

IDC MarketScape

IDC MarketScape: Worldwide Enterprise Videoconferencing 2018 Vendor Assessment

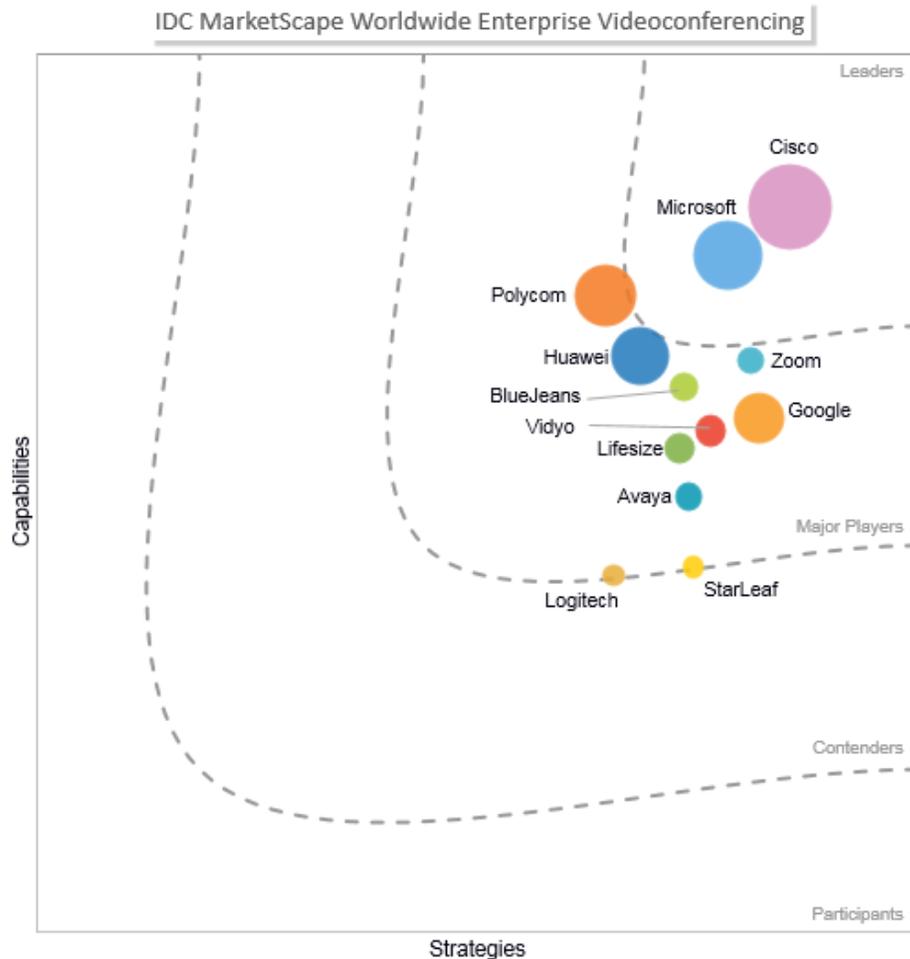
Rich Costello

THIS IDC MARKETSCAPE EXCERPT FEATURES CISCO

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Enterprise Videoconferencing Vendor Assessment



Source: IDC, 2018

Please see the Appendix for detailed methodology, market definition, and scoring criteria.

IN THIS EXCERPT

The content for this excerpt was taken directly IDC MarketScape: Worldwide Enterprise Videoconferencing 2018 Vendor Assessment (Doc # US44070317). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included is Figure 1.

IDC OPINION

This IDC study represents the vendor assessment model called the IDC MarketScape. This research is a quantitative and qualitative assessment of the characteristics that explain a vendor's chances for present and future success worldwide. This study assesses the capability and business strategy of 12 global enterprise videoconferencing vendors. This evaluation is based on a comprehensive framework and a set of parameters expected to be most conducive to success in providing enterprise videoconferencing solutions, for both the short term and the long term. Key criteria, among others, that contribute to a successful enterprise videoconferencing offer includes the following:

- A holistic video/unified communications and collaboration (UC&C) solution that can also integrate/embed with business processes and applications to be transformative for the business
- A robust portfolio that can be clearly demonstrated, including the ability to support a range of video uses in collaborative applications, especially in huddle rooms for two to three people and for desktop, browser, and mobile video scenarios
- Flexible delivery options for customers and partners as part of the video portfolio offering (premises, managed, hosted, and cloud)
- Competitive strategies from a cost standpoint (e.g., industry-standard hardware, software, cloud services, licensing, offshore R&D, and manufacturing)
- Video communications platform-as-a-service (video CPaaS) offerings – driven by applications in areas such as video-aided telehealth, field services, education, and social media
- Business partnerships and sales channels that open up new markets for video vendor and service provider offerings, yet still enable them to maintain a high level of support and customer care

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

This research includes an analysis of 12 enterprise videoconferencing providers spanning IDC's research coverage and with global importance. This assessment is designed to evaluate the characteristics of each firm – as opposed to its size or the breadth of its services. It is conceivable, and in fact the case, that specialty firms can compete with multidisciplinary firms on an equal footing. As such, this evaluation should not be considered a "final judgment" on the firms to consider for a particular project. An enterprise's specific objectives and requirements will play a significant role in determining which firms should be considered as potential candidates for an engagement.

In total, 12 companies were evaluated in this IDC MarketScape assessment (in alphabetical order): Avaya, BlueJeans Network, Cisco, Google, Huawei Enterprise, Lifesize, Logitech, Microsoft, Polycom,

StarLeaf, Vidyo, and Zoom. For inclusion in this IDC MarketScape assessment, providers had to demonstrate at least two years of general worldwide availability of standards-based enterprise videoconferencing products/solutions that have reached a critical mass of shipments, subscribers, and/or revenue.

Changes from 2016 IDC MarketScape for Worldwide Enterprise Videoconferencing Vendor Assessment

The global enterprise videoconferencing market has transitioned over the past several years to more software and cloud services, as well as to small huddle rooms and desktop and mobile users. You'll notice that this year we've included some video/unified communications (UC) cloud service providers in this assessment, including BlueJeans Network, Microsoft, and Zoom. Although these vendors are video software and cloud services providers in the videoconferencing area, as are others here, they also offer or partner with others to provide videoconferencing solutions for room environments, in addition to the cloud-based video services they provision.

ADVICE FOR TECHNOLOGY BUYERS

IDC sees the increasing use of videoconferencing within organizations being driven by a desire to:

- Collaborate more effectively (via high-resolution video, audio, and data content and other tools and capabilities) with a wider circle of coworkers in huddle rooms, at desktops, in remote offices, and on mobile devices from any location.
- Expand the use of video externally to include the growing demand for business-to-business (B2B) and business-to-customer (B2C) sessions with customers, clients, business partners, and prospects.
- Integrate/embed video with key business processes and applications (e.g., customer service, HR, remote diagnostics, and distance learning).

As such, IDC recommends organizations evaluating enterprise videoconferencing solutions consider the following:

- The end-user experience continues to rule within organizations. This involves not only the quality and reliability of the videoconference itself but also a richer, more intuitive user interface (UI) – basically a single software-based interface to manage video collaboration from whatever device, from any location, with data content, across any applications that may be integrated with one or more company business processes.
- Vendors and providers can demonstrate that video integration with UC&C solutions (i.e., telephony, presence, instant messaging [IM], web conferencing, and other collaboration applications) increases the overall value of video solutions for customers and shows a vendor/partner commitment to selling solutions compared with just selling standalone videoconferencing systems.
- Vendors and providers should work with customers to identify/develop specific video use cases within their organizations via usage behavior analysis and best practices. A good video use case can lead to proliferation of video to other areas of the organization as well.
- As an alternative to deploying video network infrastructure on-premises, video-as-a-service (VaaS) and infrastructure-as-a-service (IaaS) offerings can provide much-needed flexibility and scalability and are less capital-intensive options for customers to consider for videoconferencing.

- Video cloud services should be considered for those organizations lacking the IT skills and resources to manage and support their own enterprise video infrastructure. Video cloud services can enable companies to deploy video with limited IT resources, provide end-user access to video sessions regardless of location for a monthly fee per client or endpoint, and simplify firewall integration, traversal, and management. In short, cloud can help change the economics of videoconferencing for many companies, especially small and midsize companies.
- Organizations should be aware of the opportunity that web browsers present for real-time video collaboration. IDC anticipates the use of web browsers as clients for real-time voice and video communications – especially video – will continue to grow significantly. A web browser provides an alternative for anyone who does not have access to a room or other video endpoint system or does not have a vendor software client installed on his or her PC or mobile device. Depending on the circumstances, a web browser usually requires a software plug-in to be installed to support a specific vendor's collaboration session (e.g., for audio and video). WebRTC is an HTML5 specification that enables real-time communications between web browsers natively, alleviating the need to download a software plug-in to use for real-time collaboration. Google Chrome and Mozilla Firefox were the first web browsers to support WebRTC natively. More recently, Apple Safari (v11 and later) and Microsoft Edge (ORTC support) have added WebRTC support.
- For capturing, storing, and managing the many video collaboration sessions that occur within organizations for on-demand access by employees, solutions such as video content management, rich media content streaming, and application sharing continue to draw significant interest from customers.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of one vendor's strengths and challenges.

Cisco

Cisco is rated as a Leader in this IDC MarketScape. Cisco is, first and foremost, an IT and networking company. However, UC&C and video are key areas where Cisco is making strategic investments for driving growth and innovation. The company continues to grow its market share globally by focusing on both end users and the IT experience. It uses cloud to reach organizations of all sizes and users, extending the value of the customer's existing investment – including fusing the cloud and premises together in a hybrid approach. This, in combination with lower-cost endpoints, positions Cisco to drive video collaboration adoption and growth with new and existing customers. Cisco's strategy for video collaboration and meetings is to create additional relevance for more users to leverage meeting solutions more frequently, thus increasing productivity and supporting digital business transformation goals. Key areas of focus for Cisco product development and enhancement include:

- Integrating meeting experiences with content and context before, during, and after meetings to support continuous collaboration models and more agile workstyles across workstreams
- Blending the physical and virtual workspaces – delivering the right experience for every workspace, enabling meeting rooms with collaboration and meeting solutions

- Focusing on user experience (UX) and removing friction experienced in older meeting options through natural conversational-style interfaces and integrating AI and machine learning (ML) for smarter and more intuitive meeting experiences
- Providing continued enhancement of Cisco's global platform to deliver incremental scale, interoperability with enterprise-class security and analytics

Cisco enables partners to offer managed, hosted, and cloud video solutions either as a custom offer that they build via Cisco Hosted Collaboration Solution (HCS) or via Cisco video infrastructure and managed directly or through the resale of Cisco-delivered Cisco Webex (formerly known as Cisco Spark) cloud offers. [Note: Cisco has rebranded its cloud-based collaboration suite for calling, meeting, and team collaboration from Cisco Spark to Cisco Webex. These Cisco cloud video solutions are sold by partners.]

Cisco video collaboration solutions are included in the Cisco Collaboration Flex Plan, which brings together cloud, hybrid, and on-premises collaboration deployment options in one subscription-based offer. Cisco positions this as a simpler, more economical way for customers to transition to the cloud.

Strengths

- Cisco's collaboration and video business is complementary to the company's overall global strength in networking, security, and IT solutions.
- Cisco's customer base is made up of large enterprise, midmarket, and small and medium-sized business (SMB) customers and service providers; however, Cisco's strength is primarily at the enterprise level. 95% of the Fortune 500 are using video-enabled Cisco Collaboration solutions. Customers have commented that Cisco's appeal includes the robustness of the company's portfolio and a complete product road map.
- Cisco has been a leader at transforming the collaboration experience – incorporating machine learning and artificial intelligence capabilities (e.g., Webex Assistant) across its current portfolio (Cisco Webex Teams, Webex Board, Webex Room Series, etc.), as well as features such as speaker tracking, facial detection, noise detection, and intelligent views (e.g., automatic framing of speakers).

Challenges

- Generally speaking, the video purchase/adoption cycle can be slow as customers evaluate various deployment models or just good-enough experiences. Cisco's channel partners need to continue working with buyers to demonstrate the value of an enterprise-grade video experience in enhancing productivity, building relationships, and sharing content securely in the workplace.
- Pervasive deployments of video in every physical space – for every desktop, room, and mobile user – may be a budget challenge for some customers; Cisco especially can be premium priced. Buyers should evaluate options for software and hardware solutions, as well as the Cisco Collaboration Flex Plan for new consumption models.

Consider Cisco When

Small, midsize, and enterprise customers, especially those with existing investment in Cisco networking infrastructure, or those that are leveraging cloud-based services, should consider Cisco when looking for a broad portfolio of video solutions and endpoints, most of which integrate well with its extensive UC&C portfolio in a one-stop vendor approach.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Note: All numbers in this document may not be exact due to rounding.

Market Definition

Enterprise Videoconferencing Solutions

Enterprise videoconferencing capabilities come in a wide range of solutions, offering customers a broad set of price-to-performance feature options. IDC categorizes the following types of videoconferencing solutions:

- **Immersive telepresence** includes a custom-designed room environment, multiple high-definition (HD) screens (two to four) with multiple software codecs, HD audio, custom lighting, and tables – all creating an immersive, lifelike experience. (Note: Immersive telepresence solutions are not a primary consideration of this assessment.)
- **Room-based videoconferencing** includes small group, dedicated videoconferencing equipment, nonportable or portable, high quality, and less expensive than immersive. This market segment has been transitioning to high-definition video, larger screen formats, and rich, wideband, and HD audio, thereby providing users with a much richer meeting environment.

- **Personal videoconferencing** includes all-in-one desktop solutions and dedicated videoconferencing hardware for individual use (not including videophones). For personal videoconferencing applications, many enterprises have deployed "executive systems," which are all-in-one desktop or tablet device solutions that combine the performance of dedicated videoconferencing hardware with packaging designed for individual use rather than for the conference room.
- **Video infrastructure** includes video multipoint control units (MCUs), software-based MCUs, video software codecs, cameras, screens, and associated audio components. "Other" (non-MCU) video infrastructure includes video gateways, gatekeepers, NAT/firewall devices, and scheduling and management systems.
- **Video as a service (VaaS)** includes pure enterprise videoconferencing services that are delivered from a platform used by many customers at the same time (i.e., multitenant). Pure videoconferencing services are managed by providers, housed at their facilities, and typically charged for on a subscription basis (i.e., per endpoint).

LEARN MORE

Related Research

- *IDC TechScape: Worldwide Unified Communications and Collaboration Technologies, 2018* (IDC #US43979918, June 2018)
- *Worldwide Unified Communications and Collaboration Forecast, 2018-2022* (IDC #US43836518, May 2018)
- *IDC's Worldwide Enterprise Networking Predictions, 2018* (IDC #US42896418, March 2018)
- *IDC Predictions 2018: Worldwide Enterprise Communications Infrastructure* (IDC #US43581218, February 2018)
- *IDC's U.S. Enterprise Communications Survey 2017: Enterprise Videoconferencing Solutions* (IDC #US43212017, November 2017)
- *Market Analysis Perspective: Worldwide Unified Communications and Collaboration, 2017* (IDC #US43066217, September 2017)
- *How Are Organizations Accessing Video Sessions Today?* (IDC #US42964517, August 2017)
- *IDC MarketScape: Worldwide Unified Communications and Collaboration 2017 Vendor Assessment* (IDC #US42843515, July 2017)

Synopsis

This IDC study uses the IDC MarketScape model to provide an assessment of 12 providers in the worldwide enterprise videoconferencing market. The IDC MarketScape is an evaluation based on a comprehensive framework and a set of parameters that assess vendors relative to one another and to those factors expected to be most conducive to success in a given market during the short term and the long term.

"Based on the recent IDC end-user survey results, organizations remain positive about the deployment and use of videoconferencing solutions, despite the recent shipment and revenue declines in video equipment. This includes using video in more collaborative ways for engaging employees and driving improvements in bottom-line results," said Rich Costello, senior research analyst, Enterprise Communications Infrastructure at IDC.

About IDC

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