



2018 Global Managed Video Conferencing Service
Growth Excellence Leadership Award



2018
BEST PRACTICES
AWARDS

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Background and Company Performance

Industry Challenges

The global managed video conferencing services market grew by 4.9 percent to reach \$733.0 million in 2017.

While managed video conferencing services will continue to be necessary for many businesses around the world, various challenges are expected to curtail the overall market opportunity.

First, and due to the progress of unified communications and collaboration, managed service providers (MSPs) are faced with the challenge of adding remote monitoring and management capabilities of the entire meeting solutions ecosystem beyond the conferencing infrastructure, including audio/video devices, quality of call performance, room and technology utilization, and actionable business analytics. Generally, the market is moving towards advanced collaboration and digital workplace technologies design, implementation, integration and support. This includes more user-based self-service tools for a fully integrated unified collaboration tool experience. Managed video conferencing service providers will need to deliver cloud and managed service solutions, supporting the user applications leveraging these technologies. In many cases, there is a pressing need among businesses to utilize and interoperate the legacy systems with evolving cloud-based communications and collaboration services such as Microsoft Skype for Business/Teams, Google Hangouts Meet, and Cisco Webex/Teams which compels businesses to increasingly engage with managed video providers that have consulting and implementation expertise with these platforms.

Additionally, and with the evolution of video conferencing equipment, many managed video conferencing service providers are challenged to offer management capabilities for newer types of technologies in meeting rooms. A new ecosystem of video endpoints that relates to purpose-built hardware for cloud communications and collaboration services, such as advanced interactive collaboration "boards" (e.g., Microsoft Surface Hub, Cisco Webex Board, Google Jamboard, etc.) has emerged. MSPs will need to evolve and expand their service offerings.

Furthermore, technology trends such as Internet of Things (IoT), Connected Devices, and Artificial Intelligence (AI) are all considerably changing the way users communicate and collaborate. MSPs need to constantly stay in the forefront of these trends in order to understand how to better evolve their managed video conferencing services portfolios.

Finally, not all meeting rooms are created equal. Modern businesses have many types of conference rooms and applications within them: huddle rooms for two to four people; small conference rooms for five to eight people; large conference rooms for 10 to 20 people; highly integrated boardrooms with wireless mics, ceiling-mounted speakers, overlay control panels and more; and training, auditorium and large gathering spaces for

company meetings. Managed video conferencing services need to address rooms of all shapes, sizes and purposes. Time is limited and enterprise IT needs services that can deliver across the entire spectrum of use cases.

In challenging times, a growth excellence leadership position is proof that a company has effectively overcome market restraints and executed strategies that have enabled it to consistently grow year-over-year. It is validation that the MSP has the flexibility to adjust its course in accordance with changes in customer priorities. A growth excellence leadership position is very well perceived by customers that seek investment protection and a reliable partner. Furthermore, a growth leadership position demonstrates that the company has a strong vision for anticipating needs and delivering greater customer value. This market position inspires customer trust, which translates into more loyal buyers and a stronger partner ecosystem.

Growth Performance and Customer Impact

Frost & Sullivan is pleased to recognize AVI-SPL with the Growth Excellence Leadership Award for the company's outstanding performance in the managed video conferencing services market. The company grew its global managed video conferencing services revenue by a considerable 25.8 percent in 2017, a figure well above the average growth rate of the total industry. AVI-SPL more than doubled its managed video conferencing service revenue since 2015 due to an effective growth strategy, above-market growth rates, growth diversification, and a strong customer ownership and service experience.

Growth Strategy

AVI-SPL has always been committed to industry innovation and has relentlessly created and implemented business strategies that have allowed it to grow consistently year-over-year.

AVI-SPL's approach to technology implementation hinges on a comprehensive strategy that is targeted at organizations looking for an intelligent platform to support their meeting solutions across their entire audio/video (AV) infrastructure as well as their unified communications (UC) ecosystem. The company works closely with enterprises to understand and optimize their business operations and requirements, acting more as a strategic partner than a standard MSP. Scaling technical products and services to any need and developing solutions that simplify the AV and UC system control and monitoring, AVI-SPL has always focused on guiding businesses through their process of workplace transformation.

In the managed video conferencing services realm, AVI-SPL has a very well-established portfolio of services that is aligned with the predominant needs of enterprise users. In addition to traditional maintenance programs, the portfolio includes:

- Professional services that help customers understand and capture "as-is" state of AV and UC deployments and associated user workflows; evaluate and articulate user requirements for "desired" state; and collaboratively design and deploy simple, standardized, scalable, and serviceable technology solutions that enable successful business outcomes.
- Remote managed services delivered by the company's four global service operations centers that enable capabilities such as around-the-clock monitoring of AV, video conferencing, and IoT devices; configuration and management of private and multi-tenant cloud infrastructure solutions; and end-to-end management of AV and UC environments.
- Onsite managed services for organizations that need onsite assistance to handle the complexities and technical requirements of their premises-based AV technology and video collaboration systems. AVI-SPL fills those missing gaps by providing trained and qualified experts working alongside the customer's IT teams as an extension of the provider's managed service operation.

Considered the centerpiece of AVI-SPL's services go-to-market strategy, AVI-SPL Symphony allows businesses to automate the back-end processes required to schedule, monitor, manage, and analyze the global video conferencing and AV assets from a single platform. The AVI-SPL Symphony end user management application is designed as an easy to use, browser-based and mobile-friendly dashboard representing the customer's window to the organization's total meeting environment.

No matter the customer's AV or UC infrastructure, AVI-SPL Symphony monitors the meeting environment and experience, allowing customers to easily access user and device level settings, monitor call quality, create custom workflows, manage permissions, and set role-based alert thresholds. Businesses can also manage scheduling, automate call launching, and remotely troubleshoot connections for a positive and productive meeting experience. Finally, businesses can see the health of their meetings with AVI-SPL Symphony's QoE (Quality of Experience) measure, which combines user feedback with real-time device modality, network performance, and room utilization.

Today, companies deploying AVI-SPL Symphony's full capabilities benefit from an integrated end-to-end collaboration workflow, a single-pane view into the supporting technology estate, and actionable business intelligence (e.g. room usage, signal quality, root cause analysis, etc.) that will drive the desired user experience and adoption. To ensure optimal user engagement and operational workflow, AVI-SPL Symphony offers a series of flexible Adapter Libraries, enabling bi-directional workflow integration with leading third-party scheduling, ticketing, and analytics applications

While competing service providers are pushing their customers to adopt the public cloud, AVI-SPL works closely with enterprises to understand and optimize their business

operations and requirements to help them migrate to the cloud under the best plan possible.

Above Market Growth

AVI-SPL has considerably exceeded the industry's managed video conferencing service growth rate, with a revenue compound annual growth rate (CAGR) of 50.1 percent within the last two years and a remarkable growth rate of 25.8 percent in 2017. With circa 40 years of audio/video conferencing service expertise and offices throughout the United States and Canada, as well as in the U.K., Germany, and the UAE, AVI-SPL has a dominant presence in the AV systems integration market, which it has successfully leveraged to extend the depth and scale of its offering. With 85 percent of the Fortune 100 served by AVI-SPL, the company has completed over 60,000 integrations since 2008, and managed more than 11,000 customer service contracts.

AVI-SPL have seen growth coming from all fronts, particularly from various customers migrating away from competing large MSPs' traditional full-concierge type of service to AVI-SPL's simple, intuitive, self-service model for managing and monitoring the entire AV and UC ecosystem. Within the last few years, more customers have been asking AVI-SPL to help them sustain and reduce the number of users who are in the full-concierge model and pivot from where they want to go from a next-generation meetings perspective. In this sense, AVI-SPL has become an expert in newer types of self-service applications, helping many businesses to migrate away from traditional operational modalities to the management of fully integrated AV and unified communications systems.

As the shift to self-service oriented environments continues, the availability and operation of the technology that is deployed on a self-service basis is becoming even more critical for users. As an IT stakeholder, the ability to proactively understand when the technology is or is not available is increasingly important. AVI-SPL is driving a competitive differentiator in this front, offering expertise and assets in both the traditional full-concierge type of managed service and the next-gen self-service management application modalities. This includes redesigning meeting workflows from legacy systems to new desktop experiences, or wholesale deployments of new meeting room solutions with a single technology stack and single user experience. Because of its breadth of expertise and customer-focused services portfolio, AVI-SPL becomes the bridge for many customers to optimize their meeting estate while improving overall user experience and adoption. This model creates measurable value which can be replicated time and again.

Growth Diversification

AVI-SPL has been equally able to pursue organic growth as well as growth by acquisition opportunities consistent with the long-term objectives of the organization. Within the last two years, the company has considerably strengthened its internal resources through a series of strategic acquisitions and joint partnerships related to the AV field.

In November 2016, AVI-SPL announced the acquisition of Anderson AV, a premier AV systems integration company with over 20 years of experience providing businesses with top-tier service. The acquisition welcomed 160 employees and six offices across California, North Carolina, and Texas into the AVI-SPL family. This enhanced AVI-SPL's ability to serve markets with high demand for video collaboration and gave Anderson AV customers the benefit of the company's global delivery capabilities and managed services platform.

In January 2017, AVI-SPL announced the acquisition of VideoLink, a Boston-based broadcasting and production technology company with patented offerings including ReadyCam® corporate video studio and EnhancedIP® video transmission over public internet protocol. VideoLink is a highly trusted connection between private content providers and public broadcasters. With this expansion of enterprise video services, AVI-SPL is able to meet the evolving needs of communications strategies in large organizations.

In June 2017, AVI-SPL enhanced its ability to serve multi-nation projects through a partnership with Vega of Asia, an AV/IT solutions provider that serves companies throughout Asia. Under the terms of the agreement, Vega became the primary source for supporting AVI-SPL's multi-national customers throughout Asia, including key locations in India. As part of Vega facilitating and provision of services, all projects also benefit from AVI-SPL's global managed services operations network.

In October 2017, AVI-SPL acquired Sharps Audio Visual, a Canada-based systems integrator. With the addition of Sharp's to its existing operations in Canada, AVI-SPL has significantly enhanced and expanded its ability to design, build, manage, and support collaboration technology deployments for organizations throughout Canada.

In November 2018, AVI-SPL acquired Interactive Solutions, Inc., a Tennessee-based AV and UC solutions provider with a strong customer experience reputation and expertise in complex projects for F500 companies and large institutions. This addition supports AVI-SPL's strategic plan to enhance customer success with a physical presence where the market demonstrates need for it.

Through key partnerships and acquisitions, AVI-SPL has considerably expanded its geographical presence and serviceability. Today, AVI-SPL's reach enables it to effectively service national and multi-national organizations with standardized solutions across regions with consistent SLAs and accountability.

Customer Ownership Experience

AVI-SPL's objective to build a trusted advisor relationship with customers is very well evidenced with multiple public testimonies highlighting the provider's proactive service. AVI-SPL touts multiple diverse case studies of satisfied customers, including names such as 7-Eleven, Austin Energy, Florida International University, Hilton, North Carolina State University, Polycom, SAS, Shure, The Dow Chemical Company, Vonage, and Zurich

Insurance Group, among others. Businesses often praise AVI-SPL's managed video conferencing services for simplicity, reliability, focus on user experience, level of support, quality of service, and robust functionality.

Another key characteristic that customers admire in AVI-SPL is its agility and prompt response to customer or market changes. Across the years, the company has constantly adapted its offerings and service portfolio to evolving market trends such as: the growing use of unified communications and collaboration tools; the changing nature of meeting spaces; the growth of huddle rooms; the emergence of smaller yet more intelligent AV technologies; and the progression of Big Data and analytics.

Ever-more frequently, AVI-SPL is asked to address these evolving trends with creative and comprehensive applications that streamline workflow integration and provide analytics on knowledge worker utilization, system availability and productivity analytics. Taking this into account, AVI-SPL Symphony platform has been enhanced with more comprehensive scheduling, device management, analytics, and ticketing capabilities in order to meet evolving customer demands. In addition to its AVI-SPL Symphony offering, the provider has recently launched Rapid Rooms, a catalog of proven meeting solution standards that optimize room deployment by intelligently recognizing organizational needs and matching them with the most suitable AV and UC technology, in ready-to-order bundles. With a first of its kind AV-as-a-service model for hardware, software, and managed service contract wrapped into one fixed, monthly fee, AVI-SPL Rapid Rooms include planned refresh cycles to remedy lifecycle management and technology obsolescence.

AVI-SPL clients highly value the level of innovation commitment that the AV integrator and managed service provider has always shown for its customer base.

Customer Service Experience

With offices and partners around the world, AVI-SPL's Customer Care program provides customers with all the AV and UC support services needed via break/fix support, warranty services, and Global Help Desk assistance. At its global service operations centers, more than 100 full-time AVI-SPL employees provide 24/7 technical assistance and remote management expertise and complement the over 350 employees who are deployed globally to AVI-SPL customer sites for the provision of onsite managed services. The company culture is one that consistently looks at exceeding customer expectations through a focus on flexibility, innovation, customer satisfaction measurement, and continuous service improvement with a notable portion of the company's revenue for the last five years derived from recurring customers. AVI-SPL has also created a formal Global Accounts Management Program that provides strategic, multi-national customers with dedicated resources to align business goals with optimized technology lifecycle management that addresses everything from procurement to support models. The high level of touch for those customers ensures they are best leveraging their investments in the collaboration assets they purchase. Customer success models are also always in place

to ensure that the company stays on top of customer requirements, issues or suggestions. Today, AVI-SPL has over 45 offices around the world which allows the provider to take a local market presence to each of its operating territories.

Conclusion

AVI-SPL's solid growth strategy, its above-market growth rate, growth diversification, and strong customer ownership and service experience in the managed video conferencing service market are among the factors that have enabled the company to excel in this industry and stand out from the competition.

For its strong overall performance, AVI-SPL has earned Frost & Sullivan's 2018 Growth Excellence Leadership Award.

Significance of Growth Excellence Leadership

Growth Excellence Leadership is about inspiring customers to purchase from your company, and then 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. Companies that excel in driving growth strive to be best-in-class in three key areas: meeting customer demand, fostering brand loyalty, and carving out a unique, sustainable market niche.



Understanding Growth Excellence Leadership

Companies that creatively and profitably deliver value to customers ultimately set up their businesses for long-term, rapid growth. This is what Growth Excellence Leadership is all about: growth through customer focus, fostering a virtuous cycle of improvement and success.

Key Benchmarking Criteria

For the Growth Excellence Leadership Award, Frost & Sullivan analysts independently evaluated two key factors—Growth Performance and Customer Impact—according to the criteria identified below.

Growth Performance

- Criterion 1: Growth Strategy
- Criterion 2: Above-market Growth
- Criterion 3: Share of Wallet
- Criterion 4: Growth Diversification
- Criterion 5: Growth Sustainability

Customer Impact

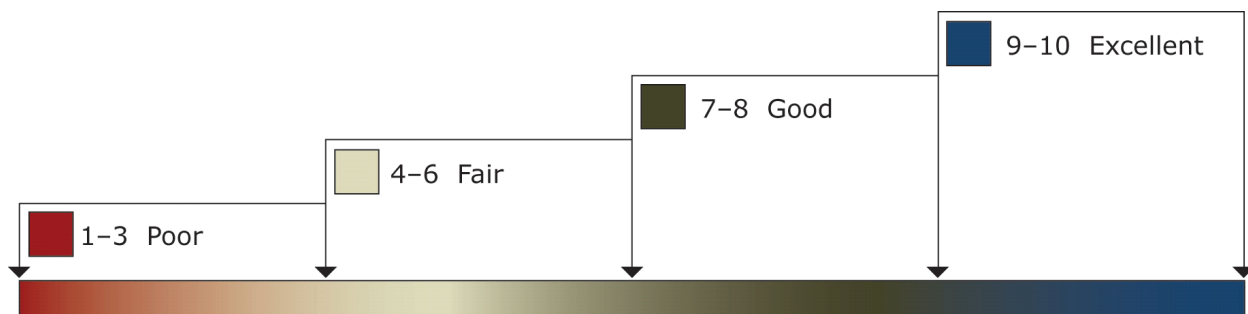
- Criterion 1: Price/Performance Value
- Criterion 2: Customer Purchase Experience
- Criterion 3: Customer Ownership Experience
- Criterion 4: Customer Service Experience
- Criterion 5: Brand Equity

Best Practices Award Analysis for AVI-SPL

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 Growth Performance 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>			
Growth Excellence Leadership	Growth Performance	Customer Impact	Average Rating
AVI-SPL	10.0	9.0	9.5
Competitor 2	6.0	8.0	7.0
Competitor 3	8.0	8.5	8.25

Growth Performance

Criterion 1: Growth Strategy

Requirement: Executive team has a shared vision for the organization’s future growth and has created and implemented a strategy that is consistent with that vision.

Criterion 2: Above-market Growth

Requirement: Company’s growth rate exceeds the industry’s year-over-year growth rate.

Criterion 3: Share of Wallet

Requirement: Customers allocate a greater percentage of their total spend to purchasing products or services produced by the company.

Criterion 4: Growth Diversification

Requirements: Company is equally able to pursue organic (e.g., distribution channel optimization, new product innovation) or inorganic (e.g., acquisitions, partnerships) growth opportunities consistent with the long-term objectives of the organization.

Criterion 5: Growth Sustainability

Requirement: Company has consistently sought out opportunities for new growth, enabling the organization to build on its base and sustain growth over the long-term.

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

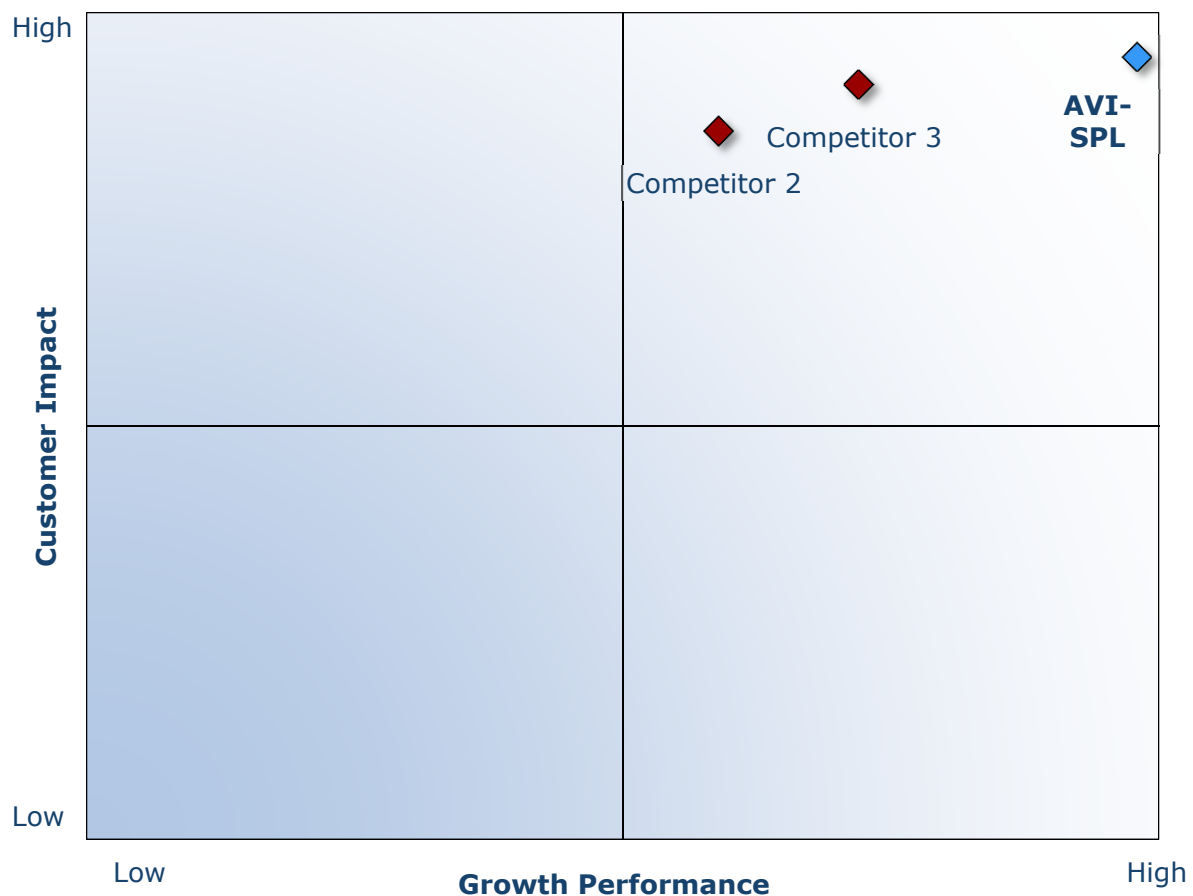
Requirement: Customer service is accessible, fast, stress-free, and of high quality.

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.



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 select best practice 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 globe	<ul style="list-style-type: none"> • Conduct in-depth industry research • Identify emerging sectors • Scan multiple geographies 	Pipeline of candidates who potentially meet all best-practice 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-practice 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-practice 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-practice 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-practice 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-practice 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 future strategic planning 	Widespread awareness of recipient's Award status among investors, media personnel, and employees

