

**Opportunities
and Evolving
Trends**

Online meetings as alternative to business travel

Netviewer Whitepaper

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Table of Contents

1. Taking a new look at business travel	3
2. The online meeting alternative	4
3. Comparing online meetings and business travel	4
3.1. Immediate cost benefits and faster ROI	4
3.2. More efficient work processes	5
3.3. Score points for motivation, work/life balance, and security.....	6
3.4. More effective transfer of knowledge and information	6
3.5. Sustainably "greener"	6
4. Conclusion: Lower costs and greater efficiency.....	7
4.1. The golden rules of sustainability and motivation	7

Executive Summary

Business travel is coming under closer scrutiny: In Germany alone, companies spend approximately 50 billion euros on business travel every year.

To partially offset this expense, many companies are replacing business trips with online meetings. With this technology, customers and partners are able to communicate with images and audio over the Internet, while special presentation functions reinforce the personal aspects of a meeting. Software licenses, Webcams, and headsets are worth the investments. Companies that use Web meetings discover new methods of collaboration and reduce their own output of greenhouse gases.

1. Taking a new look at business travel

In the globalized economy, travel is becoming an ever-larger cost factor. Common reasons for business travel include customer presentations, employee training, project meetings, and technical support. The results of the 2008 business travel analysis by the Association of German Travel Management (VDR) revealed that German companies spend approximately 50 billion euros for 170 million business trips every year.

Until recently, no distance was too far to meet face-to-face with customers and project partners. But the gloomy economic outlook has induced nearly half of German companies to significantly tighten their travel guidelines.

This is due to elevated costs and lower revenues: Since the beginning of 2009, the cost for one liter of premium fuel has increased by nearly 10%. Rental car prices have gone up, and net airfare is becoming more expensive as airlines reduce their capacities. Since the total number of hotel guests has gone down, hotels are increasingly raising the prices they charge companies for long-term agreements.

At the same time, the public is becoming more aware of the importance of sustainability. Both customers and investors expect socially responsible business practices, which is one reason why many companies are committed to climate protection. Of course, simply talking about good intentions is not enough. Measurable results are what really count. So every business trip must

90% of companies in Germany believe they can reduce the expense of business travel. Half of the companies even think they can achieve cost savings of more than 10%.

(Survey conducted by the Association of German Travel Management among travel managers at German corporations in spring of 2009.)

now be evaluated in terms of its ecological impact. How much CO₂, energy, and noise from automobiles and airplanes can we really justify these days?

For these reasons, many companies are actively seeking new, more efficient, and more sustainable ways to maintain personal contact with their customers and partners. Online meetings are one way to do this.

2. The online meeting alternative

An increasing number of companies are utilizing the Internet for more effective communication with customers and partners. They are watching their travel budgets at the same time. The potential for cost savings is significant: the support department helps customers without leaving their desks, employees throughout the company benefit from educational Webinars, and project partners can use online meetings to better focus their efforts. Whenever there is a need for multiple participants based in several different locations to discuss an important subject, Web conferences provide a conducive atmosphere that is comparable to a personal meeting.

The technical requirements for holding online meetings are now available in most parts of the world. Only a normal computer with Internet access and special Web conferencing software is required to participate in an online meeting. The bandwidth necessary to transmit images and sound is available virtually everywhere. Web cameras and headsets can transport voice and nonverbal communication directly to the other participants. Presentations no longer depend on an overhead projector, since participants view the moderator's desktop right on their own screens. All participants can jointly access, view, and edit documents in real-time.

Web conference participants need only a PC with Internet access. Then they can review documents in real-time with their counterparts, discuss projects, or view presentations.

3. Comparing online meetings and business travel

3.1. Immediate cost benefits and faster ROI

Investments in Web conferencing applications are reasonable and transparent. Online meetings can produce noticeable savings quickly, depending on the frequency of use, internal accounting costs for participants, and travel-related expenses that would otherwise be incurred. In many cases, replacing one meeting per month with an online meeting is enough to justify the cost of the Web conferencing solution. In addition to cutting travel expenses, your company can also achieve productivity gains by eliminating travel down time.

A few examples of how Netviewer customers have saved money: (Source: Netviewer customers)

An association of banks...

... uses online meetings to launch new IT applications across an organization of 75 member banks and 3200 branch offices.

- Cost savings compared to traveling: 414 euros per presentation (assuming average distance of 150 km)

A drivetrain and transmission systems manufacturer...

... with annual sales of more than 2.5 billion euros, 13,000 employees, and a global customer base uses online meetings as standard practice for virtually all projects.

- Total savings: 20,000 euros per month
Secondary benefit: higher efficiency shortens development cycles.

3.2. More efficient work processes

Online meetings are easy to set up quickly and can help accelerate and simplify project work. Other labor and cost-intensive activities like booking trips or finding suitable accommodations are eliminated.

Since long and arduous travel is no longer required, employees can use their work time more productively. Project teams located at several different locations can hold Web conferences to review and discuss documents jointly. This ensures that the opinions and concerns of all team members are directly integrated and coordinated. It also avoids the very time-consuming and less efficient practice of exchanging information in e-mails. As a result, fewer electronic messages bombard the mail server each day. With their integrated VoIP voice transmission function, Web conferencing systems avoid expensive connection charges, particularly when doing business internationally.

While e-mail-based communication is sure to involve plenty of misunderstandings, Web conferences enable direct, interpersonal interaction that is very much like a traditional meeting and encourages trusting relationships. As a bonus: Experience shows that Web conference participants are more inclined to make their points quicker and deviate less from the topic of conversation.

3.3. Score points for motivation, work/life balance, and security

Online meetings reinforce internal communication because employees at different locations can be easily integrated into the decision-making process. Web conferencing technology also gives companies new ways to be flexible with telecommuting and home-based work. Finally, using Web conferences instead of travel makes it easier for your employees to avoid stress associated with epidemics and political turmoil.

3.4. More effective transfer of knowledge and information

Online meetings let participants experience intensive training courses and advanced education without leaving their desks. And they remain reachable at all times. Known as Webinars, Internet-based seminars are a fast way to directly communicate new knowledge to each employee. Learning materials can be provided in all common Web formats, yet participants can ask questions and discuss new material. Webinars can be easily recorded, archived, and made available as a download for later use. Online support ensures that customers always have access to technical service and live support for the applications they are using.

Online meetings are also ideally suited for customer presentations. For example, products can be introduced before even meeting face-to-face for the first time. As a result, business partners can decide if the expense associated with a "real" meeting is really worth it.

3.5. Sustainably "greener"

Online meetings benefit companies and the environment equally. They cut down on the consumption of resources and contribute to the execution of strategic sustainability principles. This can help reinforce a company's identity and image with its customers, business partners, and the public.

Comparison	Business trip	Online meeting
Benefits	<ul style="list-style-type: none"> Fosters personal relationships Enables "tangible" product presentations 	<ul style="list-style-type: none"> Rapid, effective, and efficient communication Economical and flexible Positive influence on employee motivation and sustainability Requires less time
Disadvantages	<ul style="list-style-type: none"> High expenses of travel Travel time not very productive Takes a lot of everyone's time 	<ul style="list-style-type: none"> Time differences make planning difficult Personal reservations from customers and business partners

4. Conclusion: Lower costs and greater efficiency

Online meetings give companies sustainable, scalable savings. At the same time, employees become more productive and highly motivated. "Virtual business trips" support flexible, personal collaboration in a globalized world and make a real contribution to sustainability. Traditional business trips are getting some stiff competition from online meetings. Desktop sharing, voice-over-IP, and Webcams let participants establish personal connections and give them a variety of ways to interact directly. With the right Web conferencing solution, a standard corporate PC with Internet access is all you need to get started. For these reasons, online meetings are becoming a serious alternative to business travel.

4.1. The golden rules of sustainability and motivation

If online meetings are included in a company's travel and meeting guidelines, then...

... employees can decide for themselves (within limits) if a business trip or Web conference is the better choice for a particular meeting.

... the costs, efficiency, and sustainability of business trips and meetings should be linked to measurable targets. For example:

"We wish to reduce our number of business trips by 10% during the coming fiscal year."

... achieved objectives should be integrated into the sustainability report and new targets should be set. This lets companies combine cost benefits with sustainability and reputation.