The State of Video Communication in Large Enterprises

A global report on adoption, trends, and opportunities

Fall/Winter 2021

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Introduction

Video conferencing technology has been available for enterprises for many years. Some businesses and industries were early adopters, while others used it only occasionally or not at all. Then, with the outbreak of the COVID-19 pandemic in 2020, video communication suddenly took on a critical role in maintaining business continuity by enabling remote face-to-face interactions between colleagues and with customers. Video continues to be an important part of everyday professional life, and leaders are discovering and implementing new use cases for this technology.

During the fall of 2021, we conducted a survey that shows how far enterprises have come, both in terms of adoption of the technology, and the maturity of video culture. The lifting of pandemic-related restrictions (which was happening around the same time as the survey was conduced) could have made enterprises less reliant on video. Yet, according to our survey respondents, the use and deployment of video seems to be far from slowing down. On the contrary, we expect to see continued growth and development driven by these key trends:

The continued optimization of hybrid meetings

The importance of security and data privacy, especially for so-called “critical meetings” where highly sensitive information is shared

The opportunities revealed by video-based customer engagement

While business interactions were largely remote at the height of the pandemic lockdowns, **hybrid meetings** (those with both in-office and remote participants) are now increasingly common. Hybrid meetings present different challenges than fully in-office or fully remote scenarios. Often, these are related to technological hurdles that can impact meeting productivity, and the challenge of cultivating equity between remote and in-office participants. Now, team leaders are tasked with employing the right tools, strategies, and best practices to ensure that business and meeting culture adapts to this modern way of working.

In today's increasingly complex regulatory environment, enterprises are also being challenged with protecting and being transparent about their handling of video data, especially in the case of critical meetings. This is especially relevant in sectors like finance and legal services, and the demand for security comes from many stakeholders, including enterprise IT leaders, compliance officers, executives, and customers. As enterprises move away from quick-fix solutions implemented during the pandemic and toward long-term video solutions, **security considerations** will continue to be a vital part of video conferencing's culture and evolution.

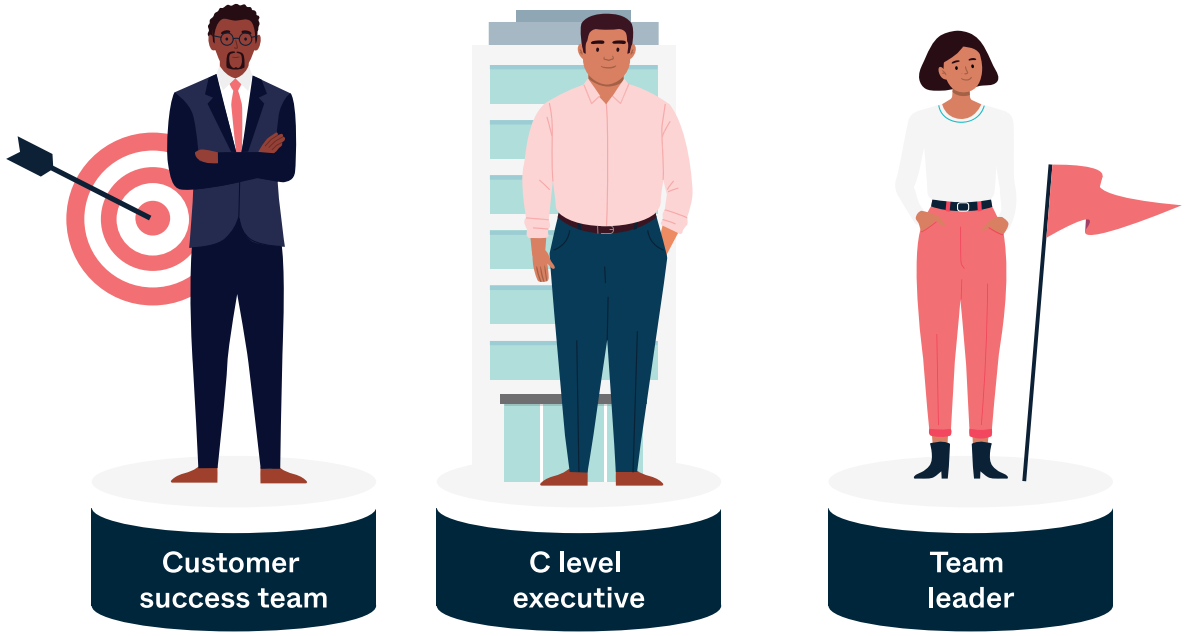
And finally, while the traditional use of video has been for meetings between colleagues or business contacts, **customer engagement** is a video use case that presents exciting opportunities. Throughout every stage of the customer journey, video is already being used by enterprise sales teams and customer success agents to build and maintain customer relationships. As this use case continues to mature, it will become increasingly important that these customer workflows are seamless, secure, and easy to use.

What opportunities do these trends present, and what will be the key value drivers for video-enabled enterprises going forward? What is the current state of enterprise video adoption? Has hybrid meeting culture matured at pace with this adoption? What technology barriers are creating challenges in hybrid meetings? How important is security in the video context? And what role does video play in customer engagement? These are some of the questions this report strives to address.

Report methodology

This report presents the findings of a telephone survey conducted by Brightvision for Pexip on the state of video communications in large enterprises. 246 C-level executives and managers in marketing, sales, customer success and HR were interviewed in 11 countries across Europe, North America, and Australia. These respondents represented companies ranging from $10m to $1bn in revenue in industries including professional services, legal services, finance, and retail. The interviews were conducted between 23 September and 12 November 2021.

Survey participant types:



Purpose of report

This report aims to empower a better enterprise video experience by identifying the current state of video communications, as well as its challenges and opportunities for future improvements. In this report, we explore how businesses can extend the video experience beyond traditional meetings, so that it can enhance many diverse aspects of modern business operations and culture.

“Empowering a better enterprise video experience” includes optimizing hybrid meetings, supporting secure critical meetings, and enabling customer engagement with video. We will highlight best practices to support enterprises in evaluating their current video maturity, with actionable insights to help improve their video solution and increase its value throughout their organization.

Executive summary

Video adoption in large enterprises is high, with more than two thirds (71%) of respondents stating that they use video conferencing daily. A high rate of success in video deployment and a mature video culture can be seen in what is, overall, a positive attitude toward video; **more than 9 of 10 (91%) of the business leaders surveyed said that their overall experience with virtual or hybrid meetings is positive.**

Video is proving to be vital in empowering a hybrid workplace that can connect and engage employees across distances, with more than half (60%) of enterprise leaders surveyed stating that they see “no difference” in the level of engagement during meetings among remote and in-person participants. And an overwhelming majority of respondents (81%) agreed that video is superior to email and chat for raising team spirit, another sign that video is a key value driver for successful hybrid working environments. These figures indicate that **hybrid meetings** are benefiting enterprises in many ways, and that they are very likely here to stay.

Some questions in the survey also highlighted what can be seen as current challenges related to hybrid meetings, particularly around parameters such as meeting equity and technological hurdles affecting productivity.

For example, 47% said that difficulties accessing and joining meetings creates a negative impact on productivity, versus 40% who said that it did not. And in a question about employee engagement, 39% said that they felt remote participants don't fully participate or express their views in the same way that in-office participants do, while 43% did not see a problem with engagement by remote participants. These challenges can be related to technical issues with the video solutions being used, as well as lags in adoption of video culture. Overly complex user interfaces and workflows, or a lack of video **interoperability** can be causing some of these issues, in addition to behavior and mindset.

These challenges provide valuable insights that present opportunities for improvement. Addressing this can mean implementing more sophisticated technology and guiding behavioral shifts toward a more mature hybrid video culture in large enterprises. **The security of video communications** is also top of mind for the enterprise leaders surveyed, with 68% agreeing or strongly agreeing that security and privacy are important considerations. 49% of financial and legal services respondents, which generally have many critical meetings that handle sensitive data, said they "strongly agree" that security is a top priority.

The survey results indicate that the use of video in **customer engagement** is a strong trend within video-enabled businesses, with 71% of respondents reporting that they use video to engage with their customers. Video is especially popular as a replacement for phone calls, with about three quarters of respondents (84%) in agreement that video enables stronger connections with customers than voice-only phone calls.

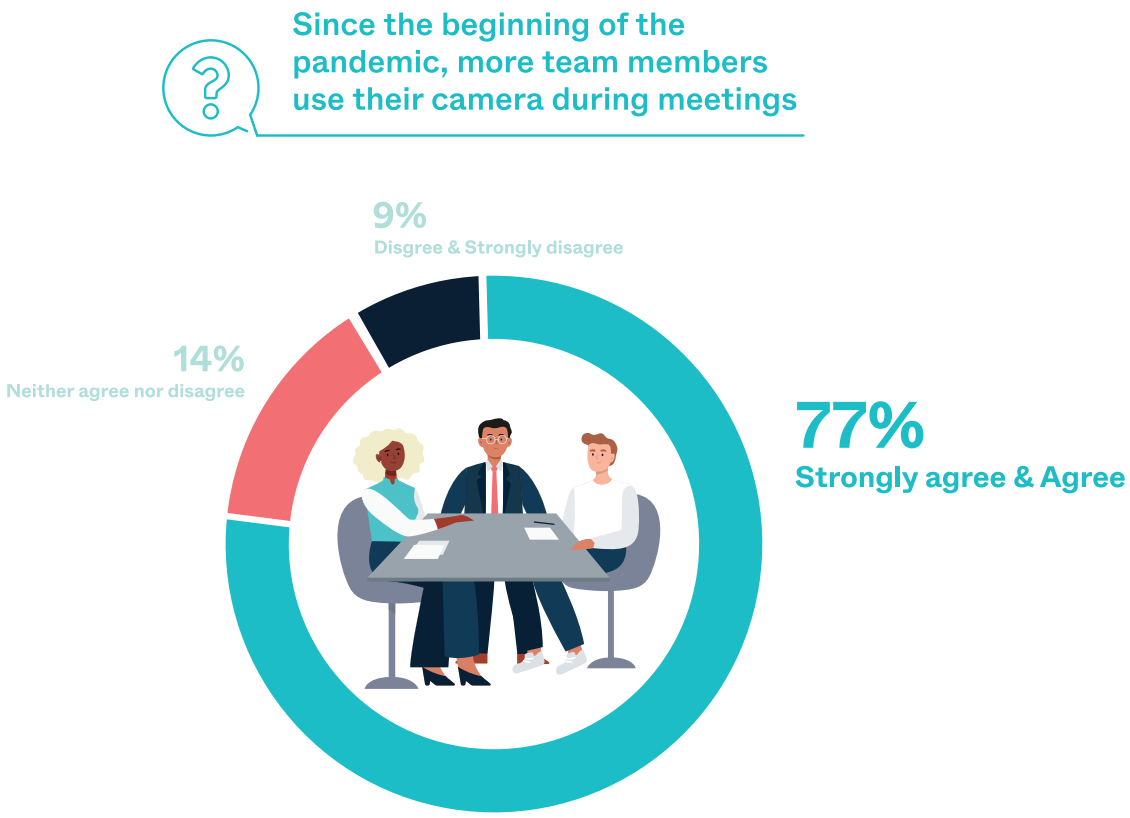
Video is also increasingly used to replace in-person customer engagement depending on the context of the interaction. Some respondents recommended shifting to video for follow-ups while others revealed they had success interacting with customers exclusively over video. The capability of video to improve customer retention is a major driver of increased adoption regardless of context, with more than half of respondents (59%) in agreement that video increases customer retention.

Together, these survey responses provide an insightful picture of the current state of video adoption and usage in large enterprises, the current benefits and challenges of hybrid meetings, the importance of video conferencing security, and the possibilities for video that extend beyond traditional meetings, including for customer engagement.

Enterprise video adoption and the state of video culture

More than two thirds (71%) of the respondents reported using video conferencing daily, which shows that it has become an integral part of day-to-day work in large enterprises. Relevant to note here is that this survey was conducted during fall 2021, after many COVID-19 work-from-home requirements had been lifted around the world. Despite this, a large percentage of business leaders say they are still using video daily.

This indicates that the respondents are not using video out of strict necessity but are actively choosing to use it and will likely continue to do so. In fact, **more than 9 out of 10 (91%) of the business leaders surveyed agree or strongly agree that their overall video experience is positive**, with only 2% reporting a negative overall experience. This indicates that an overwhelming majority of enterprises have been highly successful in adopting video conferencing technology.



The COVID-19 pandemic accelerated this adoption, but it also encouraged behavioral shifts in how organizations use video. As many as 77% of the business leaders surveyed agreed that more participants now have their cameras turned on during meetings compared with at the beginning of the pandemic.

Video culture key insight:

The role of the camera in building human connections

When on-camera and talking face-to-face, participants are less likely to allow themselves to be (or at least appear to be) distracted or disengaged. Several respondents said that detecting and reading body language is crucial for creating human connections, and, naturally, it's not possible to see any body language if cameras are switched off. This trend indicates the development of a more mature video culture.

The hybrid meeting experience under the microscope

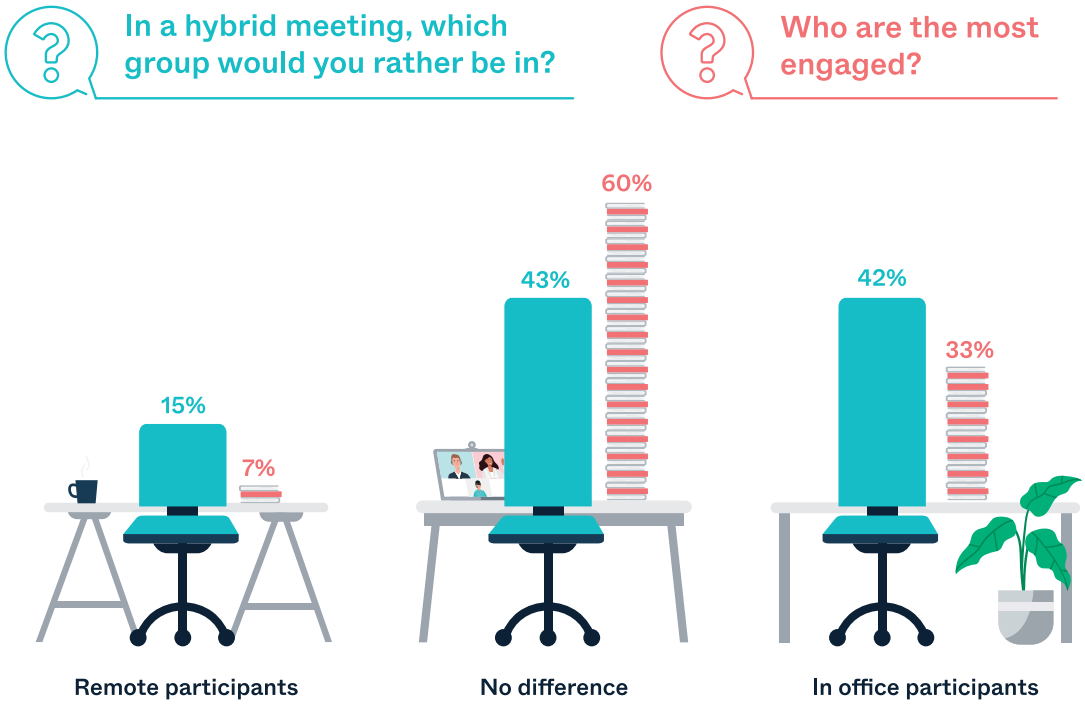
Hybrid meetings occur when some participants (employees, contacts, consumers, or other stakeholders) connect using video conferencing infrastructure in the office, usually from a conference room, and some connect remotely, often from home or while traveling. This is distinct from fully in-person meetings (where everyone is in the same room and video isn't needed) or fully remote meetings (where everyone is on video).

The hybrid model offers many benefits, as well as challenges – especially in our current moment, when some enterprises are still adapting to this modern way of working. One of the most common hybrid scenarios is frequent, regular meetings of a specific team within an enterprise. Therefore, it's important for team leaders to address how they can optimize the hybrid workplace to promote positive team building, while encouraging participation and motivation. Video has a crucial role to play here, which can be seen in this survey: **81% of respondents agreed that video is superior to email and chat for raising team spirit.**

On other topics related to hybrid meetings, we gained valuable insight into current challenges and opportunities for further optimization, especially related to creating meeting equity and boosting meeting productivity.

The state of meeting equity and employee engagement

A key benchmark for hybrid meeting success is achieving **meeting equity**, which means creating an environment where all meeting participants have equal opportunities to express their opinion and feel equally engaged and included, regardless of whether they are in-office or remote.



Nearly half (43%) of the business leaders surveyed stated that they personally had “no difference” in preference of whether they participate in a meeting in the office or remotely. Similarly, 60% said they felt that in-office and remote participants were equally engaged. This speaks to a relatively mature video culture in that about half of the enterprise respondents said that they believe meeting participants in their organization are equally comfortable in either role.

One of the main challenges for the rest of the enterprises in the survey was achieving meeting equity, especially in cases where most of the participants are remote, or most are in-office. Here are some of the responses that provide key insights into this challenge:

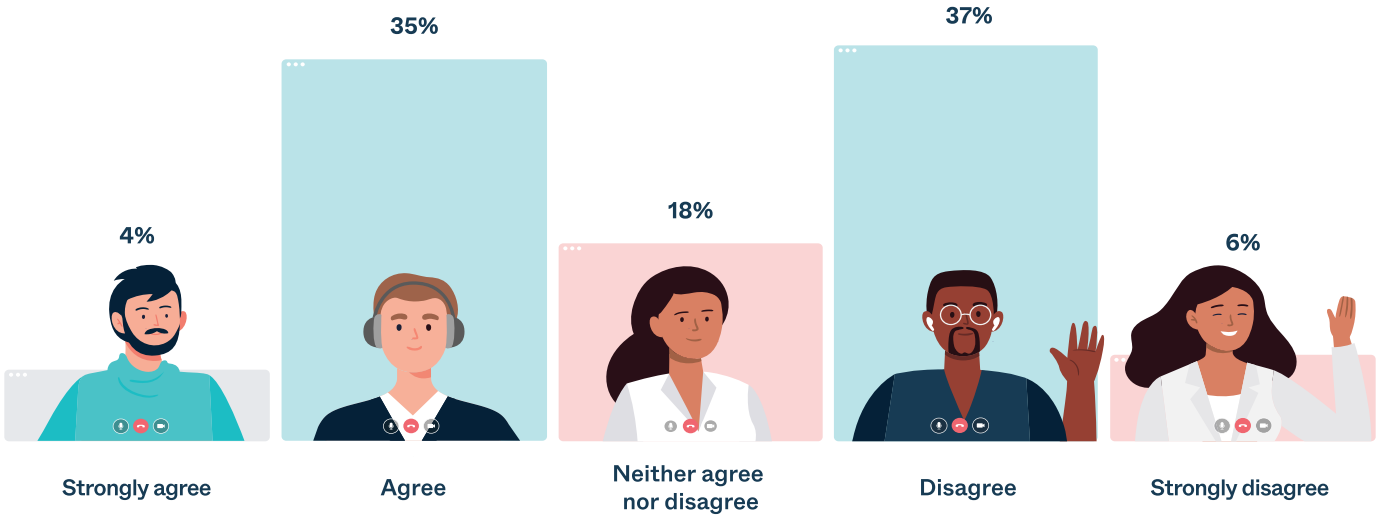
How meeting equity is affected when most participants are in-office, or most are remote

> **When the balance in hybrid meetings is in favor of people in the office, the few people that may be participating remotely definitely miss out.**
> - CSO at a financial services company.

When remote participants struggle to participate equally

> **It's slightly harder in hybrid meetings to follow who is speaking if you are remote and the speaker is in the boardroom.**
> - Head of service delivery at a tech company.

You worry that remote participants don't fully participate or express their views during meetings



Ensuring that remote participants can actively participate in hybrid meetings was also a challenge for some respondents. 39% of leaders surveyed said they fear that remote participants do not fully participate and do not feel free to express their views.

Insights on how to improve remote participant engagement

> **People in the office need to be aware and facilitate the meeting correctly for those that are remote to include them.**
> – A CX leader at a financial services company.

> **You need to make sure that the people who are remote are catered to. Don't treat it like an exclusively in-office meeting. Be sure to include the remote people.**
> – CMO at a tech company.

As hybrid meetings become an inevitable part of the modern workplace, it's important that business leaders think critically about how they can optimize these meetings so that everyone feels included and heard. This improves employee satisfaction but is also important for business development and innovation; after all, leaders want to hear the best ideas, whether that comes from someone working remotely or in-office.

Greater meeting equity can be achieved by choosing technology that is designed and optimized for hybrid meetings, including features such as AI-powered technology that adapts to each meeting. Promoting meeting equity will also require leaders to take action to adapt their organization's meeting culture, by defining new best practices for modern meetings and leading by example.

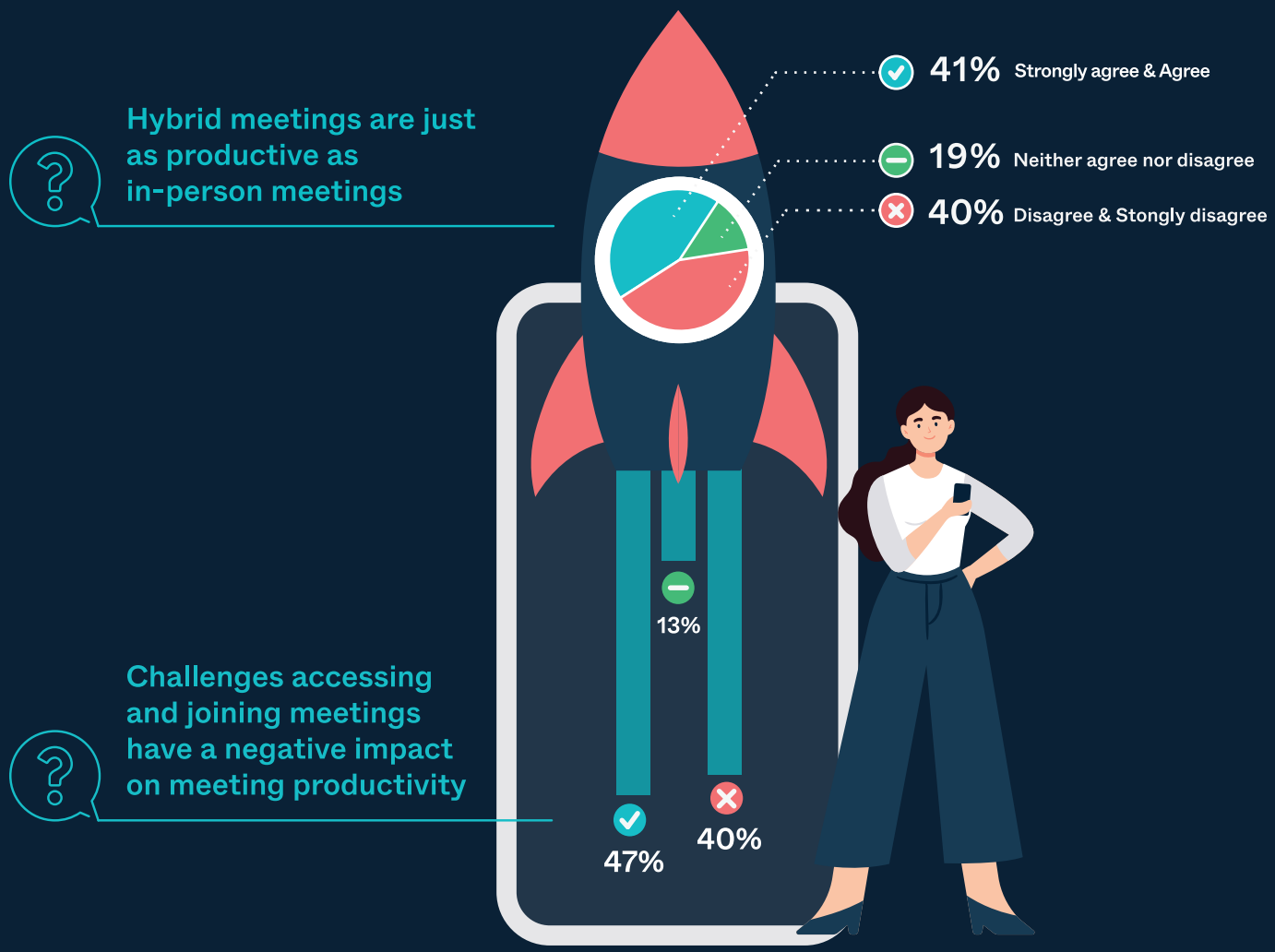
Video culture key insight:

Sometimes preference depends on the context of the meeting

“I prefer to be a remote participant, but if I need to participate actively or lead the meeting, I would rather be in the office.”

- A CRO in retail.

Making hybrid meetings productive



About two out of the five respondents surveyed (40%) felt that hybrid meetings are not as effective as fully in-person meetings. One of the main reasons for this seems to be difficulties accessing and joining meetings, a challenge that was reported by 47% of respondents.

However, there were also many respondents who didn't have these issues; the other two fifths or so of enterprises found hybrid meetings equally effective for all participants (41%) and did not see a negative impact on productivity due to technical challenges in joining meetings (40%).

For those experiencing a reduction in productivity due to technical challenges, the good news is that this is a concrete issue that can be solved with the right technology. Challenges around joining hybrid meetings are often related to a lack of interoperability between video meeting platforms and conference room devices.

Video interoperability is crucial for enabling both in-office and remote participants to connect to meetings quickly, and to prevent technical difficulties that may delay or distract from meetings. By removing gaps and technology barriers to collaboration, and reducing stress on meeting participants, it becomes easier for everyone to be focused and productive.

Interoperability

Interoperability 'bridges the gaps' between technologies so that multiple meeting solutions and video conferencing devices can work together seamlessly.

How the flexibility offered by hybrid meetings can maximize productivity

Cutting travel time

Several respondents identified "cutting travel time" as a key imperative for using video instead of meeting in person. This trend was especially strong in countries with large land areas, such as Canada, the United States, and Australia.

> "I have a cross-country team, so I prefer connecting remotely to hybrid meetings for geographical reasons."
> - An HR executive from a US-based financial services company.

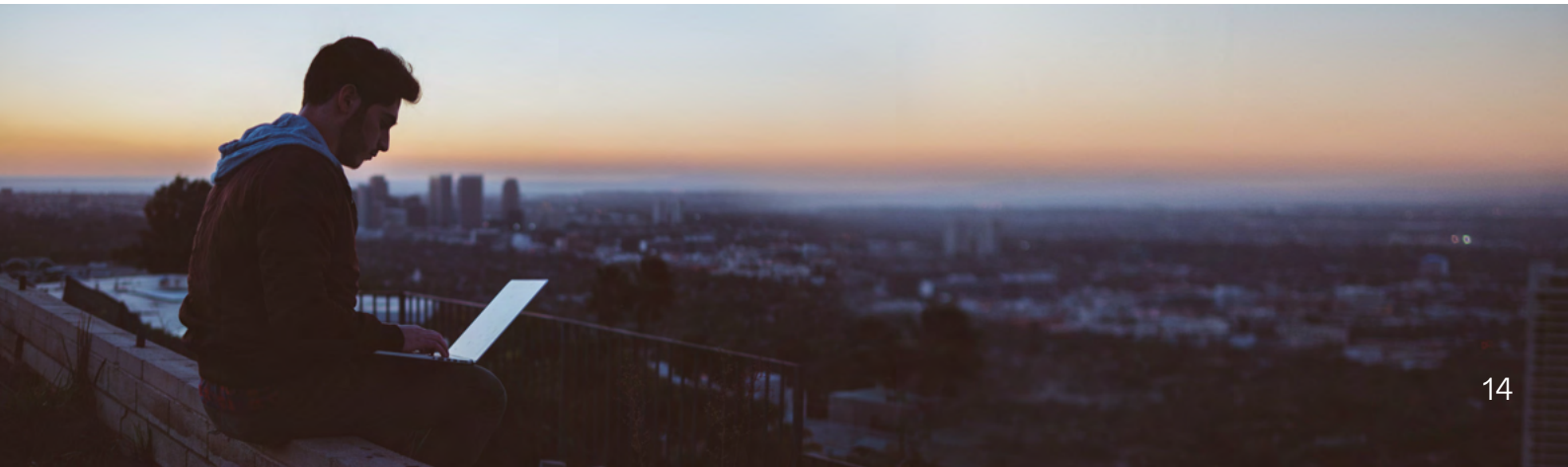
> "When working efficiently from home, I don't want to have to go into the office just for a meeting."
> - A Dutch business developer.

Choosing right environment for focus

Another hybrid workplace best practice is to empower employees by allowing them to join meetings from wherever they are most productive.

> "It's more effective to be in the office because you can pick up on small nuances."
> - A head of strategy and operations at a law firm.

> "In the office, chatter deviates from the topic. When you are remote, you can focus more and be more productive."
> - A head of service delivery at a tech company.



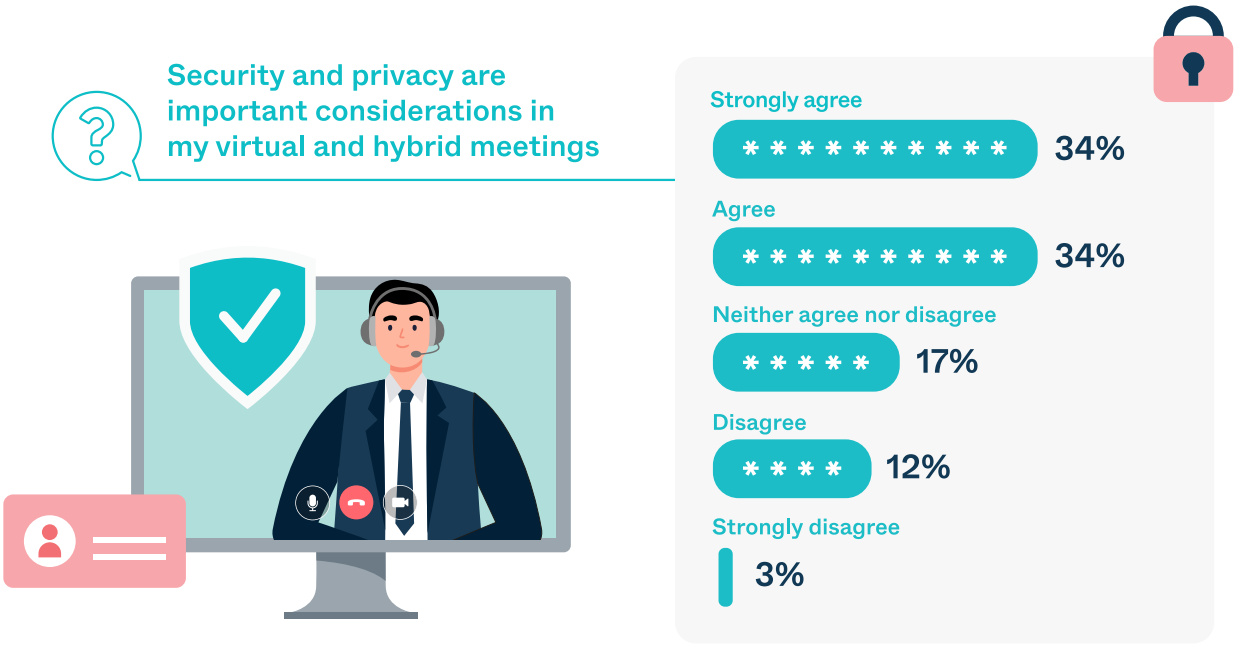
Video culture key insight:

Remote participants are on time for hybrid meetings more often

“Overall meeting quality would be better if in-office participants were more committed to joining hybrid meetings promptly. Remote participants generally are more likely to be on time for meetings.”

- A Spanish digital marketing manager.

The increasingly prioritized role of security in video



At the onset of the COVID-19 pandemic, some enterprises that had not yet widely adopted video had to do so – and do it quickly. This resulted in implementing "quick fixes" where business continuity took precedence over security and privacy. Now, at the time of the survey in fall 2021, **68% of respondents saw security and privacy as key considerations,** meaning that organizations are now thinking about secure video solutions beyond the context of the pandemic.

It's also interesting to break down this data by industry, since some industries are naturally more concerned about security than others. 49% of respondents from the financial and legal services sectors said they "strongly agree" that security and privacy are important considerations. In industries like these that often hold critical meetings where highly sensitive data is shared, security, privacy, and data handling are top of mind. In these cases, the threat of data leaks, liability suits, loss of customer trust, and even criminal charges for compliance breaches can all be avoided by choosing a highly secure video solution.

As compliance awareness and demands increase, security will continue to be a top priority among enterprises. A challenge faced by some enterprises with many critical meetings and sensitive data is to find an appropriate balance between security and functionality. In these cases, they will need to look to technology that offers deployment options that are flexible and easy to use yet designed with security in mind.

Video culture key insight: Ensuring data sovereignty

To take control of their data, enterprises should be mindful of how the following types of sensitive video data are secured:

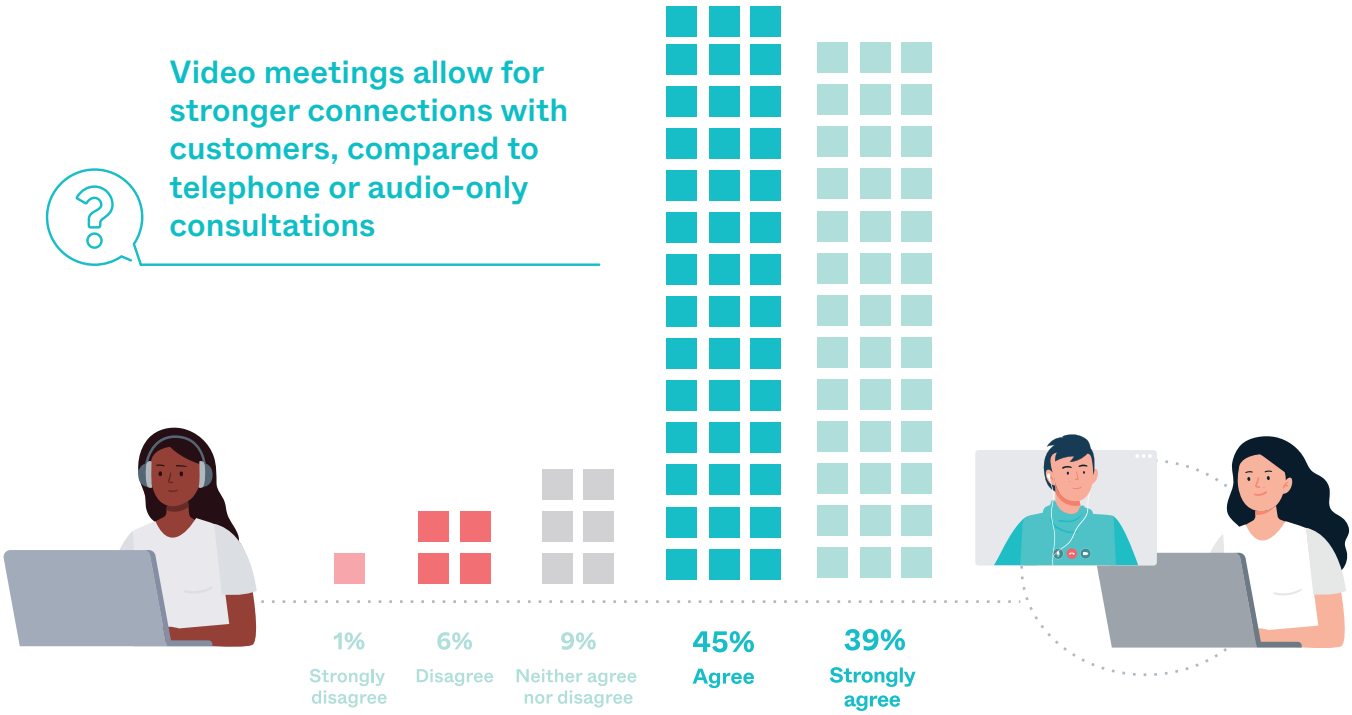
- Information spoken over video
- Names of participants
- Title and context of a video call
- Content shared during video conferencing
- Recordings of a video conference

For enterprises today, a key part of creating a secure video culture for critical meetings (and all other video interactions) is keeping sensitive video data stored within certain national borders to ensure data sovereignty. This can be done by choosing a video platform with secure deployment options like self-hosted and private cloud. This may an important consideration for security-minded enterprises as they strive to meet rising security, privacy, and compliance requirements.

Enhancing customer engagement with video

Video conferencing has traditionally been adopted for internal and B2B enterprise communications. However, this technology became a necessity for maintaining customer relationships during the COVID-19 pandemic. Since then, video has increasingly proven to be a valuable tool that can be used to facilitate and enhance the entire customer journey. Examples of the customer engagement use cases include lawyer-client consultations, banker-customer financial advising, product demonstrations, and sales pitches.

Across all surveyed industries and regions, 73.8% of respondents said that they currently use video to engage with customers. This already high number is likely to increase as the benefits of B2C video engagements become even more relevant and apparent. Adoption rates will likely continue to rise through further optimization of technology and workflows, increased ease of use, and management of security concerns.



Building relationships is critical to success in customer engagement and using video instead of the phone can help with that. Nearly 4 out of 5 (84%) surveyed enterprises agreed or strongly agreed that video enables stronger human connections to be made with customers than by using phone calls.

Phone calls are universally simple for all age groups, while video chats can be a challenge for some users if the process is not simple enough, requires too many steps, or is not compatible with a customer's preferred device or browser. According to an open-ended question, 23% of respondents pointed to complicated workflows and lack of technical knowledge on the part of customers as primary barriers to video adoption.

Ease of use barriers to adoption of video in customer engagement

> When external customers are trying to use your link and it does not work properly.
> - HR leader from a tech company.

> Different customers may use different solutions and are not used to all the features.
> - Sales executive from a tech company.

To unleash the full potential of video for customer engagement, an organization's chosen video solution must make virtual meetings and video chats easy for anyone to join. The most important features to consider are ease of use, and the ability to integrate video with your organization's existing digital customer journey.

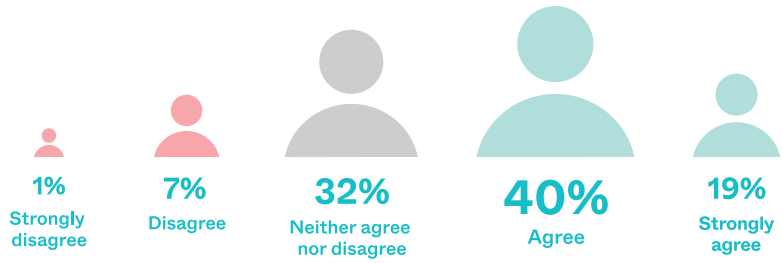
In some cases, survey respondents said that different kinds of customer interactions require different kinds of meetings (in-person vs remote). This points to the need for B2C businesses to use a video solution that's flexible and integrated into the company's workflows, so that video calls can easily be scheduled and available when needed.

Video culture key insight:
A new way of doing business

"Video calls are considered more important and more formal than phone conversations, so they are a totally different way of doing business. You have to get the video call right to make a good impression."

- A key account manager in professional services.

You believe video meetings will increase customer retention



At the time of the survey, some of the respondents still saw advantages of in-person meetings over video meetings for engaging with customers. Nevertheless, nearly three in five (59%) of the respondents believe that video will increase customer retention, and video is trending as an effective replacement for in-person meetings. In fact, 19% of respondents did not see any barrier to adopting video for customer engagement.

Challenges and opportunities for video in customer interactions

> **It can be difficult to connect with customers over video if personal interaction is impeded by technical difficulties. This can result in missing out on details that can be key to the decision-making moment.**
> - An HSE manager from a multinational based in Sweden.

> **I have many new customers I have never met in person, and I am surprised at how smoothly it is all going. I do not feel there is much of a barrier to using video for customer engagement.**
> - A COO in professional services.

> **The first meeting with the customer should be done in person but subsequent meetings can easily be digital.**
> - A Swedish sales manager from a fortune 500 multinational.

Some of the surveyed business leaders (17%) pointed to the need to be able to read body language, engage in small talk, and similar actions to build trust and relationships with customers. Overcoming this presents a great opportunity for improving the video experience. The latest AI technology, such as adaptive composition and smart framing, can make it easier to detect body language and non-verbal cues. In addition, solutions with low sound latency and exceptional visual quality help to make the experience look and feel more natural. These kinds of technology features can help more closely re-create the experience of an in-person meeting.

Conclusions

Our survey findings indicate that enterprise business leaders have largely adopted video technology in their everyday professional interactions. Hybrid meetings are officially the new (and long-term) normal, and leaders are generally positive toward the use of video in both business meetings and customer interactions. These trends are visible across all regions and industries.

We also found that security is a top consideration across regions and industries, especially for industries with many critical meeting contexts, such as the financial and legal sectors.

However, there remain some challenges, many of which are related to gaps in technology, ease of use, and feelings of lost “personal connection” in the hybrid world. For video-enabled enterprises to encourage continued adoption, optimize collaboration solutions, and increase the value of video, organizational leaders should consider the following:

Ensure hybrid meetings are productive and easy to join by implementing best-in-class video solutions, including solutions for video interoperability.

Build an internal video culture that equally addresses the needs of both in-office and remote participants.

Ensure security and privacy for your enterprise and customers by choosing a solution that's designed with security in mind.

Deploy state-of-the-art video enhancement features to make it easier for sales teams to pick up on customer body language and build relationships.

Consider a solution with great audio quality and AI features that make video interactions look and feel closer to in-person.

This survey illustrates that the use of video in the enterprise workplace is here to stay, and that its possible use cases are poised to stretch beyond traditional meetings and become a key facilitator for customer engagement. According to the business leaders surveyed, video plays an important role in engaging customers, boosting team motivation, and creating a space for flexible interactions in a hybrid world.

About Pexip

Pexip is a video communication platform that empowers and connects people across borders, businesses, and technologies. The scalable platform powers high-quality video meetings and applications, with enterprise-grade security, and is easily adapted to fit customers' IT requirements and existing infrastructure and workflows. This makes Pexip the leading provider for both large enterprises and public sector organizations. The solution is sold through more than 300 channel partners in 75 countries and used in 190 countries. Pexip was listed on the Oslo Stock Exchange in May 2020.

Learn more at pexip.com