

Written evidence submitted by Zoom

Summary

- **There has been widespread adoption of remote technology during the pandemic.** 74% of employees worked either fully or partially remotely in 2020, with 82% of employees in small-to-medium enterprises (SMEs) using video conferencing - up from 20% in 2019.
- **The benefits of remote working have been felt across the economy as a whole.** Remote technology helped to prevent the loss of around 550,000 jobs during the pandemic, accounting for roughly 2% of the UK workforce. This preserved around 6% of the economy.
- **Hybrid working has the potential to spread prosperity to the UK's towns and regions.** It does so by enabling people to work and spend in their local area and by offering opportunities to those outside of the South East. During the pandemic we have seen the movement of people outside of large urban areas such as London, without compromising on job opportunities for those individuals.
- **Businesses and employees want and expect greater flexibility in the long-term.** 79% of people who were required to work from home during the pandemic want to continue to do so in some form. 73% of UK businesses agree that video conferencing tools will continue to be essential for business operations, and 87% are also considering a more flexible remote working model in the future.
- **The Government can encourage businesses across the UK to build on the widespread digital adoption of the last year.** This has potential to deliver the workplace flexibility that businesses and employees expect, futureproof jobs, and unlock local economic growth across the UK.

Background

Zoom is an American company that provides video conferencing tools and software. It was founded in 2011 and is headquartered in San Jose, California. We currently employ 3,800 people worldwide and continue to expand. We have an office in London where we currently employ 90 people.

Zoom was formed in 2011 because we felt there was a better way for people to communicate and work together. Over the past year, Zoom stepped up to expand the delivery of services to governments, families and businesses across the world, transforming the way we live, work and socialise. We were the most downloaded app of 2020 and, during the first lockdown in May 2020, Ofcom estimated that over 13.2 million adults across the UK used Zoom.¹ We are proud of the way people turned to us during the pandemic, but this was an acceleration of changes already underway - a decade's transformation took place in 12 months.

Adoption of remote technology in the UK

In response to the COVID-19 pandemic, and the lockdown restrictions that followed, businesses across the UK embraced new forms of technology in order to keep running. As a result, remote working became the norm for

¹ [Effects of Covid-19 on online consumption in the UK](#), Ofcom and Comscore, 2020

millions of workers.

Our research shows that, during the pandemic, there was widespread adoption of remote technology in the UK, with 74% of employees working either fully or partially remotely. This was particularly true for SMEs with 82% of their employees using video conferencing in 2020 - up from 20% in 2019.² This uptake of video conferencing in the UK was higher than other G7 countries.³

In the UK, videoconferencing was considered vital for businesses to keep operating during the pandemic. 78% of the large UK businesses we surveyed agreed that their company ‘could not have survived through the pandemic without video conferencing tools’.⁴

The shift to videoconferencing during this period supported a range of sectors across the economy. This includes businesses servicing the public sector, with videoconferencing used by 70% of healthcare SMEs and 79% of education SMEs.⁵

Economic benefits for the whole of the UK

Our research shows that the shift to remote working during the pandemic benefited the UK economy as a whole. Whilst UK GDP shrank by 11% overall, remote working helped prevent further economic damage by preserving \$171 billion of GDP (£122.9 billion) - roughly 6% of the economy. This had a significant impact on job retention, with remote working helping to prevent the loss of around 550,000 jobs during the pandemic, or approximately 2% of the total UK workforce.⁶

Hybrid working, which combines employees working from the office and remotely, has the potential to spread prosperity to the UK’s towns and regions. It does so by enabling people to work and spend in their local area and by offering opportunities to those outside of the South East. During the pandemic we have seen the movement of people outside of large urban areas such as London, without compromising on the jobs available to them.

We’ve already seen the impact of this on local economies, with a shift in spending patterns. According to research from the Centre of London, London’s outer suburbs have experienced a boost in local spending with apparel and eating out transactions in East Ham and Southall, for example, experiencing increases of between 10 and 25% during the pandemic.⁷

There’s also been a shift in the use of local services and hospitality businesses. Research from Vox and CEPR, for example, found a significant increase in demand for services such as hospitality, retail and gyms in suburban and residential areas.⁸ This pattern has generated opportunities for businesses and individuals in different parts of the country, with the same research showing a corresponding shift in service economy jobs to suburban areas.⁹

² Small-to-medium businesses are defined as those with fewer than 250 employees.

³ [Report: The Impact of Video Communications during COVID-19](#), Zoom and Boston Consulting Group, 2021

⁴ [Report: The Impact of Video Communications during COVID-19](#), Zoom and Boston Consulting Group, 2021

⁵ [Report: The Impact of Video Communications during COVID-19](#), Zoom and Boston Consulting Group, 2021

⁶ [Report: The Impact of Video Communications during COVID-19](#), Zoom and Boston Consulting Group, 2021

⁷ [The London Intelligence Report](#), Centre For London, Centre for Urban Science & Progress, The Policy Institute, and King’s College London, August 2020

⁸ [The geography of working from home and the implications for the service industry](#), Vox and CEPR, February 2021.

⁹ [The geography of working from home and the implications for the service industry](#), Vox and CEPR, February 2021.

These changes have the potential to revitalise our town centres. According to findings from Demos, 47% of home workers have said that, post-pandemic, they want to spend more money in their local area; and over 60% of those surveyed said access to local shops has become more important.¹⁰

Business and employee expectations for greater flexibility

To enable employees to retain some of the benefits of remote working, many businesses have already committed to adopting a hybrid model. Over 140,000 Siemens employees can now permanently work from home for two to three days per week and Revolut, one of the UK's fastest growing tech companies, plans to let employees choose when and how often they want to work from home.¹¹ A recent survey by Demos found that 79% of people who were required to work from home during the pandemic want to continue to do so in some form, and employers are factoring this into their return to work plans.¹²

Video conferencing tools will remain crucial as businesses and employees adapt to a hybrid model. Our research shows that 73% of UK businesses believe video conferencing tools will be essential for business operations going forward, and 87% are considering embracing a more flexible remote working model because of the successful use of video conferencing during the pandemic.

We believe the Government has a positive role to play in encouraging businesses across the UK to build on the widespread digital adoption we've seen over the last year. The use of video conferencing and other remote technologies has helped preserve economic output and employment during the pandemic; but it also has the potential to deliver the workplace flexibility that businesses and employees expect, futureproof jobs, and unlock local economic growth across the UK.

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¹⁰ [Post-Pandemic Places](#), Demos and Legal & General, March 2021

¹¹ [Siemens Says That 140,000 Of Its Employees Can Work from Anywhere](#), *Forbes*, July 2020; [Work from home? Work from anywhere in the world, says Revolut](#), *The Times*, May 2021

¹² [Post Pandemic Places](#), Demos and Legal & General, March 2021