
Interactive Media Strategies
Research Report

**The Shifting Nature of
Applications for
Business Online Multimedia**

Measuring Corporate Momentum
in Adopting Specific Uses of
Online Video and Audio

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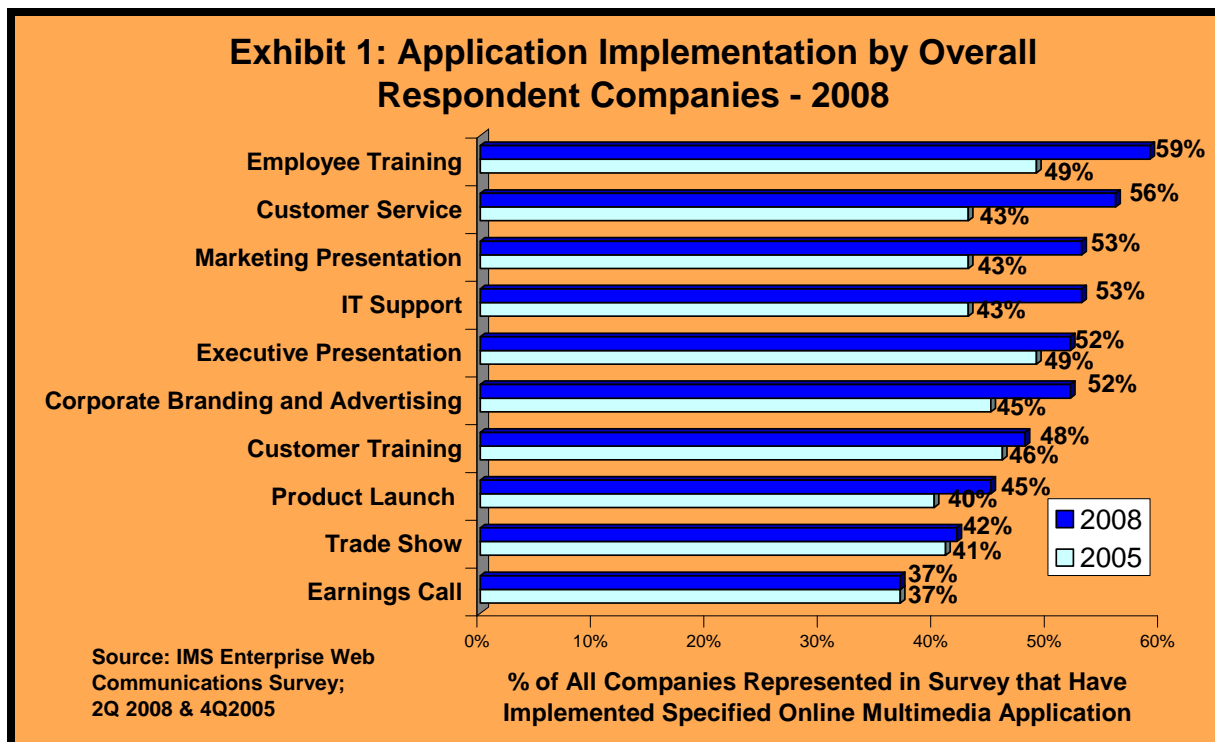
* All Survey Results Presented Represent totals from the Interactive Media Strategies' Enterprise Web Communications Survey, conducted in the Second Quarter of 2008 and the First Quarter of 2007. In the surveys, 1,212 and 1,209 corporate executives, respectively, were asked to detail their use, deployment and perceptions of a wide range of Web Communications technologies, including online multimedia, rich media, Web Conferencing, instant messaging and podcasting.

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I. Introduction

The face of business online multimedia is changing. In its earliest days, the technology was characterized primarily as a means for enriching internal communications, such as employee training sessions and executive presentations. Now, executives are beginning to see a broader range of uses for online audio and video, integrating the technology on a more frequent basis into a host of outbound communications applications, such as marketing presentations and customer service.

Undoubtedly, the growing adoption of online multimedia in the business sector is a tide that lifts all boats when evaluating the penetration of specific applications of the technology. Exhibit 1 compares the relative penetration of deployment of a range of uses for online multimedia in 2008 versus 2005 and highlights the shifting trends in application implementation.



Across the board, more organizations are using online audio and video for more applications. Basic gains in deployment of online multimedia in general are helping to boost the penetration levels reported in Exhibit 1. With more companies actually using the technology, it logically stands to reason that a higher percentage of organizations will be engaged in specific applications. Also, as more companies gain experience in deploying the online audio and video, implementation of the technology for multiple applications in a single organization is becoming increasingly commonplace.

But more is at work in today's enterprise sector than just a steady progression in adoption and use. Indeed, marketplace change is most evident when you

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examine the differences in growth rates in application penetration levels between 2005 and 2008. Three years ago, employee training and executive presentations were tied for the top spot in corporate deployment of online multimedia applications. In the time since, employee training has kept its momentum, increasing to a penetration level of 59% in 2008 compared with 49% in 2005. Executive presentations, in contrast, have languished a bit, rising to just 53% in penetration in 2008 compared with 49% in 2005.

During this time, applications such as customer service, marketing presentations and IT support have all surged ahead of executive presentations in terms of their overall penetration in the enterprise business multimedia sector. These results suggest a clear evolution in the value proposition for online audio and video in the enterprise. While large “all-hands” employee meetings remain a viable use for online multimedia organizations, the technology is becoming increasingly relevant for more targeted applications designed to communicate key information to a specific audience.

The implications of this shift in online multimedia application deployment are significant. Historically, homogenous adoption of employee training and executive presentations has fostered the development of a market of look-alike tools for content creation, management and distribution. Under the old guard, vendors that integrated video with a basic package of data applications, such as PowerPoint slides, could address the bulk of needs of companies implementing online multimedia for internal communications applications. Today, as alternative uses for online audio and video gain popularity in the enterprise sector, more room is emerging for companies to differentiate their offerings to target specific sub-segments of the online business video market space.

In this report, Interactive Media Strategies will take its most extensive look ever at quantifying the specific applications of online audio and video that are gaining traction with specific segments of the business sector. This narrative (along with its accompanying appendices) will describe the extent of online multimedia application deployment within the enterprise and analyze results from IMS executive surveys to illustrate specific applications that are garnering higher-than-average interest in selected segments of the enterprise sector.