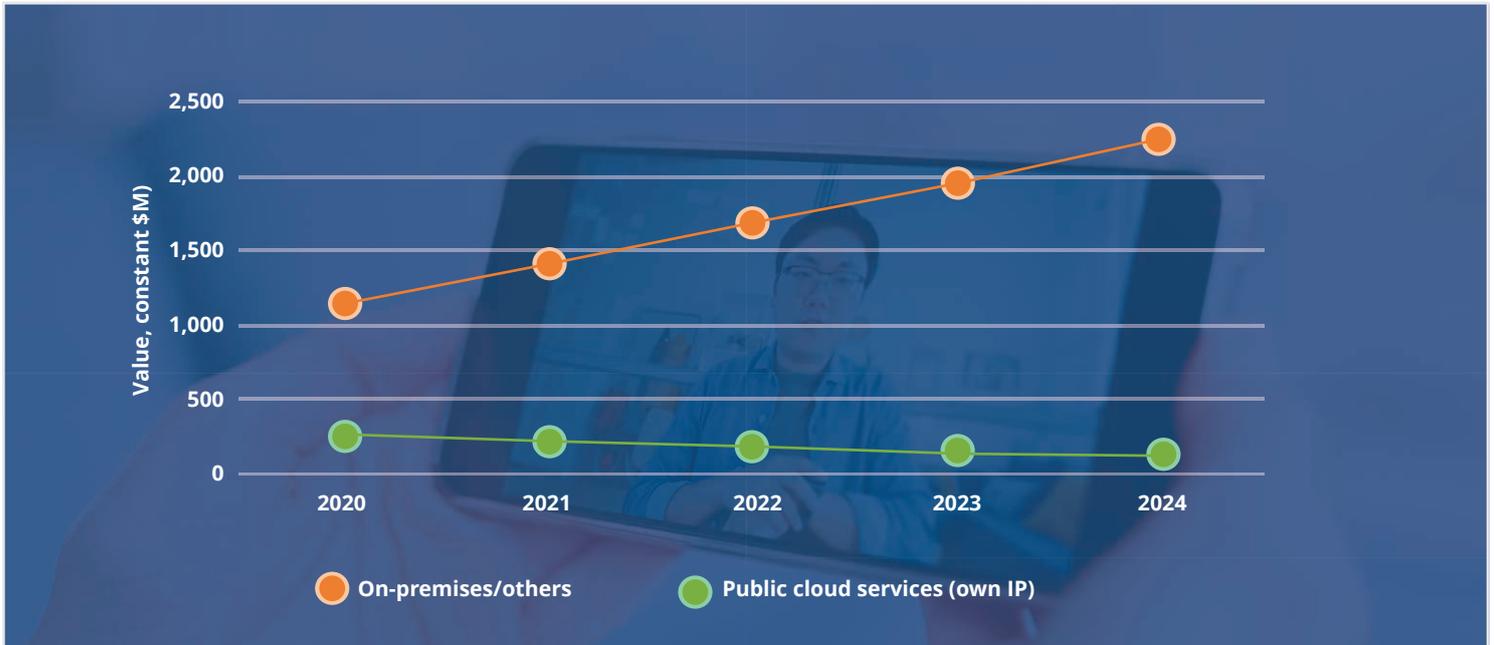
Source: IDC Software Tracker, 2020

## 2 Cloud Platforms to Drive Video conferencing Growth

Growth in video conferencing will be driven by cloud platforms that are more compatible with modern conferencing features.

**FIGURE 7**

European Market Trends by Video conferencing Deployment



Source: IDC Software Tracker, 2020

## 3 More Use Cases to Emerge as Video conferencing Becomes More Entrenched in Business Practices

Current use cases only scratch the surface of what video conferencing can offer in terms of achieving business outcomes. Video conferencing culture is still in its early stages, but the video conferencing market is dynamic and will continue to grow as the work culture and external environment evolve around it. Integrating video conferencing with collaboration products already adds significant value to the communication process and makes the tool more relevant. As one interviewee said, video conferencing will become more relevant when the penetration of IoT increases, leading to more use cases. An example cited was sending video images from inside mines and the associated capability to make collaborative decisions in real time despite workers' physical locations based on the images projected on the video screens.

## 4 Future Video conferencing Will Deliver Greater Immersive Experience

44% of respondents said their organization had implemented video conferencing during COVID-19 to enable remote working (the highest in the category), and 35% said they will continue to keep it even after the pandemic is over, as distributed workforces will be more common. As video conferencing becomes more embedded in business communication it could be expected that more sophisticated and advanced use cases will start to emerge. Although enterprises are not using all the current features that are available in video conferencing solutions, the value will begin to emerge as familiarity with the solutions grows. The ultimate objective of video conferencing involves making it a standalone business communication solution instead of an alternative arrangement for in-person meetings. Vendors are working to create an immersive experience in which the distinctions between physical and virtual meetings are blurred as video conferencing becomes more effective.

## IV.

## Benefits of Video conferencing in Driving Collaboration and Business Outcomes

Video conferencing is a key tool for connecting a distributed workforce and is eventually expected to become an integral driver of long-term business goals. Winning customers involves not just looking at the features that are currently being used, but also linking video conferencing to business goals by showing how the tool can transform workstreams to make them more collaborative, agile, and productive.



### 1 Features in Video conferencing

**A. Content sharing.** Content sharing is the most used feature and the main reason for using video platforms, as it enables participants to follow the point of reference more clearly. Vendors are introducing some interesting options aimed at overcoming challenges that have surfaced in recent months due to increased usage.

- At the core is file compatibility, which involves being able to support a wide range of file formats, in all sizes, to make the process of sharing seamless and smoother and to add more value to meetings.
- One common issue is that a presenter can inadvertently share confidential information on the screen. To prevent this, some vendors have included an option for presenters to click on a specific item that they want to share, therefore preventing them from sharing other items on their desktops.
- Another challenge is that presenters are not able to see what they are presenting or know if the audience can see their screen. Some solutions now enable presenters to click on an icon to see what the audience can see to prevent disruptions.
- A challenge that has yet to be solved is blocking the screen from the person sitting next to the presenter/user, particularly when someone is sharing sensitive information in a crowded place such as a coffee shop or on public transport.

**B. Digital interactive smart whiteboards.** These are not new, but are not being used to their full potential. They are a valuable tool, and will pick up in the mid to long term as the culture of collaboration becomes more entrenched in enterprises.

**C. Functions to drive meeting productivity.** Meeting context is ever more important when participants are in remote settings. This not only involves understanding meeting objectives, but also who the participants are. As it stands, however, this is not frequently used. Like other features, this is likely to pick up as users become more familiar with video conferencing:

- There are bot features that can provide a brief background to the meeting, but these are not commonly used due to a lack of familiarity, and not all vendors offer this option.
- Cognitive functions are proving useful for generating more value from meetings. This enables participants to get detailed background information on other participants in the meeting. Some solutions involve drawing information on the participants from the public domain. When a user hovers the icon over a participant, detailed information about that person appears on the screen.
- Live captioning is an important feature particularly when it is difficult to follow a person — if there are issues with the audio, for example, or if someone is not too familiar with the language the presenter is speaking in.
- Being able to transcribe meetings spares participants from having to take notes and enables them to focus on what is being said. The option for saving transcriptions enables participants to go through the relevant parts in more detail for future reference. Some solutions enable participants to highlight parts during the meeting and they can refer back to that later by clicking the “highlights” button on the video conferencing interface. Transcriptions also come with a search function that helps users to quickly go to the specific parts that they want to view by typing key words into the search bar.
- Bot translation and interpretation, though still not a common function, would be useful in a globalized workforce where workers speak different languages.

**D. Features for ease of participation.** While this includes basic features, ease of participation is the most important aspect of video conferencing and the first point of user experience:

- At the heart of this is an intuitive user interface that makes it easy to navigate through the options. A complex user interface can negatively impact the user experience and affect the adoption rate.
- It also includes ease with which meetings can be accessed, and being able to enter a meeting quickly with one click from a web browser without needing to download the conferencing application. Compatibility with different brands of browsers makes it easier for participants, as they don't have to waste time trying multiple different browsers to access the meeting.
- With more people working from home, some vendors are raising the issue of unconscious bias — judging people on their appearance or their background setting. Being able to preview the audio and video settings before entering a meeting can improve the meeting experience. An option to turn off video or blur or change the background setting can help to prevent unconscious bias.
- Noise cancellation and enabling meeting hosts to mute all participants are important when participants are home, but are also useful in noisy workplaces.
- Raising hands to make a point can make the meeting more orderly and gives everyone a voice. This is particularly relevant for virtual trainings and in the education sector, to keep the process interactive and interesting without being disruptive. Hand raising is still not a common feature, but it will play an increasingly important role as video conferencing meetings become more ingrained in our daily work and our meeting culture evolves.

**E. Recording features.** This is a very common feature, as most meetings are now recorded. This enables users to listen to meetings later again, and this is required for regulatory compliance in some industries. Alongside the recording options, the option to archive meetings is useful as it enables users to locate the meetings more efficiently.

**F. Transferring meetings across modalities and devices.** Some meetings may require multiple tools and devices, and being able to transfer meetings from one modality to another or across different devices:

- A typical use case for switching between modalities could involve a school setting where two teachers are trying to swap their classes. What could start as an audio call may require the teachers to share the screen so that both are able to see the routine. This would involve escalating the call to a video conference and doing it with just one click of a button while on the call. This can save time and enhance the user experience.
- Switching calls from one device to another without disrupting the call is a common requirement for workers. A salesperson who has to visit a client site could shift the meeting to a mobile device as they head out without dropping off from a call they need to be on. At the same time, an employee working from home could switch the call to a mobile device if they need to go out to do some grocery shopping or the school run. This ties in with flexible work arrangements that enable workers to seamlessly juggle work and personal life, and could be a common scenario for employees working from home due to COVID-19.

**G. Voice features.** Even though voice and video are two separate types of communication, incorporating voice into conferencing platforms is a growing trend. While some vendors have partnered with voice vendors, other providers have developed their own in-house voice features:

- Benefits include being able to join a video conference when there is an issue with the internet. This is particularly important for countries where the internet is more limited and there are latency issues.
- Voice features can be integrated with the entire collaborative suite to deliver a comprehensive portfolio of communication channels that can make meetings more productive by enabling users to switch between modalities without having to hop from one application to another.
- Cloud-based voice integrated with video platforms mirrors the features of on-premises voice solutions but does not require additional devices. All a user needs is a PC, laptop, or mobile.
- The phone system can be integrated with the enterprise's phone directory, making it easier to find and call people. Some solutions also indicate if the person is busy or available, with an option for quick dial.
- The voice option enables callers to leave a message or users to forward calls to a different number or device if they are not in the usual location.
- It's also possible to send and receive text message from the voice-based softphones.

**H. Touchpoints.** Touchpoints are integral to delivering a comprehensive video experience:

- This involves accessing meetings across all devices including computer screens, mobile phones, and tablets with a consistent experience across all channels.
- It also includes meeting room touchpoints that can be activated with one click.
- Contactless touchpoints such as voice activation are gaining momentum, particularly in the wake of the return to the office, to prevent contamination.

**I. Quality.** Meeting disruptions due to bandwidth issues are a major challenge for video meetings. Poor quality video and audio have been adversely impacting meeting experiences. Having solutions that can overcome bandwidth challenges is important for the success of video conferencing solutions. Some vendors are developing ways to compress image and video transfers, so that the quality remains intact despite a significant packet loss.



## 2 Meeting Room Experience

Emulating real-life experience for virtual channels is an increasingly important part of creating immersive meeting experiences. Vendors are investing in cameras, sound, displays, and codecs to create the best room experiences. Room experiences are further segmented by room/meeting size, with solutions adjusted to create the best experience depending on the room size.

For large board size meeting rooms, cameras are designed to capture wide-angle and high-definition images to capture all participants. The new generation of cameras are smart and can automatically focus on the person speaking. Audio innovations include improving sound quality by automatically amplifying and modulating voices, but multichannel audio for sound localization is also used to create a better surround sound effect. An immersive visual effect is created with the help of large high-definition multiple screens, powerful codecs, and video enhancements. Creating immersive telepresence is increasingly combined with architectural designs and interior décor in which displays, wiring, furniture, the shape of the room, and windows are carefully planned to evoke an extensively unified immersive experience.

Another popular meeting room solution is for huddle rooms that include all-in-one speaker/microphone/camera combinations, optimized cable management for smaller rooms, and touchscreens. They also have some of the features designed for boardroom-style meeting rooms, including wide-angle cameras for full room pickup, noise cancellation, HD screens, and voice enhancement. Implementation is usually easy and involves simple plug and play. Some vendors also offer packages for those who already have the devices by providing a link that connects audio, video, and camera for a unified video experience. Enterprises also have the option for huddle room architectural design to create an immersive experience.

Meeting room data analytics reveal that huddle spaces have greater utilization, as most meetings tend to include small groups. This could become even more common as workers return to the office before the threat of COVID-19 is eradicated. It is likely that larger meetings will be broken down into smaller groups to retain social distancing. Some vendors are also including sensors with their equipment to read the total number of people in a room and send alerts if the figure exceeds the given limit.

Ease of booking and the ease of starting a meeting are integral to the meeting room experience, regardless of the size. Meeting rooms are integrated with email calendars for ease of booking, enabling users to select an available time with one click and send invites to participants. Meeting room solutions come with touch panels and meetings can be booked through these. Another function of touch panels is to show when meetings are in progress and provide details of the meeting currently taking place. Touch panels are also used to start meetings with the click of a button, but some modern panels have sensors (which connect to mobile devices) and automatically start a meeting when the host arrives.



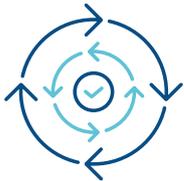
## 3 Data Analytics

Data analytics are a key part of meeting solutions to help realize the benefits of the solutions. Analytics are used to understand adoption, room utilization, and issues impacting meetings to take the necessary actions. They come in the form of metrics that can help to diagnose the health of the assets, peripherals, or CPU utilization, and provide insights into how users join meetings, types of activities during the meetings, and usage by location, so that the relevant authorities can gauge the return on investment and determine where to invest for best results.



#### 4 Security

Security has always been a key feature, but the huge growth in video traffic has shown how video conferencing solutions can be vulnerable to security threats that adversely impact brand credibility and consumer loyalty. In addition to stronger end-to-end encryptions, vendors have added a range of security measures to make meetings safer. This includes providing users with meeting IDs and participants not being able to join unless they are admitted by the host.



#### 5 Efficient Onboarding

Quick and easy onboarding is important for the success of video conferencing solutions. This involves automated provisioning to drive efficiency and reduce waiting time for users to activate the service. Automated provisioning can minimize or eliminate manual intervention for validation of service level access and update changes in employee profiles in the different UC systems in an enterprise from a single pane of glass.



#### 6 Support Service

Being able to access support anytime from anywhere is vital for both enterprises and employees. Having a technical issue before or during an important meeting means users will need immediate support, and being able to access that support helps to drive user experience and customer loyalty.



#### 7 Open Platform

Having a portfolio of business solutions based on open platforms is important as it can help enterprises access a host of applications in one go and easily integrate them into their communication infrastructures. This also centralizes management of solutions such as billing and provisioning and makes the process more efficient. Another benefit of open platforms is being able to integrate with third-party providers in the event that some enterprises have preferred applications that they want to add to the video platform.



## V. CONCLUSION

Video conferencing has become a necessary tool for enterprise communication during the pandemic, but current use cases only scratch the surface. Video conferencing is seen as a tool that can connect a distributed workforce, but going forward, as it becomes more entrenched in the communication process, it will be linked to broader business goals and outcomes. More use cases will emerge, leading to the adoption of more advanced and sophisticated features. To succeed in this space, vendors need to incorporate the basic features that are commonly used and drive innovations that lead to more productive meetings while creating an immersive experience that replicates real-life physical meetings. This needs to be combined with a strong marketing effort to show the wider range of use cases linked to business outcomes by breaking out the use cases by verticals and work scenarios.



## MESSAGE FROM THE SPONSOR

As companies transitioned to fully remote workforces earlier this year, business leaders and IT teams were forced to look at their remote work technology as tools such as video conferencing, cloud telephony, webinar software, and other collaboration products went from being used occasionally by some to becoming necessary parts of maintaining business continuity for all. What we found was that remote work is not a passing trend — it's something that is here to stay, even post-pandemic, and businesses need to adapt or risk falling behind. Technology development therefore enabled many companies to remain productive during ever-challenging times. With our GoTo portfolio of product solutions people can meet, connect, market, sell, and train more easily. The portfolio includes award-winning products such as GoToMeeting, GoToWebinar, GoToConnect, and GoToRoom, and offers benefits including reducing travel and creating a more collaborative meeting culture. That's why the GoTo suite is fast becoming the cornerstone to enabling today's digital workforce.

To learn more, visit [www.goto.com](http://www.goto.com).



## About the Analyst

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### **Oru Mohiuddin, Research Manager, European Enterprise Communications and Collaboration, IDC**

Oru Mohiuddin is responsible for IDC's coverage of unified communications and collaboration research in Europe. Her work focuses on tracking markets and new developments and trends, particularly in the light of changing work patterns impacting traditional modes of enterprise communication.

## About IDC

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