

REPORT REPRINT

LoopUp adds video streaming to its premium remote meetings SaaS

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By Raúl Castañón-Martínez

The company recently announced a new video conferencing feature that complements its SaaS offering with unique audio-first capabilities. This feature complements and further differentiates its product; it will also expand the competitive landscape, positioning LoopUp as a competitor against fast-growing players.

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Introduction

LoopUp, a SaaS premium conference call and remote meeting product, competes in a crowded space against much larger players. It seeks to differentiate with a strategy that centers on helping users tackle everyday challenges with remote meetings, coaxing them away from dial-in and providing a streamlined interface that is easy to use without unnecessary features. Building on this approach, the company recently announced a new video conferencing feature that expands and complements its SaaS offering with unique audio-first capabilities.

451 TAKE

When we initiated our coverage of LoopUp, we noted that it stood out from other competitors in several ways. In addition to its product strategy – focusing on the mainstream majority rather than tech-savvy early adopters of collaboration technologies – it has developed a differentiated go-to-market approach. The new video conferencing feature complements and further differentiates its product; it will also expand the competitive landscape, positioning LoopUp as a competitor against fast-growing players like BlueJeans and Zoom. Expanding visibility and gaining ‘mindshare’ will be key priorities for keeping the momentum it gained post-IPO.

Context

LoopUp was founded in 2003 and went public in August 2016. The company is based in London and currently has 275 employees. It was the first technology IPO post-Brexit, raising £8.5m and valuing the company at £40m. LoopUp has kept its momentum in the three years since its IPO and is now a £140M market cap business with above-industry average Y/Y growth rates.

According to 451 Research’s M&A KnowledgeBase, LoopUp has made one acquisition. In May 2018 it acquired MeetingZone, a UK-based provider of conferencing and collaboration services.

Strategy

The company’s strategy is based on a SaaS pay-as-you-go revenue model, with direct distribution. LoopUp states its value proposition applies to smaller organizations as well as midmarket firms and larger enterprises. Its customer base includes 2,000 companies worldwide including professional services, small and medium-sized businesses, and midsized to large organizations. Its geographic footprint includes local teams in the US, the UK, Germany, Sweden, Spain, Hong Kong and Australia, with France to be added later in 2019. In 2018 the company supported users in nearly 200 countries. Named customers include well-known organizations such as AlphaSights, the Bill and Melinda Gates Foundation, Cable & Wireless, Countrywide, Dairy Queen, Evercore, Kia, News UK, Oxford Economics, Santander, Synchronoss and Vitruvian.

LoopUp believes a key factor in its success lies in its sales approach. SaaS businesses are typically organized in silos, with separate teams for different functions. In contrast, LoopUp works with teams of six people, which the company calls ‘pods.’ Each pod includes business development associates, onboarding, sales executives and account managers working together as a mini company, emulating the environment of a startup. Rather than providing individual bonuses, pod members receive incentives solely as a team to align individual efforts toward a common goal. This approach includes locally based and tightly integrated pods, with the goal of providing better customer engagement and support. We provide additional details in our report ‘Slack, Dropbox, LoopUp: Go-to-market approaches for communications and collaboration SaaS.’

Products

The LoopUp platform provides premium conference call and remote meeting SaaS. It provides features for hosts such as one-click screen sharing, integration with productivity tools such as Outlook, ability to mute background noise, and call start alerts to let hosts know when guests join. For guests, it provides a clickable link that allows them to join a conference call without having to dial in, the ability to join from any device without the need for plug-ins and the ability to share their screens. Other capabilities include LinkedIn integration to provide additional context with user profiles.

In June, the company introduced a video feature that expands and complements the LoopUp product. The new feature aims to address use cases where guests are equally engaged such as interviews, board meetings and group presentations. It allows the meeting host to determine whether the video feature will add value to a particular meeting. If the host decides to enable video for a meeting, guests will be invited to turn on their cameras.

Unlike other video conferencing solutions, LoopUp separates the audio and video media streams to ensure that the quality and reliability of the audio is not compromised by poor web connectivity. LoopUp audio is carried over tier 1 networks with managed quality of service, while video is streamed over a separate IP path. The service does not require any downloads and is available via regular mainstream PC and tablet browsers via WebRTC technology.

Competition

As previously noted, LoopUp plays in a crowded and intensely competitive space. It competes with incumbent providers of audio conferencing such as InterCall, AT&T, BT, Level 3 and Arkadin. These vendors dominate the market in terms of minutes volume, reflecting the fact that most users are still 'dialing in' to conference calls using numbers and codes.

The competitive landscape also includes vendors such as business communications provider PGI, the company known for its GlobalMeet conferencing and collaboration offerings; UCaaS provider RingCentral, which in 2018 launched a stand-alone conferencing and team collaboration service called RingCentral Meetings; and LogMeIn, whose portfolio includes its flagship meeting and webinar offerings GoToMeeting and GoToWebinar. Other key players include major providers of business communications and collaboration like Cisco and Microsoft, and emerging video conferencing providers such as BlueJeans Network, Zoom and UberConference (owned by UCaaS provider Dialpad).

SWOT Analysis

STRENGTHS

A key source of strength lies in LoopUp's product strategy, which aims to provide a streamlined interface that is easy to use. The new video conferencing feature complements and further differentiates its product with unique audio-first capabilities.

WEAKNESSES

LoopUp has kept above-industry-average growth rates in the past three years but is still a small player competing with much larger vendors. Expanding visibility and gaining mindshare will be key priorities for keeping the momentum it gained post-IPO.

OPPORTUNITIES

The new video capabilities should significantly expand the use cases for LoopUp; this represents a significant growth opportunity for the company.

THREATS

Screen sharing has always been a key feature in its offering, but the new video capabilities will position LoopUp as a competitor against fast-growing players like BlueJeans and Zoom.