

F R O S T & S U L L I V A N

BEST PRACTICES

AWARDS

F R O S T & S U L L I V A N

2020 BEST
PRACTICES
AWARD

 **TechSmith®**

**2020 GLOBAL
LECTURE CAPTURE SOLUTIONS
MARKET LEADERSHIP AWARD**

Contents

Background and Company Performance	3
<i>Industry Challenges</i>	3
<i>Market Leadership</i>	4
<i>Conclusion</i>	5
Significance of Market Leadership.....	7
Understanding Market Leadership.....	7
Key Performance Criteria	8
Best Practices Recognition: 10 Steps to Researching, Identifying, and Recognizing Best Practices	9
The Intersection between 360-Degree Research and Best Practices Awards.....	10
<i>Research Methodology</i>	10
About Frost & Sullivan	10

Background and Company Performance

Industry Challenges

The lecture capture solutions (LCS) market grew to \$301 million in revenue in 2019. An LCS solution is a platform (software, hardware, service, or hybrid) that records an educational meeting, lesson, or presentation in digital format for concurrent or later viewing. These solutions enable content to be captured, stored, accessed, and annotated online for synchronous or asynchronous, on-demand consumption on diverse end-user connected devices, including PCs, tablets, and phones.

Frost & Sullivan observes that in the field of education and corporate learning, significant changes have occurred regarding what students, both in K-12 and higher education, and employees expect from technology. Students/employees want access to educational content anytime, anywhere, and across various types of devices. With school closures and work from home mandates, the coronavirus pandemic has forced educational institutions and organizations to deliver on these student/employee needs by increasing adoption of e-learning solutions to recreate the in-class experience online.

During the Coronavirus pandemic when face-to-face teaching and collaboration is simply not possible, Frost & Sullivan appreciates how the demand for video in education and corporate learning has shown phenomenal growth. This in turn has bolstered demand for LCS that allow educators to record and deliver lectures, capture virtual class interactions and enable students to submit video assignments. To support educational institutions and faculty who are being forced to adopt these solutions at a faster rate than they expected, vendors are providing short-term product trials, trial extensions, and resources to help educators onboard quickly, and increase the number of platform users at little to no cost.

Under this scenario, Frost & Sullivan analysis reveals that market growth is driven by potential customers that are using LCS solutions on a trial basis converting to paying customers, current customers expanding their user base, student visa regulations continuing to allow international students to take online courses full-time, and increasing government support to put in place the necessary infrastructure to support distance learning. Higher education institutions are expected to experience a drop in enrollment — particularly from international students that contribute approximately one-third of their market revenues. With increasing competition, saturation of domestic markets, and a drop in enrollments, higher education institutions will look to expand their distance learning enrollments and revenue, not only beyond state borders, but internationally. Frost & Sullivan expects this dynamic will further drive investment in LCS and the overall online learning market.

Additionally, the market is characterized by an increase in demand for student learning analytics that measure engagement, improve course content, and identify at-risk students so that timely action can be taken. Vendors stated that educational institutions are increasingly demanding these analytics in the form of simple to use dashboards to empower academic decision making. Vendors also shared that while K-12 is expressing a high demand for these solutions, many potential clients in this segment do not have the necessary budgets to make the investment. The market is also restrained by long sales

cycles, a lack of infrastructure to support online learning programs, sunken investment in homegrown solutions, and customer confusion around which solutions they should invest in to solve their problems.

The major competitive factors identified by Frost & Sullivan analysts include a vendor's ability to provide creative solutions to help onboard new users (particularly educators that may not be very technologically savvy), to provide value-added captioning services that help customers achieve accessibility compliance, to improve searchability and content recommendation engines, and to help educators leverage learning data to improve student outcomes.

Market Leadership

Growth Strategy Excellence

A leader in the screen capture, screen recording, and video editing market, TechSmith has captured significant market share in the academic and enterprise LCS segments. While a majority of its revenue comes from the enterprise LCS market with 99% of Fortune 500 companies as customers, it has a strong foothold in both higher education and K-12—200 of the top universities in the United States use its capture solutions. In addition, TechSmith has a global footprint with more than 65 million customers across its capture solutions in 193 countries.

By staying ahead of technological trends, Frost & Sullivan analysts conclude that TechSmith demonstrates both growth and innovation excellence in the LCS market. At the outbreak of the pandemic, Frost & Sullivan observed that most educational institutions were not prepared for an entire campus of students, faculty, and administration accessing their network off-campus. As a result, there has been an explosive movement away from on-premise LCS and towards the cloud. TechSmith Knowmia—TechSmith's lecture capture and educational video management platform—previously named TechSmith Relay—has evolved from a desktop-based solution to a cloud-based and mobile solution. Its cloud LCS revenue is expected to grow at a rate of 25% year-over-year.

Customer Service Experience

TechSmith makes it a top priority to provide customers with the support they need to draw maximum benefit from its portfolio of products. During the COVID-19 pandemic, as educators rush to learn how to use LCS solutions to transition classes online, TechSmith is hyper-focused on making their transition smooth. To help support the transition to remote working and learning, TechSmith offered extended, free access to Snagit, its screen recording tool, and Vide Review, its asynchronous collaboration platform through the end of June 2020. In addition to their phone and online chat support, TechSmith Knowmia also has a dedicated team of customer success managers, who provide the necessary support to help quickly onboard new enterprise customers and drive product engagement.

To support less tech savvy educators, TechSmith provides a wide variety of professional development resources. These include informational guides, free courses through the TechSmith Academy, how-to guides, and over 250 online video tutorials available through multiple channels that provide basic to advanced lecture capture, video editing, and best

practice skills. To ease the burden of educators who are rushing to learn LCS during the pandemic, the vendor also provides over 1,300 articles with tips and tricks to improve video content and guidance to solve technical issues

Customer Ownership Experience

One of the major challenges in the LCS market is lack of adoption from faculty who are fearful of using new technology to teach online. While instructors are experts in their field, they are not necessarily comfortable with technology or online teaching best practices. This leads to feeling overwhelmed when faculty are required to develop their courses for online or multi-modal delivery, often with limited training. Ease of use of lecture capture solutions and professional development of educators is essential to increasing teacher engagement and adoption of lecture capture solutions. TechSmith excels in both of these areas.

The largest community college in Kentucky's state-wide system, Jefferson Community and Technical College (JCTC) was facing a challenge. Concerned with low success rates in mandatory entry-level courses, administrators set out to overhaul the 'gateway courses' that were stopping students from getting to the next level. Without a formal system for lecture capture, instructors didn't have a good way to record and share video lessons for online and hybrid courses. Additionally, a significant success factor JCTC needed was the ability to measure participation with video lessons online. TechSmith Knowmia has helped JCTC drive adoption with its ease of use to record, edit and caption videos. Instructors are also taking advantage of the ability to verify that students watch the material and engage with it, not just play it and walk away. Instructors utilize the built-in quizzing capabilities to add interaction and learning checks within videos and assign points for watching lessons. As a result, in the gateway courses that used Knowmia, JCTC experienced an increase in pass rates that met or beat its 8% benchmark goal.

Technology Leverage

Earlier, educational institutions were hesitant to invest in LCS solutions, partly because they were unsure they could make these solutions accessible for their entire student body. The COVID-19 pandemic has now encouraged educational institutions to explore less expensive options from full-service caption providers to make video course content accessible to all students. In the enterprise segment, organizations communicating with global teams are investing in translation and transcription services to make content more accessible for their employees.

TechSmith assisted Hillsborough Community College to make remote learning more accessible to their American Sign Language students, through its TechSmith Knowmia lecture capture solution. Using video, faculty at the community college were able to give more thorough feedback to their students, pointing to the actual location in the assignments where edits needed to be made. Students have also used Knowmia to collaborate on assignments and communicate ideas with each other, which the college shared has had a positive impact on student engagement. As a result, by using TechSmith Knowmia, Hillsborough Community College expanded its ASL remote learning community all over Florida and beyond.

Conclusion

In the fast growing Global Lecture Capture solutions market, Frost & Sullivan recognizes how TechSmith continues to place customer needs at the center of its innovation and growth strategy. In light of the pandemic, TechSmith continues to provide its wide portfolio of products at accessible prices to educational institutions that are struggling to adapt at this time. To meet the anytime-anywhere learning and teaching needs of students and faculty, TechSmith Knowmia allows for easy recording of video lectures across devices and bandwidths. As demand for student analytics increases, the vendor has integrated easy-to-use dashboards to help educators better understand student learning needs, improve course content, identify points of confusion and identify students who may need extra support. In terms of customer service, TechSmith has consistently sought out new avenues to deliver customer support including customer forums, a library of customer resources, dedicated customer success managers, and multiple channels customers can leverage to get help.

With its strong overall performance, TechSmith has achieved a leadership position in the Global Lecture Capture Solutions Market, with a market share of 17.7% in 2020. Frost & Sullivan is thus proud to bestow the 2020 Global Market Leadership Award to TechSmith.

Significance of Market Leadership

Ultimately, growth in any organization depends on customers purchasing from a company, and then making the decision to return time and again. Loyal customers become brand advocates, brand advocates recruit new customers, and the company grows, and then attains market leadership. To achieve and maintain market leadership, an organization must strive to be best in class in 3 key areas: understanding demand, nurturing the brand, and differentiating from the competition.



Understanding Market Leadership

Driving demand, strengthening the brand, and differentiating from the competition all play critical roles in a company's path to market leadership. This three-fold focus, however, is only the beginning of the journey and must be complemented by an equally rigorous focus on the customer experience. Organizations that demonstrate best practices, therefore, commit to the customer at each stage of the buying cycle and continue to nurture the relationship once the customer has made a purchase. In this way, they build a loyal, ever-growing customer base and methodically add to their market share.

Key Performance Criteria

For the Market Leadership Award, Frost & Sullivan Analysts focused on specific criteria to determine the areas of performance excellence.

Criterion	Requirement
Growth Strategy Excellence	There is a demonstrated ability to consistently identify, prioritize, and pursue emerging growth opportunities.
Implementation Excellence	Processes support the efficient and consistent implementation of tactics designed to support the strategy.
Brand Strength	The brand is respected, recognized, and remembered.
Product Quality	The product or service receives high marks for performance, functionality, and reliability at every stage of the life cycle.
Product Differentiation	The product or service has carved out a market niche, whether based on price, quality, or uniqueness of offering (or some combination of the three) that another company cannot easily duplicate.
Technology Leverage	There is a commitment to incorporating leading-edge technologies into product offerings for greater product performance and value.
Price/Performance Value	Products or services offer the best value for the price, compared to similar offerings in the market.
Customer Purchase Experience	Customers feel they are buying the optimal solution that addresses both their unique needs and their unique constraints.
Customer Ownership Experience	Customers are proud to own the company's product or service, and have a positive experience throughout the life of the product or service.
Customer Service Experience	Customer service is accessible, fast, stress-free, and of high quality.

Best Practices Recognition: 10 Steps to Researching, Identifying, and Recognizing Best Practices

Frost & Sullivan analysts follow a 10-step process to evaluate Award candidates and assess their fit with best practices criteria. The reputation and integrity of the Awards are based on close adherence to this process.

STEP	OBJECTIVE	KEY ACTIVITIES	OUTPUT
1 Monitor, target, and screen	Identify Award recipient candidates from around the world	<ul style="list-style-type: none"> Conduct in-depth industry research Identify emerging industries Scan multiple regions 	Pipeline of candidates that potentially meet all best practices criteria
2 Perform 360-degree research	Perform comprehensive, 360-degree research on all candidates in the pipeline	<ul style="list-style-type: none"> Interview thought leaders and industry practitioners Assess candidates' fit with best practices criteria Rank all candidates 	Matrix positioning of all candidates' performance relative to one another
3 Invite thought leadership in best practices	Perform in-depth examination of all candidates	<ul style="list-style-type: none"> Confirm best practices criteria Examine eligibility of all candidates Identify any information gaps 	Detailed profiles of all ranked candidates
4 Initiate research director review	Conduct an unbiased evaluation of all candidate profiles	<ul style="list-style-type: none"> Brainstorm ranking options Invite multiple perspectives on candidates' performance Update candidate profiles 	Final prioritization of all eligible candidates and companion best practices positioning paper
5 Assemble panel of industry experts	Present findings to an expert panel of industry thought leaders	<ul style="list-style-type: none"> Share findings Strengthen cases for candidate eligibility Prioritize candidates 	Refined list of prioritized Award candidates
6 Conduct global industry review	Build consensus on Award candidates' eligibility	<ul style="list-style-type: none"> Hold global team meeting to review all candidates Pressure-test fit with criteria Confirm inclusion of all eligible candidates 	Final list of eligible Award candidates, representing success stories worldwide
7 Perform quality check	Develop official Award consideration materials	<ul style="list-style-type: none"> Perform final performance benchmarking activities Write nominations Perform quality review 	High-quality, accurate, and creative presentation of nominees' successes
8 Reconnect with panel of industry experts	Finalize the selection of the best practices Award recipient	<ul style="list-style-type: none"> Review analysis with panel Build consensus Select recipient 	Decision on which company performs best against all best practices criteria
9 Communicate recognition	Inform Award recipient of Award recognition	<ul style="list-style-type: none"> Announce Award to the CEO Inspire the organization for continued success Celebrate the recipient's performance 	Announcement of Award and plan for how recipient can use the Award to enhance the brand
10 Take strategic action	Upon licensing, company is able to share Award news with stakeholders and customers	<ul style="list-style-type: none"> Coordinate media outreach Design a marketing plan Assess Award's role in strategic planning 	Widespread awareness of recipient's Award status among investors, media personnel, and employees

The Intersection between 360-Degree Research and Best Practices Awards

Research Methodology

Frost & Sullivan's 360-degree research methodology represents the analytical rigor of the research process. It offers a 360-degree-view of industry challenges, trends, and issues by integrating all 7 of Frost & Sullivan's research methodologies. Too often companies make important growth decisions based on a narrow understanding of their environment, resulting in errors of both omission and commission. Successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. The integration of these research disciplines into the 360-degree research methodology provides an evaluation platform for benchmarking industry participants and for identifying those performing at best-in-class levels.

360-DEGREE RESEARCH: SEEING ORDER IN THE CHAOS



About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, helps clients accelerate growth and achieve best-in-class positions in growth, innovation and leadership. The company's Growth Partnership Service provides the CEO and the CEO's growth team with disciplined research and best practices models to drive the generation, evaluation and implementation of powerful growth strategies. Frost & Sullivan leverages nearly 60 years of experience in partnering with Global 1000 companies, emerging businesses, and the investment community from 45 offices on 6 continents. To join Frost & Sullivan's Growth Partnership, visit <http://www.frost.com>.