



**2017 North American
Conferencing Services
Enabling Technology Leadership Award**

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

BEST
2017 PRACTICES
AWARD

NORTH AMERICAN
CONFERENCING SERVICES
ENABLING TECHNOLOGY LEADERSHIP AWARD

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Background and Company Performance

Industry Challenges

The North American conferencing services market is crowded and increasingly competitive. It has traditionally been made up of between two types of vendors: legacy providers of audio conferencing services who still dominate the market in terms of volume of minutes served, and software-based conferencing services providers that offer diverse feature-sets to meet the evolving needs of adopting organizations. There are large, well-established and well-funded brands in both camps, as well as a number of privately held software companies that have recently drawn investor attention and end-user following.

Despite its maturity and steady stream of new entrants, the conferencing services market continues to be plagued by user experience issues. End-users of traditional audio conferencing services struggle with common frustrations such as cumbersome dial-in numbers and access codes, lack of visibility of who is on and speaking, as well as lack of suitable call control. End-users of software-based conferencing services, on the other hand, can be overwhelmed by feature choice and complexity common in those tools.

In fact, for software-based providers, new end-user adoption depends on the scope and diversity of a conferencing platform's capabilities. Thus, many industry participants in this market strive to expand the features and capabilities that they offer, in hopes to increase the marketability of their solution.

However, the feature race amongst conferencing services providers has ultimately not benefitted the average end-user for conferencing services. While many of these features are seen as nice to have capabilities, many also serve only as check boxes for IT department purchasing personnel. In fact, many solutions in this industry have reached a point where added features and capabilities have come at the cost of usability and thus negatively impact employees who have to use the conferencing platform. This results in many end-users foregoing feature-heavy conferencing tools and returning to traditional dial-in conferencing.

In an industry where products and services are becoming more complex and cumbersome, there comes a need for ease of use and efficiency should companies hope to move employees away from unsecure, inefficient dial-in conferencing. Frost & Sullivan believes that an enabling technology leader is well positioned to fill this need, with a design philosophy that clearly favors usability over complexity which makes it a more realistic fit for the real-world requirements of end-users. Such a provider is more likely to see high rates of user adoption and utilization, which results in improved ROI for the customer organization.

Technology Leverage and Customer Impact

LoopUp is recognized with an Enabling Technology Leadership award for understanding and addressing demand from conferencing services end-users, creating a sustainable and differentiated competitive position, and earning customer loyalty.

LoopUp sells a software-as-a-service (SaaS) conferencing solution for the enterprise that the company believes delivers a better experience for business end-users who regularly participate in conference calls. The service combines high-quality audio conferencing with one-click screen sharing in a streamlined interface, and promises greater visibility and control over calls. The company believes this premium experience will help persuade risk-averse end-users away from traditional dial-in.

Commitment to Innovation

LoopUp is committed to its functional design philosophy, which places improved usability above rapid feature-set expansion. LoopUp deliberately restricts the features and capabilities it builds into the product. This design and development innovation has helped LoopUp to create an industry solution that is immune to the inherent drawbacks of competing platforms which emphasize feature-set growth above all else.

Instead, the company focuses on enhancing the end-user's in-call experience and measuring end-user adoption of key capabilities within the product. This provides the company an in-depth view of how accessible features are, as well as how to improve them. Thus, end-users' real-world usage patterns have driven much of the evolution behind LoopUp's conferencing platform.

Notably, the company experiences industry-leading end-user usage patterns for its product's capabilities and features. For example, while other providers struggle to get users to embrace the dial-out functionality of their product, LoopUp's dial-out capabilities were used in 75 percent of new users' meetings which occurred in 2016. Additionally, LoopUp notes that 79 percent of new users in 2016 leveraged LoopUp's mobile app or Microsoft Outlook add-in for their meetings.

Commitment to Creativity

While dedicated to simplicity, LoopUp has also integrated many useful capabilities into its solution to improve the quality of service. These include:

- Integration with Microsoft Outlook, which allows users to schedule and join their meetings from their calendaring tool
- Patented call start alerts that notify meeting hosts via email, mobile and Outlook when their first guest has joined their meeting

- Dial-out capabilities that allow attendees to join meetings via a link and the service will dial out to them on a number of their choice
- An appealing visual display of who's on and who's speaking, including LinkedIn profile syncing for additional context
- Simple, intuitive controls to add, drop or mute guests and background noise
- One-click screen sharing, with no downloads required to view and guests can view on any device

In most cases, no training or in-depth explanation is necessary for end-users to grasp and master these capabilities. This is achieved through creatively integrating features, which benefit the majority of end-users in a way that requires little to no configuration. Additionally, features which are not likely to have mass adoption/usage, are complicated to use or require advanced training are not likely to have a presence in LoopUp's product.

Commercialization Success

Despite competing in a crowded market, LoopUp has demonstrated strong and consistent growth with a CAGR of 38 percent for the last three years. This growth has been achieved absent any concerted effort towards marketing. LoopUp was also the first technology IPO post-Brexit, floating on the Alternative Investment Market (AIM) of the London Stock Exchange in August 2016. LoopUp operates primarily in the United Kingdom (UK) and the United States (US), with a fairly even revenue distribution between the two regions. Unlike many UK-based technology companies, LoopUp has established strong roots in the US.

LoopUp's success stems largely from its differentiated value proposition and its focus on high-use features, making all functional aspects of the service accessible, easy to navigate, and easy to use. LoopUp reports revenue growth, rather than erosion, in its established base of customers over one-year old (at 8.3 percent in 2016) which indicates that existing customers increasingly use the product over time, contrary to what most SaaS companies experience.

Price / Performance Value

LoopUp's conferencing service is available via pay-as-you-go (PAYG) pricing as well as monthly subscription license pricing. PAYG for remote meetings is priced per minute per attendee, while license pricing is per host per month. The company also recently released an online fulfillment capability which allows prospects to sign up for a free trial or ongoing payment by credit card via the company's corporate website.

Over 98 percent of LoopUp enterprise customers have adopted the PAYG model, while only 1.5 percent opt for subscription pricing. While LoopUp markets a premium service, it does not come with a premium price tag. Rather, LoopUp often price matches on the basis that it is offering a better value product for the price.

Customer Purchase Experience

LoopUp's ease-of-use approach to the conferencing market offers significant efficiency improvements over many of their competitors, resulting in a substantial ROI for adopting organizations. Simplicity and ease-of-use insure that end-users are more likely to take advantage of the conferencing platform and that the usage of LoopUp's features quickly becomes second nature. Thus, adopting organizations benefit from little to no training requirements for their employees to achieve a high level of proficiency when using the platform.

In addition to ensuring their platform is efficiently adopted and used by personnel within its customer organizations, LoopUp also requires less planning and integration from the customer IT department. LoopUp's technology is device agnostic, requires only a single plug-in for hosts to share their screens, and currently requires very little help from the IT department to enable personnel to utilize their services. This helps to lower the investment costs and also minimize interoperability issues, such as deployment delays and service down-time.

Customer Ownership Experience

A number of LoopUp conferencing attributes instill confidence in buyers that they've made the right choice. Utilization has significant impact on a business's return on investment for conferencing services. Low utilization rates that plague many conferencing platforms undermine the value of purchases, putting decision makers on the hot seat.

In contrast, LoopUp's design, which emphasizes intuitiveness and accessibility not only yields higher usage rates for features, but also makes them simple to become reacquainted with after being away from the service for any length of time. Additionally, because the service is device agnostic and requires no training, new users are able to adopt and gain proficiency in LoopUp's conferencing solution very quickly, leading to faster ROI. Finally, LoopUp's pay as you go billing model ensures buyers are charged only for actual usage, while straightforward provisioning also makes it easy for buyers and administrators to say "Yes" when adding new users.

Conclusion

Due to their focus and commitment to accessibility and functional efficiency, LoopUp has achieved a near 40 percent year-over-year growth rate, which is significantly above average in the industry. As the conferencing services industry continues to be saturated with excess functionality that requires advanced training and stymies adoption, Frost & Sullivan anticipates LoopUp will continue to rapidly increase in relevance and adoption.

With its strong overall performance, LoopUp has earned Frost & Sullivan's 2017 Enabling Technology Leadership Award.

Significance of Enabling Technology Leadership

Ultimately, growth in any organization depends upon customers purchasing from a company and then making the decision to return time and again. In a sense, then, everything is truly about the customer—and making those customers happy is the cornerstone of any long-term successful growth strategy. To achieve these goals through enabling technology leadership, an organization must be best-in-class in three key areas: understanding demand, nurturing the brand, and differentiating from the competition.



Understanding Enabling Technology Leadership

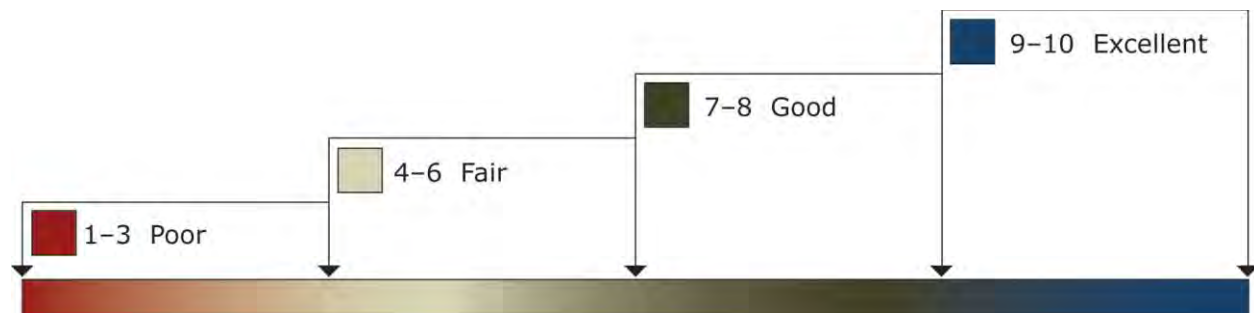
Product quality (driven by innovative technology) is the foundation of delivering customer value. When complemented by an equally rigorous focus on the customer, companies can begin to differentiate themselves from the competition. From awareness, to consideration, to purchase, to follow-up support, best-practice organizations deliver a unique and enjoyable experience that gives customers confidence in the company, its products, and its integrity.

Best Practices Award Analysis for LoopUp

Decision Support Scorecard

To support its evaluation of best practices across multiple business performance categories, Frost & Sullivan employs a customized Decision Support Scorecard. This tool allows our research and consulting teams to objectively analyze performance, according to the key benchmarking criteria listed in the previous section, and to assign ratings on that basis. The tool follows a 10-point scale that allows for nuances in performance evaluation. Ratings guidelines are illustrated below.

RATINGS GUIDELINES



The Decision Support Scorecard is organized by Technology Leverage and Customer Impact (i.e., These are the overarching categories for all 10 benchmarking criteria; the definitions for each criterion are provided beneath the scorecard.). The research team confirms the veracity of this weighted scorecard through sensitivity analysis, which confirms that small changes to the ratings for a specific criterion do not lead to a significant change in the overall relative rankings of the companies.

The results of this analysis are shown below. To remain unbiased and to protect the interests of all organizations reviewed, we have chosen to refer to the other key participants as Competitor 2 and Competitor 3.

<i>Measurement of 1-10 (1 = poor; 10 = excellent)</i>			
Enabling Technology Leadership	Technology Leverage	Customer Impact	Average Rating
LoopUp	9.0	10.0	9.5
Competitor 2	9.0	8.0	8.5
Competitor 3	8.0	8.0	8.0

Technology Leverage

Criterion 1: Commitment to Innovation

Requirement: Conscious, ongoing adoption of emerging technologies that enables new product development and enhances product performance

Criterion 2: Commitment to Creativity

Requirement: Technology leveraged to push the limits of form and function in the pursuit of “white space” innovation

Criterion 3: Stage Gate Efficiency

Requirement: Adoption of technology to enhance the stage gate process for launching new products and solutions

Criterion 4: Commercialization Success

Requirement: A proven track record of taking new technologies to market with a high rate of success

Criterion 5: Application Diversity

Requirement: The development and/or integration of technologies that serve multiple applications and can be embraced in multiple environments

Customer Impact

Criterion 1: Price/Performance Value

Requirement: Products or services offer the best value for the price, compared to similar offerings in the market.

Criterion 2: Customer Purchase Experience

Requirement: Customers feel they are buying the most optimal solution that addresses both their unique needs and their unique constraints.

Criterion 3: Customer Ownership Experience

Requirement: Customers are proud to own the company’s product or service and have a positive experience throughout the life of the product or service.

Criterion 4: Customer Service Experience

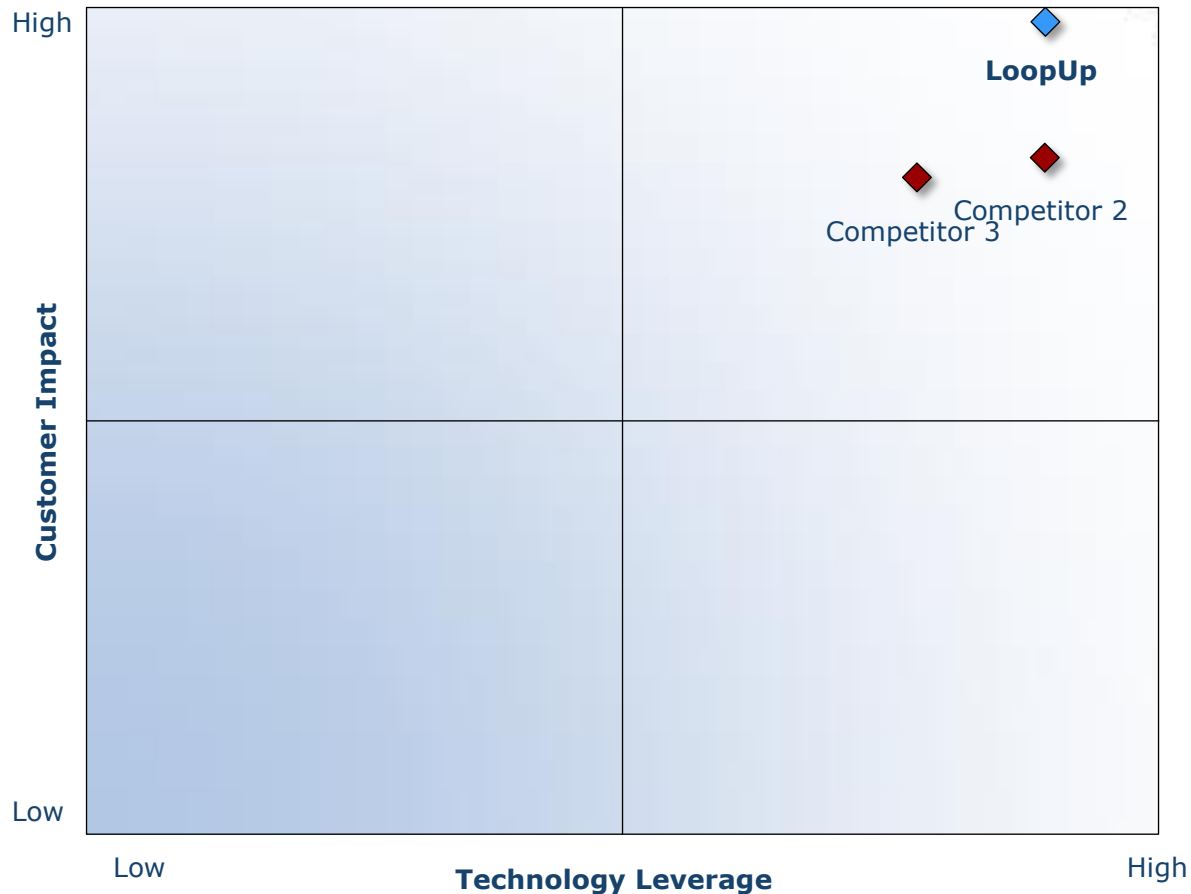
Requirement: Customer service is accessible, fast, stress-free, and of high quality.

Criterion 5: Brand Equity

Requirement: Customers have a positive view of the brand and exhibit high brand loyalty.

Decision Support Matrix

Once all companies have been evaluated according to the Decision Support Scorecard, analysts then position the candidates on the matrix shown below, enabling them to visualize which companies are truly breakthrough and which ones are not yet operating at best-in-class levels.



About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, enables clients to 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 practice models to drive the generation, evaluation and implementation of powerful growth strategies. Frost & Sullivan leverages more than 50 years of experience in partnering with Global 1000 companies, emerging businesses, and the investment community from 45 offices on six continents. To join our Growth Partnership, please visit <http://www.frost.com>.