



BUSINESS CASE 2 – Major Worldwide Retailer

No “Bars” in A Connected World

In today’s world, it is difficult to think of situations in which we are not connected. Cell phones, PCs and all sort of wi-fi devices satisfy our need for communication with each other, the Internet and our place of work. While constant, reliable and fast connections are on the rise, we are still far from being “totally connected” all the time. There are still places and situations in which a connection is impossible, impractical, undesirable or too expensive.

The iPad and the Untethered World

The lack of constant connectivity has not stopped the explosive growth and popularity of untethered devices such as the now classic iPad. These devices only need sporadic communication via synchronization software residing in device.

One particular use of iPads in corporate environments is the delivery of audio and video for training and information. While one may logically argue that using a PC is a much better choice for delivering media, in many other cases, the need for true mobility at a comparatively lower total cost of delivery, as offered by the iPad, has driven many companies to look at this device for delivering their content to their target audience. As attractive as untethered devices are for content delivery, the major drawback in corporate applications (due to the lack of constant connectivity) when compared to tethered devices (such as a PC) is the fact that they are unable to preposition interactive content and are unable to track, collect and report the user interactions. That is, until Vistacast decided to tackle this problem.

Mobile, Interactive, Accountable

Today, through the implementation of its vMobiLearn, Vistacast effectively tackles the four key elements of interactive untethered mobility: Multiple End-Users in a Single iPad, Course Prepositioning, Interactivity with Content and Metrics and Reports.

Multiple End-Users in a Single iPad: vMobiLearn solution enables multiple users to be recognized in one device. The capability to share an iPad within a group eliminates the need to buy one iPad for each user, thus minimizing the cost of hardware.

Course Prepositioning: Course Prepositioning is the delivery of specific content (called Courses) to those individuals authorized to receive it. The users have guaranteed access to the courses even when there are “no-bars” in their devices. Users are classified in groups, each user in a group is authorized to receive the courses available for that group. A group may share the same iPad, but each user in a group is validated, recognized and tracked separately by the vLearning Client Software (vLC) installed in the iPad. The capability to share an iPad within a group eliminates the need to buy one iPad for each user, thus minimizing the cost of hardware. The vLearning Client communicates with Vistacast’s vLearning Server Software (vLS) installed in a server



(inside the customer's firewall or hosted by Vistacast). vLS downloads the courses to the PC and vLC manages the delivery process. By synchronizing the assigned iPad, all courses are passed to the iPad. The customer can plan the download of courses to the iPad synch at convenient times. This is the only time during the whole process where large bandwidth consumption is necessary.

Interactivity with the Content: vLearning provides the means for the untethered interactivity of the user with the content, in ways never before possible, thus enhancing and improving the effectiveness of the learning experience. Users are able to answer questions, take polls and surveys, and provide requested feedback. The content provider decides where in the course user feedback or intervention is required or needed. The users decide where and when to take the course.

Metrics and Reports: Metrics tracking is integrated with the prepositioned courses (video, audio instructional screens, quizzes, surveys, polls, ads, etc.). User interactions are tracked and recorded in the device. Resulting metrics are uploaded to the server every time the iPad is synchronized with the vLS. The data passed requires extremely low bandwidth, as the text files created are as small as 1 KB. The report generated by vLS quantifies and summarizes the interactions of each individual on a particular iPad. The reports and the database can be easily integrated with many Learning Management Systems (LMS), where the data can be further manipulated.

Mobile Training Implementation in the Enterprise World

Secure, effective, reliable, accountable and cost effective training continues to be a real necessity. Transferring knowledge or any kind of useful information to an ever changing, highly mobile workforce, suffering from information overload and competing in a constantly changing business environment is indeed a real challenge. More and more companies are moving their mix of training methods from the traditional classroom training to various combinations of classroom, PC, printed materials, DVD's and other types of self-study. While traditional methods of training, including the PC, will never be abandoned, companies continue to search for effective tools to train the current workforce. Many companies are now adding mobile training to their training solutions, in many cases replacing traditional training tools, particularly in cases where the work environment requires it.

vMobiLearn delivers the only cost effective and viable solution for mobile training prepositioning, tracking and reporting on an individual basis, anytime, anywhere and using any transport system, such as Satellite, ATSC Datacasting, Intranet and Internet. The vMobiLearn Software has been designed with the content provider's real world requirements in mind, putting more control, convenience and choice in their hands while providing greater training flexibility. vMobiLearn also reduces the cost associated with an improved learning system since vMobiLearn integrates with current learning management systems while enhancing technical reliability and target-audience effectiveness.



Repurposing Requirements: Mobile training entails more than just delivering content to an iPad or other mobile device. While we have already mentioned the four key elements delivered by the Vistacast solution (Prepositioning, Interactivity, Metrics and Reports), the original content itself has to be repurposed or adapted to mobile delivery in order to make any training course truly effective. Taking a 1 hour training video that someone can watch comfortably in front of a TV or PC and simply transferring it to a mobile device is not enough, in fact, from a learning perspective it is truly counterproductive. It is much more effective to design a course with various 2-5 minute video chapters that incorporate relevant content and quizzes. This way, the individual can make effective use of its own time, maximizing in the process his/her learning capacity. Vistacast provides content repurposing services and a unique course creation software tool that facilitates the process.

Economic Justification - Real Dollars and Cents

Every enterprise situation is unique and full of opportunities for cost reductions and improvements, even after including the cost of vMobiLearn implementation, iPad purchases and content repurposing.

The Situation: a major U.S. retail corporation introduced over 40 new products related courses per year, to 370 stores and 1,300 employees. Most of their training centered around the new product launches and involved the design, printing and delivery of printed material, the production of DVD's to be played at the stores and one-hour training classes for every new product launch, usually conducted at each store and led by a member of the store management team. The stores do not have WiFi or limited access to WiFi. The cost of setting up WiFi networks in all stores is beyond their current budgets.

Identifying Opportunities: In order to identify opportunities, Vistacast looked deep into their existing training and operating processes, asked pertinent questions and made important observations, all of which could be addressed by the implementation of vMobiLearn:

What happens to the printed material that becomes obsolete?

What happens when errors are found and/or last minute changes have to be introduced?

With high employee turnover rates, not every employee gets a chance to participate in the one-hour training conducted at the store.

How are new employees trained to sell existing products?

Do new employees get access to the original printed materials?



Are you able to train sales associates at any point during the sales cycle?

How do you determine that all associates have been adequately trained?

Are employees able to quickly and effectively find specific content or information?

While a well produced DVD may play well on a TV and may have some marketing value, it may not effectively serve as a good training tool.

How effectively is current LMS being used?

What is the effectiveness of the current training process? How is it being tracked and reported?

Can you quickly identify areas of training improvement within your existing sales force?

Can you maximize revenue generated per associate if you change or modify your training practices?

Existing Expenses: Based on 370 stores, 1,300 associates and 40 course launches per year, the current training process carried the following expenses:

Design & Printing	\$ 148,000 / yr
Video Production	\$ 270,000 / yr
Fulfillment & Shipping	\$ 31,820 / yr
Training Wages	\$ 61,000 / yr
Storage & Disposal of Printed Materials	\$ 180,000 / yr
Total	\$ 690,820 /yr

Average training expense per associate \$531.40

Projected Gross Savings with vMobiLearn Implementation: virtually every expense line described above is totally impacted by vMobiLearn implementation. Each and every line, with the exception of Video Production, could conservatively yield at least a 75% gross expense reduction. In their case, we could safely assume that the value of Video Production had more of a marketing impact (except when specifically purposed for training), than an immediate real training value, then it was safe to assume that this expense line would continue untouched after vMobiLearn implementation. After vMobiLearn implementation, the training value of Video Production comes as a result of repurposing existing video content into vMobiLearn training courses.



VMobiLearn Deployment Schedule: The customer deployed all 370 stores within one week to 1,300 employees.

The combined gross savings after full vMobiLearn implementation will conservatively reach an average 7.24% of current expenses. This is a minimum equivalent to \$38.46 per associate. Assuming a project life of 5 years and based on the above deployment schedule the projected gross savings will reach a total of \$3,204,100 over the 5 year life of the project.

Incremental Expenses with VMobiLearn Implementation: the incremental expenses associated with VMobiLearn implementation are:

iPad Purchases: assuming the use of 1 iPad Nano per every 3.5 associates per store at an average cost of \$600 each (with estimated cost reduction of 10% per year). Based on the specified vMobiLearn Deployment Schedule the amortizable expense for iPad Purchases is \$357,533 (iPad wireless docking stations are not included), spread over the 4 years of deployment.

Video Repurposing/Course Creation: estimated authoring at a cost of \$150 per hour and assuming 8 hours per course. (Actual video production is not included in this cost). Using existing videos and assuming 40 new courses per year with 1 video and 6 questions, the average cost of courses will be \$48,000 per year.

vMobiLearn Implementation: it is assumed that VMobiLearn implementation will in 3 stages:

Stage 1 - Demo (up to 30 days): involves the download of two client licenses, one course, metrics and reports for a limited number of users under the customer environment. Cost: FREE

Stage 2 – Pilot: a mini deployment of vMobiLearn outside the firewall to a limited number of locations and users. Assuming 1,000 users, the cost, which is applicable to Stage 3 costs is \$5,000. Additional course creation for this stage is not included.

Stage 3 – Deployment according to the specified vMobiLearn Deployment Schedule (inside the firewall, at a customer server) includes the following:

- Setup: Creation of server logical partition in Vistacast server or installation of server within customer's firewall.
- vLearning Server License: This license is for the software residing in a server within the firewall (or hosted by Vistacast).



- vLearning Client License: This license is for the software in the iPad.
- Yearly vLearning Maintenance and Support: Vistacast offers Maintenance and Support services to keep the vLearning Server and vLearning software up to date and support any issues during operations.
- Training: for system administrator.

Conclusions: under the specified deployment schedule, the economics of vLearning implementation yield a payback in the first month, with an average ROI of 842% over the first year, clearly justifying the projected investment, on economics alone. The projected investment in vMobiLearn implementation is \$103,000 in year 1, to cover 370 stores and 1,300 users. The investment reaches a maximum of \$50,000 per year.

Added to the justification for implementation are other intangibles such as increased training effectiveness, employee retention and inherent productivity gains and the utilization of the system beyond training applications, which will eventually translate into top line growth for this customer.