

## Background

### Cost-killer web collaboration

*Reduce costs, optimise work processes and improve quality with web collaboration*

It's not so very long ago that e-mail & Co. played a minor role in our (working) day. For employees and entrepreneurs, they were a "nice to have". Today, it is difficult to imagine our daily lives without electronic communication via e-mail and Internet.

Analysts forecast that the growth of web collaboration tools in the next few years will be similar to that seen with e-mail and the Internet. In Germany, software solutions for "real-time co-operation" are gaining ground. Advancing internationalisation and globalisation demands that project teams work together across corporate boundaries and across international boundaries, too. This presents new challenges to the enterprises and also to software companies. New channels of communication are necessary to ensure that work can become faster, more efficient, and more effective. What's more, the omnipresent pressure from costs and competitors is demanding even greater efficiency in co-operation.

To meet these challenges, real-time collaboration (RTC) will develop into a standard form of communication just like e-mail and the telephone within just a few years. Analysts at the META Group forecast an increase in the worldwide value of RTC software from US\$ 4,500 million in 2004 to at least US\$ 10,000 million by 2008.

Gartner, the American market research institute, also sees this as a market which is gaining ground: Their studies foresee an annual growth of 18 percent.

There are various definitions of web or real-time collaboration. Some see it as communication via Internet, e-mail and VoIP; others think of it in

terms of video and web conferencing. Some would include online project folders and similar tools. The market itself is correspondingly heterogeneous, and the products on offer are highly diverse. Real-time collaboration supplements the asynchronous forms of IT-based communication, such as fax or e-mail; “real-time” refers to the simultaneous interaction of different people on different sides of corporate boundaries.

The new dimension that real-time collaboration is opening up is becoming apparent. RTC is not just a new form of visual communication; it is a tangible contribution to increased efficiency of existing methods of communication. Working together becomes simpler, faster and more transparent, for everybody involved. The economic appeal of introducing RTC tools is consequently enormous. Quicker cycles of processing and decision-making, and the improved integration of customers, partners and suppliers all contribute to a significant reduction in costs.

The advantages of working with RTC tools are obvious: Savings in travel time, shorter processes, quicker decisions and an improved information flow are the powerful argument which lay the path for RTC tools.

**Example – Sales:**

One of the sales team wishes to demonstrate the new range of products to a potential customer; typically, he would have to invest time and money travelling to the customer. At that stage it is unclear whether or not a potential customer could become a paying customer. Netviewer software can save this first journey to the potential customer. Our sales team member presents the product range in an online conference, true to the motto “A picture says more than a thousand words”.

First of all, the potential customer is contacted by telephone and then, via Internet, receives a live on-screen presentation of the product. The potential customer can watch the presentation and, if it is a software product, he can even try it out for himself. This is done by the potential customer taking control over the salesman’s computer. With this feature, Netviewer provides the unique opportunity to give potential customers a first-hand impression of how the product works. Presentations have

more of an event character with an entirely new quality, both on the customer's side and on the side of the seller. The consequence: Reductions in travel costs, quick presentations, better results and satisfied customers.

In the age of worldwide networked enterprises and project teams distributed over every continent, it is a major problem to get everybody around one table all at once. Scheduling is difficult because participants are unwilling to sacrifice a whole working day for a meeting that takes just a couple of hours. And for those travelling from overseas, just one day is unlikely to be enough. The appointment is delayed again and again because it is so difficult to find a date that everybody can live with. And then there are the enormous cost of travel – and the time.

After salaries and research and development, travel costs are the third largest cost pool within companies. According to a study by the VDR e.V., the expenditure on business travel in Germany in 2004 was around EURO 44,000 million. There were 146.4 million business trips – a number which continues to grow.

And what a great many have long suspected: Many meetings are perceived as being inefficient and not conducive to corporate goals. Mindjet and Netviewer carried out a joint study at the end of 2005 which revealed that 45 % of participants would like to cut down on meetings that involve travel by half and replace them with online conferences, so saving time and working more efficiently.

**Example – Meetings:**

Four of a company's sales staff hold a meeting once a month at company headquarters. Considering salaries, travel costs and expenses, costs mount up to around Euro 800 per employee per day. In one year with four employees and 12 meetings, that amounts to Euro 38,400.

A decision is made to hold just six of those twelve meetings at headquarters, and the rest are to be held via Netviewer's web-conferencing software. By cutting back the on-site meetings to just once every two months, costs now amount to Euro 19,200 plus the cost of one workstation licence for one2meet. The total costs when using Netviewer amount to Euro 22,190. That is a cost saving of Euro 16,210 per year compared to holding "real" meetings every month – and that just considers 6 meetings.

Along with these palpable savings, the indirect costs play a considerable role, too: The staff are spared the travel time, freeing up more capacity for their true jobs such as taking care of customers and sales. According to a study by Wainhouse Research, a company with employees who taking part in 60 meetings per year could benefit from around US\$ 3000/Euro 2,400 in saved time if 25 percent of the meetings were to be relocated to the Internet.

The Wainhouse Research study also found that the productivity of individuals increases with the use of web-collaboration tools. Working together with colleagues becomes quicker and easier. This applies in particular when agreeing on technical details. 3D construction plans which have to be discussed with suppliers, partners and customers can be viewed, edited and discussed by all parties at once with the help of web-conferencing tools. Lengthy diversions via e-mail, Powerpoint presentation or PDF are unnecessary, because all of the involved parties can work directly with the relevant application – and if they're using Netviewer, there's no need of prior installation or configuration. This is an enormous time saving which increases the efficiency of the process.

Support specialists are the trailblazers in the use of RTC tools because the savings in costs and time are particularly obvious. Support services take up a great deal of time and cost, particularly when visits have to be made to customer premises. The fact that RTC tools like Netviewer allow direct access to customer computers from the outside makes this new technology a favourite product of administrators and support agents.

**Example – Support:**

The advantages become clear considering the example of support services for a savings bank: The Electronic Banking Team provides support for the complete online-banking presence and the electronic cash terminals. As these services become more and more popular with customers, the number of telephone calls to the supporters increases. This leads to an increase in the time that has to be invested in user support. Up to 80 percent of supporters' working time is spent telephoning with customers. Since implementing Netviewer, the service has become faster and better. Customers no longer have to spend time explaining their problems at length. The supporter simply starts a Netviewer session, and within seconds the customer's screen content is on display before his eyes. The time spent in discussion is dramatically reduced, the problem can be solved ad-hoc, and the customer is happy. Last but not least, the support can handle more calls per unit of time.

**Conclusion: Higher, faster, further with RTC**

Real-time collaboration opens up new dimensions in business processes. Where it used to be necessary to spend time sending faxes or e-mails, all we have to do now is to look at a document together, talk it over, and jointly make any changes. Where support and the hotline used to be stretched to the limit, now there is the capacity to offer high-quality service. Decision-making and processing are far faster with RTC – and the quality of the results is improved.

Over the next few years, most companies are going to discover the advantages of intuitive co-operation over the Internet. A study carried out by the Association of the German Internet Economy (eco) makes this trend clear. Two-thirds of the experts and managers questioned are of the opinion that the area of web collaboration is to grow in future.

Application	Use today	Future gains
Surfing the WWW	92%	36%
E-mail	100%	48%
Company network access	87%	83%
Web collaboration	32%	63%
Chat/instant messaging	16%	16%

Source: eco, 2004 (www.eco.de)

Sources:

- Verband Deutsches Reisemanagement e.V.: VDR-Geschäftsreiseanalyse 2005 in Zusammenarbeit mit BearingPoint
- Wainhouse Research (2005): The Arrival of the Virtual Office. Immediate Access to Colleagues and Costumers through an 'Always-On' Virtual Work Environment.

**About Netviewer**

**Netviewer GmbH (Karlsruhe, Germany)** supplies the software of the same name for web collaboration, desktop sharing and web conferencing ([www.netviewer.net](http://www.netviewer.net)). Netviewer software gives internet users a live view of a partner's screen so that text, spread sheets, graphics and other documents can be jointly discussed and edited. Live communication over the internet cuts travel time and increases productivity. More than 4000 multi-corporate enterprises and SMEs from over 30 countries make use this software including Agfa, Bayer, BMW, Deutsche Post, Ernst & Young, Siemens and Swisscom Mobile.

**Further information**

**Netviewer GmbH**  
 Irmgard Pirkl  
 Erzbergerstr. 117  
 D-76133 Karlsruhe Germany  
 Tel.: +49 721 354499-714  
 E-mail: [presse@netviewer.de](mailto:presse@netviewer.de)  
[www.netviewer.de](http://www.netviewer.de)