



Nemertes

Bringing Videoconferencing to the Huddle Space

Single-vendor solutions offer lower TCO and additional benefits

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Executive Summary

The rise of open workspaces has created a demand for huddle rooms in which team members can gather to collaborate. Increasingly, IT leaders seek to extend videoconferencing into these spaces to ensure that employees have access to visual communications and collaboration. To identify the optimal approach for delivering videoconferencing to huddle spaces, Nemertes Research gathered data from approximately 100 end-user organizations. We captured real-world costs to equip and support videoconferencing in huddle spaces, as well as insight into potential benefits of measuring the number of people in meeting spaces, screen integration, and the use of the same videoconferencing vendors across all rooms.

Organizations have a variety of approaches for bringing videoconferencing to the huddle space, however single-vendor solutions offer the lowest TCO. Additional features including tracking the number of people in meeting rooms, close integration between screens and videoconferencing codecs, and improving ease of use by delivering a consistent user experience across all meeting rooms of all sizes offer additional potential benefits. As a result, IT leaders should:

- * Incorporate huddle room planning into their overall videoconferencing strategy.
- * Evaluate single-vendor videoconferencing solutions that integrate hardware and software, providing a consistent user experience across all size rooms, and that offer the lowest total cost of operations.
- * Evaluate solutions that provide metrics to optimize meeting space planning, such as identifying the number of participants in a typical meeting space.
- * Consider advanced features like codecs that integrate with display screens, enabling auto configuration, centralized management, and auto optimization of displays based on input format.
- * Consider a single provider for all size meeting rooms to ensure consistency and a single management platform.

Videoconferencing Comes to the Huddle Space

Huddle spaces, defined as rooms or open meeting areas designed for meetings involving five people or fewer, are becoming an increasingly important part of the modern workplace, especially as organizations expand use of open floor plans. As huddle spaces have expanded, so too has interest in equipping them with videoconferencing to enable employees to visually communicate and collaborate among virtual teams, with partners, and even with customers.

IT leaders looking to bring videoconferencing into their huddle spaces are faced with a myriad of system choices including:

System Type	Characteristics	Examples
Ad-Hoc Laptop Controlled	Participants bring their own laptop and connect to an in-room camera, screen, speaker, and microphone	Cisco Webex Room Kit Mini, Huddly Go, Logitech MeetUp, Meeting Owl, Polycom RealPresence Group Series
Single-Vendor Systems	Software and hardware from the same vendor. Typically includes Integrated camera, audio device, screen, and optional control pad	Cisco Webex Room Kit, Cisco Webex Board 55, Highfive, Lifesize Icon
Multi-Vendor System	Software and hardware are from different vendors, may include a mix of camera, controller, PC, and audio device from more than one vendor	Creston Mercury Bundle, HP Elite Slice SRS Bundle, Logitech SmartDock Bundle for Huddle Spaces / Meetup Kits

To assess the optimal approach, Nemertes Research gathered data from approximately 100 end-user organizations that have deployed, or are in the process of deploying videoconferencing into their huddle spaces. We wanted to understand real-world costs of the three alternative approaches, and identify other factors that contribute to a successful huddle room videoconferencing strategy. Participants were mostly larger organizations with distributed operations; just 4% had fewer than 250 employees. Currently, 16.6% of huddle spaces within these companies have videoconferencing equipment.

TCO Shows Benefits of a Single-Provider Solution

We calculated several cost factors to determine a five-year TCO for huddle room videoconferencing systems. Costs break down as follows:

* **Capital:** Includes any of the following: Camera, codec, screens, audio devices, controllers, licenses, and other hardware.

* **Implementation:** Includes staff time and 3rd-party consultants and integrators.

* **Operational:** Includes annual staff time, annual equipment maintenance costs, third-party managed services, IT training and certification, and user training.

Five-year TCO is thus calculated as $((Capital + Implementation) + (5 * Operational))$

FIVE-YEAR HUDDLE ROOM VIDEOCONFERENCING TCO				
	Capital	Implementation	Operational	5 YEAR TCO
Ad-Hoc	\$2,722	\$918	\$3,888	\$23,080
Single Provider	\$7,550	\$827	\$2,798	\$22,367
Multi-Provider	\$6,458	\$1,357	\$3,399	\$24,810

Table 1: Five-Year Huddle Room Videoconferencing TCO

Research data shows that for all expense categories, procuring a single-provider solution in which all hardware and software come from a single vendor results in a five-year TCO savings of approximately 10% compared with a multi-provider solution. This is primary due to an 18% lower annual operational cost.

Since we conducted this study, Cisco has introduced the Webex Room Kit Mini, highlighting continued efforts by vendors to drive down procurement, implementation, and operating costs of deploying videoconferencing into huddle spaces. Cisco's announced street price of \$2,899 to purchase a Webex Room Kit Mini offers the potential to further reduce five-year TCO by shrinking capital costs while maintaining the setup and ongoing cost advantage offered by single-provider solutions. Assuming capital costs equal advertised street price, a Webex Room Kit Mini solution would reduce five-year TCO for a single-provider solution to \$17,716, providing a 29% five-year TCO savings versus a multi-provider solution.

Single-provider solutions may also reduce the number of potential points of failure. In a multi-vendor solution, there may be a larger number of components including screen, camera, speaker, control panel, keyboard, and separate PC for running software. For example, participants using Zoom Room kits comprised of hardware from partner vendors report approximately 4.7 devices in their huddle rooms. With some devices having multiple ports, there exists potential for 10 or more failure points. Solutions that integrate these components reduce the potential failure points.

The Business Case Beyond Cost

While cost is certainly an important criterion in evaluating competing solutions, other factors contribute to reducing overall TCO, and improving user adoption of provisioned solutions.

Optimized Meeting Spaces

Fewer than half of study participants say they accurately provision the necessary number of huddle spaces to meet employee demand. Approximately 16% of organizations over-provision huddle spaces. With the average physical construction and supply costs of setting up a new room coming in at around \$10,600 per space, or \$105 per square foot, minimizing over-provisioning can result in tangible cost savings. Additionally, 19% under-

provision, meaning that they will need to revisit floor configuration and add additional rooms, creating expense and disruption to workspaces.

Videoconferencing systems that are able to use artificial intelligence capabilities to capture data showing the number of individuals present in a room assist in meeting space planning by delivering insight showing if rooms are over-utilized (e.g., seven people in a room, on average, in a space designed for four), under-utilized (e.g., a 10-person space that, on average, hosts meetings of no more than three people), or inefficiently utilized (e.g., scheduled meetings don't happen, unnecessarily tying up the space). Nemertes "*Visual Communications and Collaboration: 2018 Research Study*" showed that those who measure room system utilization had more successful videoconferencing deployments in terms of gains in productivity, system utilization, and their self-assessed ability to meet collaboration needs of the business.

Screen Integration

Some videoconferencing vendors have partnerships with screen manufacturers (e.g., LG, NEC, Samsung) to integrate screen management with videoconferencing systems. Features include the ability of a screen to auto-switch inputs to support incoming calls, optimize color and video playback, and enable videoconferencing management platforms to monitor screen performance.

Ease of Use

Seventy-two percent of participants use the same videoconferencing vendor in all-sized meeting spaces. Doing so increases ease-of-use by providing a consistent user interface and single management platform regardless of room size. Those using the same vendor for all rooms have a 22.7% higher success rating than those using multiple providers (success defined as a combination of adoption, identified productivity gains, and self-rated success in terms of meeting business collaboration needs).

Conclusion

Workers increasingly demand the same visual collaboration capabilities in huddle spaces that are available to them in larger meeting rooms. Unfortunately, in many cases IT leaders struggle to provision solutions that are easy to use, provide a consistent look and feel across rooms of all sizes, and are inexpensive to procure and operate. Absent an organizational-wide huddle space strategy, lines of business and individual users will often obtain their own solutions, creating management and usability challenges. Room systems that provide integrated hardware and meeting software, all from the same vendor, offer the lowest implementation and ongoing support costs, leading to lower five-year TCO versus multi-vendor solutions or provisioning equipment that requires participants to bring their own laptops to a conference space. In addition, emerging technologies like AI-powered participant recognition and screen integration can deliver additional efficiencies and further operational cost reduction. IT leaders should:

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About Nemertes: Nemertes is a global research-based advisory and consulting firm that analyzes the business value of emerging technologies. Since 2002, we have provided strategic recommendations based on data-backed operational and business metrics to help enterprise organizations deliver successful technology transformation to employees and customers. Simply put: Nemertes' better data helps clients make better decisions.