

## Product Line Strategy Award, Enterprise Video Webcasting Solutions Global, 2011

### Frost & Sullivan's Global Research Platform

Frost & Sullivan is in its 50th year in business with a global research organization of 1,800 analysts and consultants who monitor more than 300 industries and 250,000 companies. The company's research philosophy originates with the CEO's 360 Degree Perspective™, which serves as the foundation of its TEAM Research™ methodology. This unique approach enables us to determine how best-in-class companies worldwide manage growth, innovation and leadership. Based on the findings of this Best Practices research, Frost & Sullivan is proud to present the 2011 Global Product Line Strategy Award in Enterprise Video Webcasting Solutions to Qumu.



### Significance of the Product Line Strategy Award

#### Key Industry Challenges Addressed by Advanced Product Line Strategies

Since its inception, the enterprise video webcasting industry has expanded its technology and service capacity, grown its market vertical and geographic coverage, and secured its status as a business critical communications application. Frost & Sullivan defines enterprise video webcasting solutions as software and hardware point solutions as well as complete enterprise video webcasting platforms that enable companies to capture and stream live video within the enterprise firewall. Focusing on the enterprise market, this definition does not include the media and entertainment or higher education markets. In addition, companies providing video webcasting services are also excluded from the market definition.

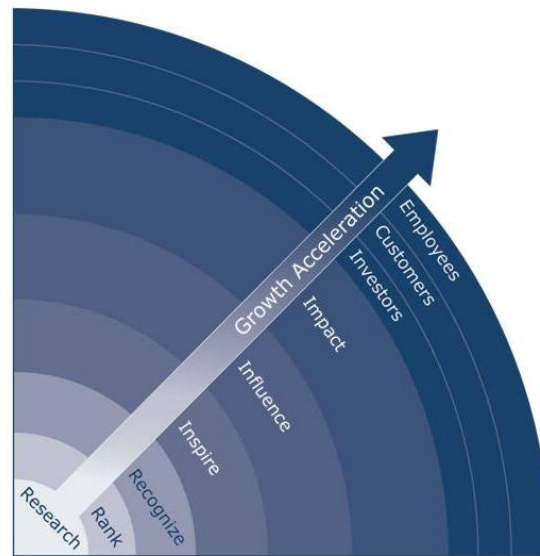
As with many digital media and enterprise communications trends, several megatrends driving industry growth are directly impacting enterprise video webcasting. Seamless workflows based on digitized content that break down traditional organizational and functional silos catalyze today's enterprises. It comes as no surprise that the market for enterprise video webcasting solutions has witnessed growth amidst economic woes; Frost & Sullivan anticipates acceleration of market growth as enterprises leverage video webcasting solutions to reduce travel expenditures, address employee and stakeholder constituencies, and break down global communications barriers.

Vendors providing enterprise video webcasting technologies offer solutions ranging from hardware devices to webcasting platforms. Staying abreast of workflow trends and potential technology integration, and actively developing and delivering functionality that bridges enterprise workflow gaps enables vendors to dramatically improve competitive positioning, attract new customers, and gain market share. Vendors that consistently evaluate and improve the functionality of their products secure customer loyalty and market visibility. Although many vendors introduced new features and functionality throughout the last 12 months, Qumu's steadfast improvements to its core software and hardware offerings, expanding solution functionality, and improved end-to-end workflow functionality via integration with Microsoft SharePoint enabled the company to maintain high visibility for both its value and high performance webcasting offerings.

### **Impact of Product Line Strategy Award on Key Stakeholders**

The Product Line Strategy Award is a prestigious recognition of Qumu's accomplishments in the Enterprise Video Webcasting Solutions Market. An unbiased, third-party recognition can provide a profound impact in enhancing the brand value and accelerating Qumu's growth. As captured in Chart 1 below, by researching, ranking, and recognizing those who deliver excellence and best practices in their respective endeavors, Frost & Sullivan hopes to inspire, influence, and impact three specific constituencies:

- **Investors**  
Investors and shareholders always welcome unbiased and impartial third-party recognition. Similarly, prospective investors and shareholders are drawn to companies with a well-established reputation for excellence. Unbiased validation is the best and most credible way to showcase an organization worthy of investment.
- **Customers**  
Third-party industry recognition has been proven to be the most effective way to assure customers that they are partnering with an organization that is leading in its field.
- **Employees**  
This Award represents the creativity and dedication of Qumu's executive team and employees. Such public recognition can boost morale and inspire your team to continue its best-in-class pursuit of a strong competitive position for Qumu.

**Chart 1: Best Practices Leverage for Growth Acceleration****Key Benchmarking Criteria for Product Line Strategy Award**

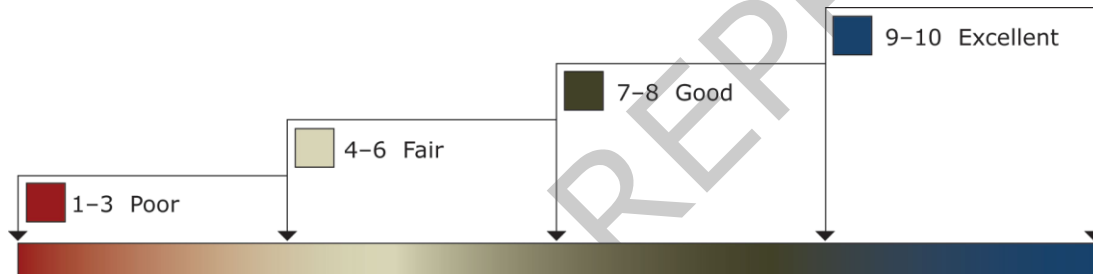
For the Product Line Strategy Award, the following criteria were used to benchmark Qumu's performance against key competitors:

- Breadth of Product Line
- Size of Addressable Customer Base/Impact on Market Share
- Impact on Customer Value
- Breadth of Applications/Markets Served

## Decision Support Matrix and Measurement Criteria

To support its evaluation of best practices across multiple business performance categories, Frost & Sullivan employs a customized Decision Support Matrix (DSM). The DSM is an analytical tool that compares companies' performance relative to each other with an integration of quantitative and qualitative metrics. The DSM features criteria unique to each Award category and ranks importance by assigning weights to each criterion. The relative weighting reflects current market conditions and illustrates the associated importance of each criterion according to Frost & Sullivan. Fundamentally, each DSM is distinct for each market and Award category. The DSM allows our research and consulting teams to objectively analyze each company's performance on each criterion relative to its top competitors and assign performance ratings on that basis. The DSM follows a 10-point scale that allows for nuances in performance evaluation; ratings guidelines are shown in Chart 2.

**Chart 2: Performance-Based Ratings for Decision Support Matrix**



This exercise encompasses all criteria, leading to a weighted average ranking of each company. Researchers can then easily identify the company with the highest ranking. As a final step, the research team confirms the veracity of the model by ensuring 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.

**Chart 3: Frost & Sullivan's 10-Step Process for Identifying Award Recipients**



## Best Practice Award Analysis for Qumu

The Decision Support Matrix, shown in Chart 4, illustrates the relative importance of each criterion for the Product Line Strategy Award and the ratings for each company under evaluation. To remain unbiased while also protecting the interests of the other organizations reviewed, we have chosen to refer to the other key players as Competitor 1 and Competitor 2.

**Chart 4: Decision Support Matrix for Product Line Strategy Award**

<i>Measurement of 1-10 (1 = lowest; 10 = highest)</i>	Award Criteria				Weighted Rating
	Breadth of Product Line	Addressable Customer Base/Impact on Market	Impact on Customer Value	Breadth of Applications/Markets Served	
<b>Relative Weight (%)</b>	<b>20%</b>	<b>20%</b>	<b>20%</b>	<b>20%</b>	<b>100%</b>
Qumu	10	9	9	9	92.5
Competitor 1	9	9	9	9	90.0
Competitor 2	9	9	8	9	87.5

### Criterion 1: Breadth of Product Line

Qumu's line of enterprise webcasting solutions enable the flexible capture, creation, and distribution of live webcasts, as well as content management for archives and other video on-demand programs through an intuitive video portal. Qumu's solutions include content capture from the desktop, from appliances, and from mobile devices with their newest Qumu Mobility Application product offering. Qumu capture solutions provide slide synchronization and desktop VGA capture and integrate with the Qumu Video Control Center for video management and delivery to users on PCs, mobile devices and digital signage.

Qumu extends functionality with media management and viewing functionality via Microsoft SharePoint integration, enhancing collaboration throughout the enterprise. Increasingly enterprises are leveraging webcasting technology for virtual training, executive announcements, and special events. Qumu's flexible capture anywhere functionality enables enterprises to optimize enterprise communication.

**Criterion 2: Size of Addressable Customer Base/Impact on Market Share**

Qumu provides a complete end-to-end webcasting platform, offering scalability and reliability to customers across a wide variety of industry verticals. The company's customer base measures in the thousands and the streamlined functionality of Qumu's solutions continues to attract new customers eager to enhance enterprise communication infrastructure, with easy to deploy, end-to-end video workflows. Customers including Sprint, Philip Morris, Nestle, and Lockheed Martin are amongst those who have leveraged Qumu's solutions.

**Criterion 3: Impact on Customer Value**

Feature rich Qumu Video Control Center, provides central control for the creation and distribution of high impact videos. Easy and effective, Video Control Center provides value to customers with an advanced feature set for live video webcasts. Video Control Center's out of the box integration with Microsoft SharePoint facilitates content creation, viewing, publishing, and archival of enterprise video for on-demand viewing. This integration enables users at all levels of the enterprise to create and distribute video for meetings or training sessions directly from their desktop. Content can be distributed to local workgroups or enterprise wide, and user authentication and single sign-on can be leveraged to track and report on mission critical viewing of content.

Furthermore, Qumu Video Control Center works in conjunction with third party encoders including Windows Media, ViewCast, VBrick, Envivio and Inlet, in addition to video conferencing solutions including Polycom and Cisco/Tandberg. Qumu's flexibility enables users to effectively build upon their existing enterprise communications infrastructure.

**Criterion 4: Breadth of Applications/Markets Served**

Key industries including financial services, telecommunications, high tech, life sciences, manufacturing, and retail leverage Qumu's solutions to improve corporate communications, enterprise announcements and updates, as well as boost the efficacy of training initiatives. The tangible benefits Qumu's enterprise video webcasting solutions are apparent in lowered travel and training budgets, and improved enterprise information dissemination and enterprise communications.

## Conclusion

Product innovation drives heightened vendor visibility, increases customer acquisition and penetration potential, enriches client relationships, and improves competitive positioning. The introduction of intuitive features and functionality increases customer return on investment and the value of a technology. Qumu's outstanding product line strategy demonstrates the company's dedication to enriching and delivering technology that streamlines the creation and delivery of enterprise video across any enterprise. Qumu's unique competitive perspective provides its worldwide, cross-industry customer base with products that optimize enterprise communication both internally and externally. Frost & Sullivan is pleased to recognize Qumu with the 2011 Product Line Strategy Award for the Enterprise Video Webcasting Solution Market.

## The CEO 360 Degree Perspective™ - Visionary Platform for Growth Strategies

The CEO 360 Degree Perspective™ model provides a clear illustration of the complex business universe in which CEOs and their management teams live today. It represents the foundation of Frost & Sullivan's global research organization and provides the basis on which companies can gain a visionary and strategic understanding of the market. The CEO 360 Degree Perspective™ is also a "must-have" requirement for the identification and analysis of best-practice performance by industry leaders.

The CEO 360 Degree Perspective™ model enables our clients to gain a comprehensive, action-oriented understanding of market evolution and its implications for their companies' growth strategies. As illustrated in Chart 5 below, the following six-step process outlines how our researchers and consultants embed the CEO 360 Degree Perspective™ into their analyses and recommendations.

Chart 5: CEO's 360 Degree Perspective™ Model



### Critical Importance of TEAM Research

Frost & Sullivan’s TEAM 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 seven of Frost & Sullivan's research methodologies. Our experience has shown over the years that companies too often make important growth decisions based on a narrow understanding of their environment, leading to errors of both omission and commission. Frost & Sullivan contends that successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. In that vein, the letters T, E, A and M reflect our core technical, economic, applied (financial and best practices) and market analyses. The integration of these research disciplines into the TEAM Research methodology provides an evaluation platform for benchmarking industry players and for creating high-potential growth strategies for our clients.

**Chart 6: Benchmarking Performance with TEAM Research**

### About Qumu

Qumu is the leading provider of video solutions to corporations, universities and other education institutions, and government. Video plays an ever increasingly strategic role in the way enterprises communicate internally and externally. Video has the power to draw audiences in – making the processes of communication and knowledge dissemination much more dynamic.

### 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 50 years of experience in partnering with Global 1000 companies, emerging businesses and the investment community from more than 40 offices on six continents. To join our Growth Partnership, please visit <http://www.frost.com>.