Early Customer Feedback Analysis – January 2013
Cisco Webex Meetings Server, version 1.0

I. Executive Summary

In the fall of 2012, Cypress Consulting interviewed five Cisco® unified communications customers to gather their opinions on Cisco WebEx® Meetings Server, version 1.0. In summary, these companies gave high marks to the new solution with expectations of increased productivity and decreased costs from the product's strong feature set, and confidence that future releases will compensate for current limitations.

1. Cisco WebEx Meetings Server

Cisco WebEx Meetings Server (CWMS) is a new solution that now delivers the Cisco market leading[i] public cloud WebEx Meeting Center as a private cloud deployment. Installed behind the firewall, CWMS includes integrated and encrypted audio, video, and web conferencing that can be securely extended to iPhones and iPads[ii].

The solution is deployed on Cisco virtualized Unified Computing System™ (UCS®) servers, and integrates with Cisco voice and instant messaging to yield end-to-end unified communications and collaboration (UC&C). Additionally, the web-based administrative tool provides comprehensive system lifecycle management.

2. Interview Process

Technical staff members that were involved in the CWMS evaluation for each of five companies interviewed (Table 1), were surveyed on the following three areas:

1. Selection criteria of on-premises versus public cloud web conferencing solution.

2. An evaluation of the CWMS feature set.

3. The expected benefits from a CWMS deployment.

Table 1.   Companies Interviewed

| Company / Organization	Location	Industry	Number of Employees	Participated in CWMS beta?	MeetingPlace® customer?
Lancaster University	United Kingdom	Higher Education	2,000	No	No
Dimension Data	Australia	Information Industry	1,600	Yes	Yes
Anonymous	Australia	Public Sector	6,500	Yes	Yes
Anonymous	United States	Public Sector	16,000	Yes	Yes
Anonymous	China	Service Provider	20,000	Yes	Yes

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3. Key Findings

The interviews revealed a number of key findings, including:

#1 On-premises decisions influenced by security, cost, and control

All five companies require an on-premises, private cloud deployment versus public cloud due to security, cost, and control issues:

- ▶ **Public Sector / Government mandates for on-premises deployment** – most government and some private organizations mandate the use of private cloud offerings due to compliance requirements.
- ▶ **Cost Structure** – inability to accept variable, monthly cloud fees led to a focus on private cloud solutions with up-front, one-time capital expenditures.
- ▶ **Control** – system flexibility not found in public cloud offerings favored private cloud installations with more perceived control of integration for enabling one-click conferencing within existing software deployments.
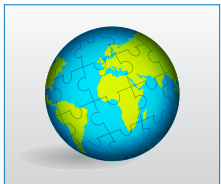
#2 Desire for integrated collaboration experiences

Four companies surveyed preferred a single vendor solution to a collection of point-solutions, and are deploying a broad Cisco UC&C suite to provide:

- ▶ **Common user experience** – one experience across all multiple devices.
- ▶ **Simplified system administration** – for increased IT staff efficiency.

#3 High marks for platform, system administration, and user experience

All five companies responded positively to the following CWMS features:

- ▶ **Platform** – virtualization, communications encryption, data security, and deployment options were specifically highlighted as strong aspects of the platform that satisfy customer requirements.
- ▶ **System administration** – fast deployment, simple telephony integration, easy user and security set-up, and comprehensive system monitoring were cited as beneficial system administration features.
- ▶ **User experience** – comprehensive user interface, multiple end-point support (Windows, Mac OS, iOS), PC and phone audio option, and simultaneous video and document sharing were all listed as positive elements of the user experience.

#4 Productivity increases and cost control benefits

All five companies expect to receive the following CWMS deployment benefits:

- ▶ **Productivity increases** – increased employee efficiency and higher conferencing adoption is forecasted due to the strength of the CWMS user interface compared to older, less user-friendly conferencing solutions.
- ▶ **Cost control** – increased control of travel, IT support, telephony, and bandwidth costs are expected from the CWMS on-premises deployment model, virtualized platform, and strong administration interface.

4. Areas for Improvement

All five customers cited integrations with the standards-based Lightweight Directory Access Protocol (LDAP) and Microsoft Active Directory (AD) as critical needs for true enterprise deployments. While not included in version 1.0, the CWMS product team indicated these integrations are planned for a future release.

Multiple companies voiced concerns about scalability – the current release supports 2,000 concurrent users on a single installation and 100 participants in a single meeting – but expect Cisco to increase the platform size over time to address these limitations.

In summary, CWMS version 1.0 lacks some desired enterprise deployment features; however, three of five companies have already purchased the solution and will evolve their deployments as coming versions include additional features. One customer will wait to consider deployment until a more scalable platform is released with deeper integration with directory services.

II. Analysis of Key Findings

As summarized, all five interviewed customers shared:

1. A requirement for on-premises web conferencing deployments

2. A preference for integrated communications and collaboration from a single vendor

3. High marks for CWMS product features – platform, system administration, and user experience

4. Anticipated productivity increases and cost decreases from a CWMS deployment

Specific findings and associated analyses are covered in the following four sections with each containing related quotes from companies interviewed.

1. On-premise Mandates and Deployments Trending Up Just as CWMS is Released

Some industries such as Healthcare, Financial Services, and Government are slower to accept public cloud deployments due to compliance requirements. For the two public agencies interviewed, security mandates eliminated a public cloud option.

For heavy conferencing users with strong local and wide area networks like the U.S. public agency, an on-premises capital expense cost structure was preferred to a public cloud operating expense cost structure. Further, the China service provider and Lancaster University, who would like to integrate CWMS to its learning management system[iii], concluded that an on-premises solution provides a level of integration control not available from public cloud offerings.

Frost and Sullivan market analysis, in fact, predicts faster on-premises license revenue growth in each of the next two years – more than 20 percent – compared to public cloud growth – 15 percent (Figure 1).

In summary, it appears CWMS version 1.0 is hitting the market at a good time, just as on-premises web conference deployments are trending up compared to public cloud conferencing. This should lead to a fast start for CWMS.
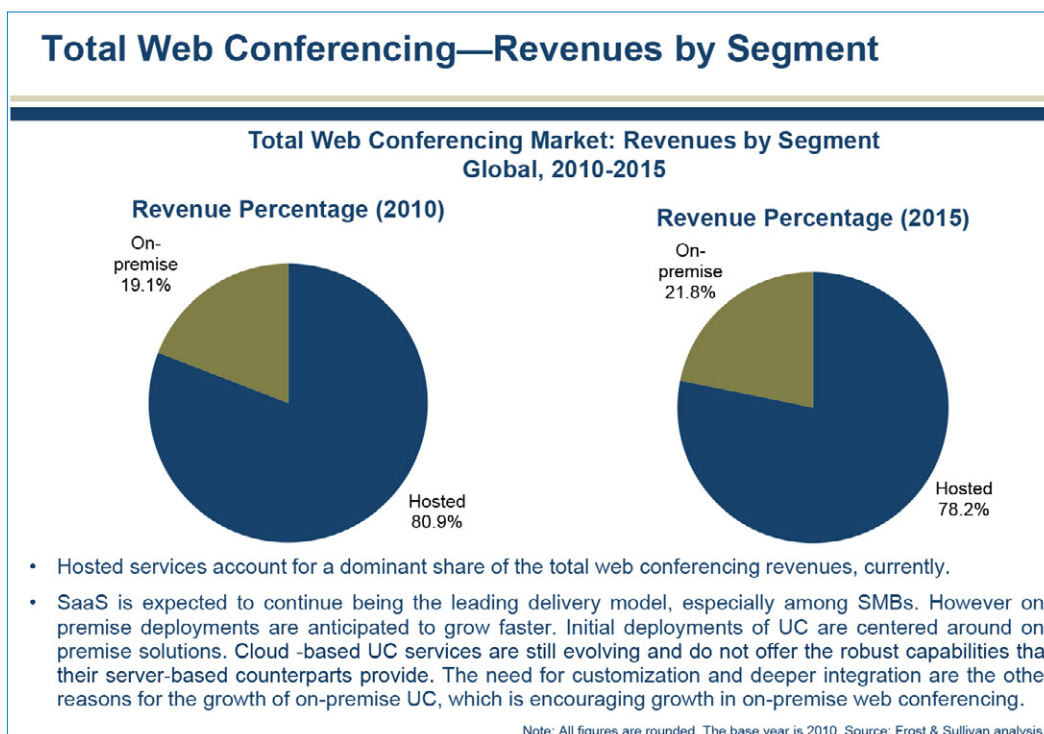
> ## Customer Quotes
>
> *A fixed expense at the time of purchase versus monthly billing is a much better cost model for us, and a requirement from our finance team.*
> **– China service provider**
>
> *Because of the nature of our business and the sensitivity of the information we deal with, we require an on-premise conferencing solution. Cloud is not an option for us.*
> **– US public agency**

Figure 1. Frost & Sullivan: "Analysis of the Global Web Conferencing Market," 09/11

Total Web Conferencing—Revenues by Segment

Total Web Conferencing Market: Revenues by Segment Global, 2010-2015

Revenue Percentage (2010)
On-premise 19.1%
Hosted 80.9%

Revenue Percentage (2015)
On-premise 21.8%
Hosted 78.2%

- Hosted services account for a dominant share of the total web conferencing revenues, currently.
- SaaS is expected to continue being the leading delivery model, especially among SMBs. However on-premise deployments are anticipated to grow faster. Initial deployments of UC are centered around on-premise solutions. Cloud-based UC services are still evolving and do not offer the robust capabilities that their server-based counterparts provide. The need for customization and deeper integration are the other reasons for the growth of on-premise UC, which is encouraging growth in on-premise web conferencing.

Note: All figures are rounded. The base year is 2010. Source: Frost & Sullivan analysis.

2. Integrated UC&C Requirements Favor the Broad Cisco Collaboration Portfolio

Four of the five customers interviewed placed a high value on integrated end-to-end unified communications solutions, and made unfavorable statements regarding multi-vendor deployment complexity. To these customers, integrated voice, video, web, instant messaging, and mobile communications from a single vendor are necessary to gain desired levels of efficiency. Even seemingly small features, such as user option of phone or PC headset and consolidated scheduling of audio and video conferencing, were expected to produce strong benefits.

Because of its perceived lack of an end-to-end offering and poor integration with IP telephony, two customers dismissed the Microsoft Lync solution, and favor the Cisco approach.

Thus, from the interviews, it is clear that these customers are looking for one solution to simplify IT and improve the user experience. Again, the timing of the CWMS entry into the market, and into the Cisco broad collaboration portfolio (Figure 2), bodes well for this first release of the on-premises WebEx solution.

Figure 2.   Cisco Collaboration Portfolio

3. High Remarks for Platform, System Administration, and User Experience Indicates A Market Advantage

A. Platform

All five customers have similar expectations of an enterprise collaboration platform; it should be scalable, virtualized, secure, and integrated to voice, email, and directory solutions.

While this first version of CWMS has room for improvement in the area of integration to directory services, customers understand that enhancements to this feature are coming and are willing to work with Cisco as the product continues to evolve and mature. Regarding scalability, customers are somewhat satisfied with the platform's current capacity but expect higher user counts going forward.

For other platform features, such as security and virtualization, high marks were given. And all customers stated clearly that the platform security features, such as SSL data encryption, SIP teleconferencing encryption, and support for Federal Information Processing Standards (FIPS) 140-2 Level 1 encryption, met their requirements.
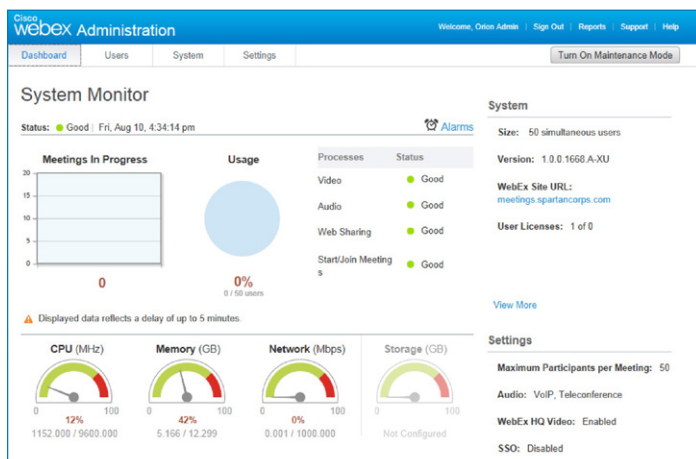
B. System Administration

Easy installation, configuration, and telephony integration were highlighted by all four beta candidates when asked about their hands-on experience with CWMS.

Specific praise was given to the ease and speed of the system deployment wherein three interviewees claimed that the whole deployment was completed in less than two hours. Further, three of the beta candidates also had very positive remarks on the administration console (Figure 3) while one stated it did not have enough automated reports on current and future meeting use.

Overall, customer sentiment on CWMS system administration was strong, with consensus that it is a great start for a 1.0 version.

Figure 3.   CWMS Administration

> **Customer Quotes**
>
> *With CWMS as an application that runs on VMware and Cisco UCS, we can use all the same platform administration tools as other virtualized applications.*
>   **– Ken Sinfield, Dimension Data**
>
> *We tested CWMS under many scenarios, and the system performed well. We had no problems at all in trials with 100 user meetings.*
>   **– China service provider**
>
> *The security features of CWMS, including voice and data encryption, and password protection, are all a benefit to us.*
>   **– Australia public agency**
>
> *It's helpful to have multiple ways to deploy CWMS and not have to shoehorn our infrastructure to fit WebEx. Rather, it's the other way around.*
>   **– Ian Anderson, Lancaster University, U.K.**

> **Customer Quotes**
>
> *The CWMS platform is quite simple to deploy and maintain. It only took us one hour to install the whole system.*
>   **– Ken Sinfield, Dimension Data**
>
> *I was pleasantly surprised at the simplicity of integrating CWMS to Cisco Unified Communication Manager, as well as enabling mobility and high-quality video.*
>   **– Ken Sinfield, Dimension Data**
>
> *The installation was very easy and configuration screens were simple to navigate. It took us less than two hours to deploy.*
>   **– U.S. public agency**
>
> *The dashboard looks good and will allow for easy real-time monitoring of CPU, memory, and other resources. As an example, we can set alarms on system parameters, and when thresholds are reached, the system will send email alerts.*
>   **– Chinese service provider**

C. User Experience

User experience is where CWMS gets its highest marks, which is not surprising given the fact that CWMS draws straight from the public cloud version, now over 10 years old, with over 6.8 million registered hosts, 7.6 million monthly meetings, and 1.8 million mobile client downloads.

Customers interviewed were familiar with other web conferencing products and agreed the CWMS user experience is a strong competitive advantage. Further, they cited the iPhone and iPad clients (Figure 4) are a distinct benefit versus comparable solutions.

All interviewed had been waiting for this product, looked forward to providing the WebEx experience to employees from their data center, and were pleased that version 1.0 is now shipping.

Customer Quotes

The beta users loved the iPad and iPhone clients and were impressed with how easy it is to join and participate in conferences from any location.
– Ken Sinfield, Dimension Data

With the option of using the phone or a PC, we're not forcing people to use USB headsets plugged into their computer. And users have the option of dial-in and dial-out.
– Ian Anderson, Lancaster University, U.K.

We have users on many types of devices, so having the WebEx user experience across all the different end-points is a great benefit.
– Ian Anderson, Lancaster University, U.K.

CWMS has a sleek but straightforward interface which will drive adoption of web conferencing in our organization. Integrated video, chat, and document sharing are all going to add lots of value to users.
– U.S. public agency

Figure 4.   CWMS User Interface

4. Anticipated Productivity Increases and Cost Control Boosts CWMS Deployments

Likely the most important results of a technology deployment are its business improvements. In the case of web conferencing solutions, the business results come from productivity increases and cost decreases. All five companies expect these results from a CWMS deployment due to platform, system administration and user experience features:

Platform features yield:

▸ Cost improvements from the virtualized CWMS architecture

▸ Audio cost benefits related to Cisco Unified Communications Manager integration

▸ Capital expense versus operating expense cost model

System Administration features yield:

▸ Streamlined IT resources needed to deploy CWMS

▸ Streamlined IT resources needed for ongoing system monitoring and management

User Experience features yield:

▸ Better use of employee time – less out of office travel time and use of conferencing tools to accomplish what currently requires face-to-face meetings

▸ Easy training and increased organization-wide adoption of web conferencing due to intuitive WebEx user interface and common experience across a range of end-point devices

In summary, the breadth of expected benefits that are derived from a wide range of CWMS features will likely lead to quick adoption of CWMS by organizations looking for an on-premises web conferencing solution.

Customer Quotes

Right now our staff are using many different systems for collaboration, so bringing them all onto one set of tools will allow for more effective communications and drive efficiency.

– Ian Anderson, Lancaster University, UK

We have about 10,000 hours of scheduled conferencing a month, 25 percent of which includes video. Given this volume, the capital expenditure model for on-premises conferencing is much better.

– Australia public agency

The CWMS administration tool will definitely streamline many time consuming tasks we perform on our current solution, and reduce overall support costs for conferencing.

– US public agency

III. Customer Interview Highlights

1. Lancaster University

Profile

- **Country, Industry** – U.K., Higher Education
- **Employees** – 2,000
- **UC&C plans** – End-to-end UC&C with user messaging, presence, video, web conferencing, and instant messaging for 2,000 users that will extend to outside parties in international locations
- **Interviewee** – Ian Anderson, networking group leader

Highlights

With 2,000 staff members and 15,000 undergraduates on campus, plus an additional 5,000 international students, Lancaster University is one of the U.K.'s leading colleges and is approaching its fiftieth year as a center for excellence in teaching and research. Lancaster expects to use CWMS extensively on campus, extend the solution to their international research partners, and host seminars for students in India, Pakistan, and Malaysia.

Lancaster was in the midst of a broad UC&C evaluation when introduced to CWMS, and opted to include it in the larger plans which will consist of instant messaging, presence, and video end-points. The customer is quite confident its new UC&C environment will result in considerable efficiencies to research staff and improve the university's international profile.

Lancaster is choosing on-premises web conferencing to decrease travel and bandwidth expenditures – it already has a strong campus network to handle the increased traffic from CWMS. It intends to integrate CWMS, when APIs are available, with its virtual learning environment and thus requires the flexibility derived from an on-premises solution. Lancaster representatives were impressed by the CWMS user interface, end-point device and telephony options, and administrative console, and appreciate the flexibility associated with multiple CWMS deployment architecture options.

> **Additional Quotes**
>
> *It's incredibly simple to start and run meetings; we're not bewildering staff with complexity.*
>
> *The IT team here believes CWMS would reduce their conferencing support time and cost.*
>
> *Web conferencing will make our research staff a lot more efficient, which should raise the profile of the university. Right now, we have staffing running across campus or jumping on planes for meetings which could be handled by CWMS.*

2. Dimension Data, Australia

Profile

- **Country, Industry** – Worldwide, Information Technology
- **Employees** – 16,400 globally
- **UC&C plans** – End-to-end Cisco unified communications deployment with voice, video, and IM, collaboration nationwide with 800 concurrent web-conferencing licenses in Australia
- **Interviewee** – Ken Sinfield, converged collaboration principal consultant in Australia for this feedback

Highlights

Dimension Data is Cisco's largest systems integration partner, but also a very large Cisco networking, collaboration, and data center solutions customer. With over 16,400 employees in 51 countries, the company's Australian division stands out as one of the strongest, with unique expertise in public cloud and managed service offerings.

As one of the beta candidates, Dimension Data extensively tested CWMS with 30 employees across multiple client operating systems and functional roles. Already very familiar with Cisco Unified MeetingPlace 7.0, these users were very impressed with the simplicity of the CWMS web interface. But what really drove adoption and usage in the trial were the iPhone and iPad clients.

The organization currently has some hosted WebEx accounts in addition to their 1600 host MeetingPlace deployment, and is considering the conversion of all staff to CWMS over the coming quarters, and integration with their Tandberg and TelePresence video units. They are staying with private cloud web conferencing due to cost advantages of an up-front expense versus monthly, variable fees.

> **Additional Quotes**
>
> *We've received very positive feedback from the CWMS trial; users are very happy with it, and especially like the work flexibility they get from the iPad and iPhone interface.*
>
> *The Outlook integration went off very well during the beta. I did not even conduct any training on that feature; the users just picked it up and ran with it.*

3. Customer 3 – anonymous

Profile

▶ **Country, Industry** – US, Public Sector

▶ **Employees** – 16,000

▶ **UC&C plans** – End-to-end UC&C deployment including voice, video, and IM collaboration to support over 10,000 users across multiple geographies, and over 400 concurrent web-conferencing users

▶ **Interviewee title** – senior collaboration engineer

Highlights

This customer has high conference usage needs: over 10,000 hosts and 400 concurrent system-wide attendees. It expects to have multiple CWMS instances running in several locations.

As a beta candidate, this customer thoroughly tested the solution and is proceeding forward with a purchase. It had positive remarks for ease of installation, user setup, telephony integration, and the user interface. Given its industry, the customer requires strong security features.

The customer has over 300 Tandberg® video conferencing end-points that will be integrated into a larger, next generation UC&C deployment. This end-to-end deployment will include Cisco Jabber™ instant messaging, and the customer expects large benefits from a single vendor for complete system support. It did not choose a Microsoft solution as that would not meet its wide-ranging UC&C needs.

> ### Additional Quotes
>
> *The installation was very easy and straightforward; once we deployed the OVF, we had just one screen to configure. And we were able to easily integrate CWMS to our Cisco Unified Communications Manager.*
>
> *We already have a fully virtualized data center, so having a virtualized web conferencing solution is a requirement for us.*
>
> *Microsoft Lync doesn't work well with physical phones, a strong requirement for us, and they couldn't bring a full unified communications suite. We need more than just instant messaging and soft phones.*
>
> *Even small features, like password reset by users, take the burden off of us so we can focus on innovation.*

4. Customer 4 – anonymous

Profile

▶ **Country, Industry** – China, Service Provider

▶ **Employees** – 20,000

▶ **UC&C plans** – Upgrade from current Cisco Unified MeetingPlace audio conferencing and future integration of CWMS with Cisco video technologies and their proprietary instant messaging platform

▶ **Interviewee title** – IT manager

Highlights

This beta candidate thoroughly tested CWMS and found its performance to meet expectations. Due to security requirements, the company will only be using CWMS for internal employees with no outside attendees. It has more than 200 Tandberg units in its UC&C environment and plans to integrate CWMS into its internally developed instant messaging solution.

The company had positive feedback on CWMS ease of installation, system administration, and user interface, citing multiple end-point support as important. Further, the security features meet expectations for its internal deployment, and cost decreases are expected from reduced travel.

> ### Additional Quotes
>
> *WebEx can provide video or web meetings over iOS, Mac OS, or Windows, which will be very helpful for us to expand conferencing use to our employees.*

5. Customer 5 – anonymous

Profile

‣ **Country, Industry** – Australia, Public Sector

‣ **Employees** – 6,500

‣ **UC&C plans** – Future upgrade of current Cisco Unified MeetingPlace deployment, and continuation of Cisco TelePresence video conferencing and telephony investment

‣ **Interviewee title** – IT manager

Highlights

With 6,500 employees across more than 50 locations, this organization consumes more than 10,000 conferencing meeting hours per month, with twenty five percent of meetings including video from 150 video conference rooms. Given its extensive video usage, an on-premises deployment is a better option as it avoids large bandwidth costs resulting from video traffic traveling off their locations, into the cloud, and back again.

This organization offered high remarks for platform virtualization and security and chooses not to deploy public cloud based conferencing due to security and compliance requirements. It anticipates extensive use of iPads as conferencing end-points, and is eager to integrate its web and video conferencing solutions to yield a single scheduling system across both systems.

This beta candidate expressed concerns about CWMS third-party integration, specifically in the area of directories, and decided to wait until LDAP integration is available before deploying CWMS; however, it does expect to move forward with a CWMS deployment thereafter.

> **Additional Quotes**
>
> *The servers in our data center are increasingly more virtualized, and we benefit from having a conferencing system that runs on virtualized servers.*
>
> *Given our organizational security policy, we cannot have any sensitive data moving through the public cloud from an internal meeting.*
>
> *The user experience is good, and the integration of the iPad is great, as is the ability to video-conference and share content at the same time.*

IV. About the Author

Doug Silverstein, the principal of Cypress Consulting, maintains a 20-year record of success in technology and finance. Since 1996, he has increased revenue, and built sales and marketing programs for customers and partners in the enterprise applications, cloud, and data center arenas. Doug's past employers and clients include BMC, Cisco, Dimension Data, Microsoft, Nuance, Oracle, SAP, and Symantec.

Doug earned a BA in Economics from University of California, Berkeley and an MBA from Kellogg Graduate School of Management at Northwestern University. Prior to technology sales and marketing, he spent five years in the finance industry as a security analyst and portfolio manager for institutional investors. Doug received a Charter Financial Analyst certification in 1991 from the CFA Institute, and has worked in U.S., Europe, and Asia.

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Author's Note

Cisco Systems commissioned Cypress Consulting to conduct interviews and produce this paper, and provided names and contact information for customers interviewed. Statements about future versions of CWMS are based on discussions with the CWMS product team at Cisco.

V. References and Resources

Cisco Jabber
www.cisco.com/go/jabber

Cisco Unified Computing System™ product page
www.cisco.com/go/ucs

Cisco Voice and Unified Communications product page
www.cisco.com/go/uc

Cisco WebEx Meetings Server product page
www.cisco.com/go/cwms

Frost & Sullivan, "Analysis of the Global Web Conferencing Market," Sep '11, Roopam Jain , Ind Dir, UC & Collaboration

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[i] Cisco has 40% as reported by Frost & Sullivan, "*Analysis of the Global Web Conferencing Market*" Sep '11, Roopam Jain , Ind Dir, UC & Collaboration.

[ii] Cisco WebEx product team states that support for Android mobile devices will be available later in 2013.

[iii] CWMS v1.0 does not include APIs for third party solution integrations, but the Cisco WebEx product team states they are planned for a future version.

For additional information on documenting and communicating your success story please contact Cypress Consulting.