FROST & SULLIVAN

BEST PRACTICES

AWARDS

FROST & SULLIVAN

2020 | BEST PRACTICES AWARD

B BrightTALK

2020 NORTH AMERICAN
DIGITAL MARKETING COMMUNITIES
CUSTOMER VALUE LEADERSHIP AWARD

Contents

Background and Company Performance

Industry Challenges

Digital marketing has fundamentally reshaped the way businesses produce and deliver content, progressing towards ever greater personalization. At the same time, the large-scale smartphones and social media adoption, supported by technological advances in artificial intelligence (AI) and data analytics, has made it 'de rigeur' (i.e., fashionable) for brands to establish a robust digital presence. Hence, marketing teams across verticals are now transforming to adopt and inculcate data science-oriented practices to gain better visibility on digital platforms. As more digital marketing channels open up and more brands go online, there is a considerable influx of promotional content on user devices that push down attention levels and conversion ratios. To continue attracting and retaining customers, brands follow end-users assiduously to perceive new behavioral patterns as they interact with promotional and published content.

In the digital marketing ecosystem, publishers are the platforms where ads and promotional content are displayed. The business model of major advertising (ad) publishers (such as YouTube, Facebook, and Google) depends on ad revenues. For example, Google derives around 71% of its revenue from ads while about 68% of the global digital ad spending can be allocated to Google, Facebook, and Amazon. In recent years, two distinctive trends emerged. Firstly, video-based content gained significant traction among users. Secondly, influencer marketing through individual and institutional content creators (including influencers and media companies) has proven vastly effective as consumers are becoming more active on social media channels.

As a result, supply-side platforms (SSPs)—ad exchanges that represent publishers and help sell their site space and ad inventory—turned up to relieve publishers from complexities involved in dealing with multiple ad networks and buyers. Essentially, SSPs allow publishers to connect to unlimited buyers and to automate the selling process while gaining the most revenue from their ad inventory. Likewise, demand-side platforms (DSPs) represent marketers and content creators in the online advertising exchange, enabling marketers to negotiate and publish on numerous publisher sites while eliminating the complexities and minimizing the cost.

Recent research by Frost & Sullivan highlights four AI applications that support brands to entice and serve customers, and build deeper engagement with brands and businesses:

- **Predictive Marketing**: Applying AI-enabled analytics, marketers can develop accurate forecasts of consumer behavioral patterns. Advertisers use this data to improve their conversation rates and to drive cross-selling and up-selling among their customers.

- **Content Creation and Personalization**: By leveraging the understanding of linguistic patterns and reader preferences, AI-based tools help content creators and user experience designers understand what entices their target audiences, and to automate the creation of content optimized for search engine discovery.

- **Communication Management**: Along with creating content, AI transforms how advertisers connect to their target audience. At a time when customers are facing a massive influx of sponsored content, AI-based tools expose customers to the right message at the right time on a channel of their preference—to maximize engagement.

- **Media Buy Automation**: Automating media-buy procedures using DSPs and SSPs allow marketers to expand their reach and maximize engagement ratios. With their daily menial tasks automated, marketers can shift their focus towards developing and managing higher-level strategies.

As the digital marketing landscape continues to evolve, content providers will continue to remodel stand-alone offerings into all-in-one solutions. Therefore, the key characteristics that come into play when developing a digital market platform and portfolio are simplicity, intuitiveness, ease of use, extendibility, reliability, security, control, and interoperability. To thrive in this highly-competitive and crowded marketplace, Frost & Sullivan believes that successful participants will step into the role of a trusted partner for customers while also helping businesses along their digital transformation journeys.

Customer Impact and Business Impact of BrightTALK

The concept of BrightTALK developed more than two decades ago when Paul Heald was using video in a professional-education context, helping asset managers in London to educate financial advisors. In 2002, he and co-founder Dorian Logan set up BrightTALK to advance webcasting technologies in knowledge industries. Since 2006, the company operates from San Francisco. In 2008, the business reached a pivotal point in building professional communities around published content (e.g., presenting the latest trends from thought leaders) to create a channel for interactive experiences. This business model—bolstered by a $20.5M venture capital investment in 2011—allowed BrightTALK to scale significantly. Today, this online marketing platform connects nearly 10 million registered professionals who actively engage with live and recorded talks. By establishing a unique marketplace with rich media and broadcast capabilities—supported by web-based real-time communication technologies—BrightTALK offers an integrated content and demand marketing platform.

Leveraging Communities to Create Content and Find the Right Audience
BrightTALK provides a unique value proposition to marketers by carrying out two roles: Hosting and broadcasting online events while simultaneously serving as a robust demand generation tool that supplies engaged leads for content marketing campaigns. The depth and scope of BrightTALK's audience appeals to marketers, as interactive sessions create a continuous dialog between businesses and professionals. Webcams, presentations, screensharing, polls, questions, and attachments are a few capabilities that support client needs. Additionally, the platform is attractive because of a low cost of entry and its ease-of-use.

Notably, BrightTALK reports year-on-year increased revenue of 50%, on the back of a healthy 28% growth in the previous year. More specifically, channel growth shows year-on-year an elevated revenue stream of 30% to 40%. This performance demonstrates that customers are buying into the audience proposition, and then increasing engagement on

the platform by running more virtual or online events to amplify the return rate. By combining the needs of both content and demand marketers, BrightTALK's business model helps customers to create content and find the right audience purposefully.

Achieving Growth Objectives through AI Applications and Strategic Partnerships
As a live video and audience data leader, BrightTALK's live streaming technologies evolved from Windows Media to Flash to HTML5 and HLS streaming standards into real-time communication standards (WebRTC) with cloud computing. Furthermore, Big Data and AI capabilities help BrightTALK to draw actionable insights from both audience and content creator activity/behavior to make accurate recommendations on what professionals should watch next. These content recommendations provided by Ada, BrightTALK's robust knowledge assistant, ensure that only relevant audiences are introduced to the company's marketing clients' portals. These viewers have already established an interest in consuming the content through previous engagements on the platform.

BrightTALK is interoperable with numerous marketing automation and CRM platforms (e.g., Marketo, Eloqua, Hubspot, Salesforce, Pardot, etc) as the company values a partner ecosystem of tools and technologies. This approach allows BrightTALK to acquire and retain customers efficiently and effectively and add layers of value.

BrightTALK's Philosophy of Success: Teamwork Drives Innovation
As BrightTALK's business model provided a go-to-market strategy that supports rapid growth, the company relied strongly on self-generated income to fuel its expansion. As a result, the company achieves its success by being its own first customer. Furthermore, the majority of BrightTALK's employees—functioning within marketing, community, sales, success, and support teams—are both users and customers of the business, always learning, leveraging the platform, and growing their network to reach their own goals. As users of the platform, feedback is circulated back to product management and engineers to evolve the platform. This creates accelerated development cycles that represent the needs of their customers.

Therefore, teamwork is an essential tool within the BrightTALK culture to set innovation into motion. Along with leadership skills such as embracing continuous learning and adapting to new technologies, BrightTALK's executive team encourages the sharpening of soft skills that are 'uniquely human,' such as creativity, critical thinking, communication, and empathy. As a result, BrightTALK's staff embodies the notion that you have to compete with the best and the brightest to present ideas that will become the future technology; thereby, securing the company's long-term profitability and sustainability.

Conclusion

Digital marketing has fundamentally reshaped the way businesses produce and deliver content, progressing towards ever greater personalization. The large-scale smartphones and social media adoption, supported by technological advances in artificial intelligence (AI) and data analytics, has made it a basic necessity for brands to establish a robust digital presence. Hence, brands follow end-users assiduously to perceive new behavioral patterns as they interact with promotional and published content in an attempt to grow their customer base and build engagement across channels.

BrightTALK is a unique marketplace with rich media and broadcast capabilities—supported by web-based real-time communication technologies—that provides an integrated content and demand marketing platform. BrightTALK offers more than a publishing tool; the company cultivates a content-rich environment where professionals come to discover, learn, and succeed with the community. By combining the needs of both content and demand marketers, and AI-generated insights, BrightTALK's helps customers to create content and find the right audience.

With its innovative business model and exceptional growth profile, enabled by a customer-centric culture that encourages teamwork and embraces community and collaboration, BrightTALK earns Frost & Sullivan's 2020 North America Customer Value Leadership Award in the digital marketing communities market.

Significance of Customer Value Leadership

Ultimately, growth in any organization depends on customers purchasing from a company and then making the decision to return time and again. Satisfying customers is the cornerstone of any successful growth strategy. To achieve this, an organization must be best in class in 3 key areas: understanding demand, nurturing the brand, and differentiating from the competition.

Understanding Customer Value Leadership

Customer Value Leadership is defined and measured by 2 macro-level categories: Customer Impact and Business Impact. These two sides work together to make customers feel valued and confident in their products' quality and performance. This dual satisfaction translates into repeat purchases and a lifetime of customer value.

Key Benchmarking Criteria

For the Customer Value Leadership Award, Frost & Sullivan analysts independently evaluated Customer Impact and Business Impact according to the criteria identified below.

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.

Business Impact

Criterion 1: Financial Performance
Requirement: Overall financial performance is strong in terms of revenues, revenue growth, operating margin, and other key financial metrics.

Criterion 2: Customer Acquisition
Requirement: Customer-facing processes support the efficient and consistent acquisition of new customers, even as it enhances retention of current customers.

Criterion 3: Operational Efficiency
Requirement: Staff is able to perform assigned tasks productively, quickly, and to a high quality standard.

Criterion 4: Growth Potential
Requirements: Customer focus strengthens brand, reinforces customer loyalty, and enhances growth potential.

Criterion 5: Human Capital
Requirement: Company culture is characterized by a strong commitment to quality and customers, which in turn enhances employee morale and retention.

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	• 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	• 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	• 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	• 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	• 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	• 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	• 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	• 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	• 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	• 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

The Intersection between 360-Degree Research and Best Practices Awards

Research Methodology

Frost & Sullivan's 360-degree research methodology represents the analytical rigor of our 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, leading to 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, 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.