Poly Recognized for

2021

Product Leadership
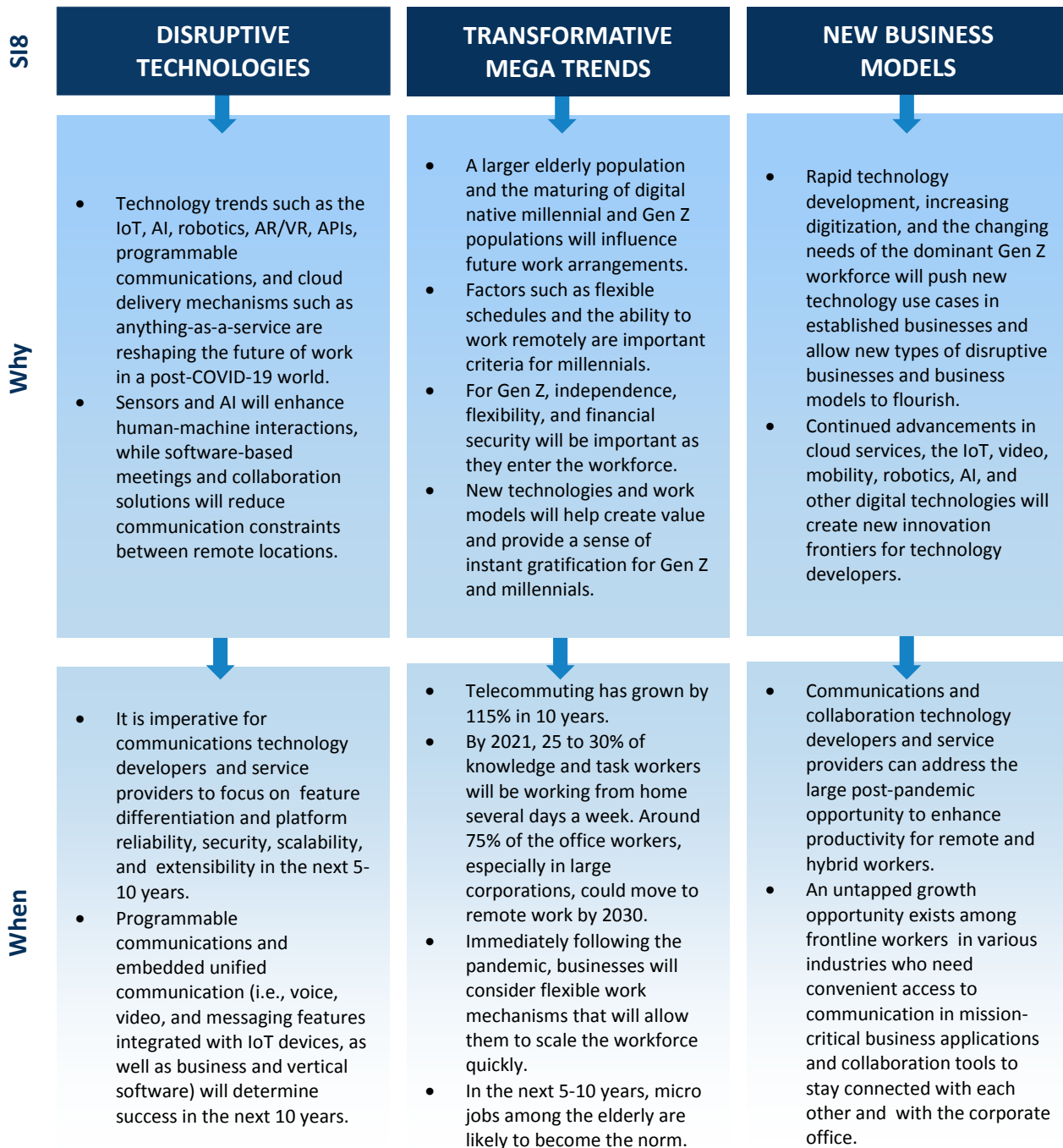
Global Corded UC
Headset Industry
Excellence in Best Practices

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Strategic Imperatives

Frost & Sullivan identifies three key strategic imperatives that impact the connected work industry: disruptive technologies, transformative Mega Trends, and new business models. Every company that is competing in the connected work space is obligated to address these imperatives proactively; failing to do so will almost certainly lead to stagnation or decline. Successful companies overcome the challenges posed by these imperatives and leverage them to drive innovation and growth. Frost & Sullivan's recognition of Poly is a reflection of how well it is performing against the backdrop of these imperatives.

DISRUPTIVE TECHNOLOGIES	TRANSFORMATIVE MEGA TRENDS	NEW BUSINESS MODELS
Why • Technology trends such as the IoT, AI, robotics, AR/VR, APIs, programmable communications, and cloud delivery mechanisms such as anything-as-a-service are reshaping the future of work in a post-COVID-19 world. • Sensors and AI will enhance human-machine interactions, while software-based meetings and collaboration solutions will reduce communication constraints between remote locations.	• A larger elderly population and the maturing of digital native millennial and Gen Z populations will influence future work arrangements. • Factors such as flexible schedules and the ability to work remotely are important criteria for millennials. • For Gen Z, independence, flexibility, and financial security will be important as they enter the workforce. • New technologies and work models will help create value and provide a sense of instant gratification for Gen Z and millennials.	• Rapid technology development, increasing digitization, and the changing needs of the dominant Gen Z workforce will push new technology use cases in established businesses and allow new types of disruptive businesses and business models to flourish. • Continued advancements in cloud services, the IoT, video, mobility, robotics, AI, and other digital technologies will create new innovation frontiers for technology developers.
When • It is imperative for communications technology developers and service providers to focus on feature differentiation and platform reliability, security, scalability, and extensibility in the next 5-10 years. • Programmable communications and embedded unified communication (i.e., voice, video, and messaging features integrated with IoT devices, as well as business and vertical software) will determine success in the next 10 years.	• Telecommuting has grown by 115% in 10 years. • By 2021, 25 to 30% of knowledge and task workers will be working from home several days a week. Around 75% of the office workers, especially in large corporations, could move to remote work by 2030. • Immediately following the pandemic, businesses will consider flexible work mechanisms that will allow them to scale the workforce quickly. • In the next 5-10 years, micro jobs among the elderly are likely to become the norm.	• Communications and collaboration technology developers and service providers can address the large post-pandemic opportunity to enhance productivity for remote and hybrid workers. • An untapped growth opportunity exists among frontline workers in various industries who need convenient access to communication in mission-critical business applications and collaboration tools to stay connected with each other and with the corporate office.

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Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Poly excels in many of the criteria in the corded UC headset space.

AWARD CRITERIA	
Product Portfolio Attributes	**Business Impact**
Match to Needs	Financial Performance
Reliability and Quality	Customer Acquisition
Product/Service Value	Operational Efficiency
Positioning	Growth Potential
Design	Human Capital

Match to Needs

Frost & Sullivan predicts that the professional headset market will witness robust growth due to the increased popularity of cloud meeting services and remote working practices. PC USB and unified communications (UC) headset shipments, in particular, are expected to nearly triple in 2026 to significantly enhance software communications and collaboration experiences for more users.

In 2020, the coronavirus disease 2019 (COVID-19) pandemic and associated work from home (WFH) realities have set unprecedented levels of demand for cloud software communications and collaboration services and professional headsets across the world. With the COVID-19 social distancing mandates, the number of telecommuters has increased to an estimated 270 million workers globally.

> *"After the first wave of panic buying, more businesses and users now understand the importance behind using an enterprise-grade audio product for business communications"*
>
> *- Mohamed Alaa Saayed, ICT Industry Director*

Many of the workers who were forced into a work-from-home modality overnight did not have the necessary communications and collaboration tools to perform their jobs efficiently. In terms of audio devices, many

utilized inadequate consumer headsets, while others opted for cheap brands that sacrificed product and audio quality.

After the first wave of panic buying in 2020, more businesses and users now understand the importance behind using an enterprise-grade audio product for business communications.

Professional headsets deliver a far superior user experience compared to consumer products. Although some consumer headphones may be stylish and cost-effective, many will rate poorly in terms of audio quality, built-in features/capabilities, product performance, built-in product materials, and management/compliance capabilities. Professional headsets aspects such as aesthetics and ergonomics; features and functionality; enterprise certifications and integrations; audio transmission and microphone performance; audio reception and ear cup performance; and end-user and IT management software support all play a vital role in enhancing the user's overall performance.

Global professional headset vendors do not only guarantee a superior communications-first device, but also offer a wide series of choices that match different user needs and working scenarios. Whether a task-based worker, on-the-go professional, or a call-centric individual, leading professional headset brands possess a wide assortment of products specifically targeted to each persona. Even within a WFH scenario, professional headset vendors have recognized and are addressing the existence of different types of environments, including individuals with an executive home office, active households, informal workspaces, and high volume job roles such as virtual call center agents. Each one of these scenarios has different requirements in terms of headset form factors and product specifications.

From the various types of professional headsets promoted during 2020, corded UC headsets emerged as one of the most popular categories in the market, with revenues exceeding the $550 million and an expected compound annual growth rate (CAGR) of 21.0% in terms of sales and 23.5% in terms of unit shipments from 2020 to 2026. Last year, professional headset vendors witnessed unprecedented levels of corded UC headset demand due to the explosive usage of software communications and collaboration services. While some vendors mostly concentrated on selling their existing devices in this product category, others went a step further by announcing new innovative models specially crafted to enable today's need to work from anywhere. One device in particular stood out, the premium Poly Blackwire 8225 corded UC headset.

Studies conducted by Poly identified that work distraction is one of the key challenges in current times. According to the enterprise communications endpoint vendor's data, 94% of employees believe they would get more done in a quieter environment; 53% agree that background noise reduces satisfaction and productivity; and 64% say that blocking out noise and distractions increases their productivity.

Frost & Sullivan data validates these benefits are increasingly sought with findings that the purchase of professional headsets with active noise cancelation (ANC) capabilities have been considerably on the rise during the last several years, growing from a revenue contribution of 9.5% in 2018 to an estimated 16% in 2020 of total professional headset sales.

The Poly Blackwire 8225 headset is the first professional corded UC device in the market with hybrid ANC. The stereo headset is equipped with four digital microphones that reduce unwanted background noises for the user. Selectable options on the side of the in-line call control unit allow the user to switch between ANC off for passive noise canceling via the on-ear large ear cushions, ANC mid for medium noisy environments, and ANC high for loud environments. The headset has a dynamic EQ optimized for PC wideband voice telephony up to 7 kHz or for multimedia 20 Hz to 20 kHz. The device also incorporates SoundGuard DIGITAL for hearing protection against sounds above 118 dBA. G616 anti-startle protection additionally limits the noise level to 102 dBSPL, while Time-Weighted Average prevents average daily noise exposure from exceeding 80 or 85 dBA.

In addition to audio reception and ear cup performance, audio transmission and microphone performance is greatly enhanced in Poly Blackwire 8225 with Poly's proprietary Acoustic Fence technology that shields against any sounds other than the speaker's voice. Acoustic Fence uses a noise canceling microphone and an additional omnidirectional microphone for crisp voice transmission that automatically reduces distracting background noises such as nearby talkers, vacuum cleaners or barking dogs. Microphone frequency response is 100 Hz to 10 kHz optimized for PC wideband audio up to 7 kHz.

Finally, and as with other headsets from the Poly family, users can configure the device to suit their needs via the Plantronics Hub software, while IT administrators can also make use of Plantronics Manager Pro to manage and maintain the headsets and ensure the best voice experience possible.

Today, more than ever before, workers are desperately in need of tools that allow them to concentrate during calls and meetings, block-out background noise, and to work and communicate effectively. Via advanced hybrid active noise canceling and Acoustic Fence technology, Poly Blackwire 8225 allows users to enhance the audio quality for more efficient communications.

Reliability, Quality, and Design

Poly's professional headset products build on more than 50 years of experience of audio quality and reliability. The iconic Blackwire line, in particular, has more than ten years of continuous refinement.

Announced in May 2020, Poly Blackwire 8225 is no exception to the entire line of Blackwire headsets when it comes to product reliability, quality and design. The headset has a sleek look

with materials that clearly demonstrate high quality of a premium product built to last years. The headset weight is 186g, which is comparatively lighter than other competitive premium corded UC headsets in the market, making it light enough to be worn over extended periods of time or a full work day. The headband is easily adjustable, as well as the microphone boom can be oriented in both directions. Its comfort padded headband and soft leatherette ear cushions give a pleasing feel with the ears, allowing for comfortable wear. The ear cushions rotate to a full 180 degrees for adequate fit on the ear, or when not in use to lay flat on the user's shoulders or on a desktop.

In terms of connectivity, the Blackwire 8225 line offers plug-and-play connection to PCs via either a USB-A or USB-C variant. The orange-colored connection cable of Poly Blackwire 8225 is thicker than other competitive products to support the wear and tear of daily use, translating into a longer life product. Poly internally performs rigorous tests of its corded products with machines that twist cables thousands of times to improve cable strength of its headsets. In this sense, the Blackwire 8225 is especially created with robustness in mind.

While the standard UC versions (Blackwire 8225, USB-A and Blackwire 8225, USB-C) are compatible with the most popular voice platforms, the Microsoft Teams SKUs (Blackwire 8225, Microsoft, USB-A and Blackwire 8225, Microsoft, USB-C) are optimized for Microsoft Teams, comply with Microsoft Teams Open-Office certification levels, and come with a dedicated Teams button on the in-line call controller for instant access to the UC application with seamless call or meeting access. The cable leading to the in-line controller allows the user to answer/end calls, increase/decrease volume, and mute the microphone in all four versions of the product.

Last but not least, Poly Blackwire 8225 comes with an online indicator via integrated LEDs on the right ear pad that turns red to alert others that the user is on a call or in do not disturb mode.

Positioning, Customer Acquisition and Growth Potential

With the number of post-pandemic WFH individuals estimated to settle at 4.5 times the pre-pandemic levels, the future of work is certainly hybrid.

Technology is ripe for disruptive innovation with the objective of elevating the user experience and addressing user behavior challenges. Today and more than ever before, enterprise communications endpoints should help users to efficiently communicate and collaborate whatever they are, independent of their working environment.

Fostering innovation that promptly addresses customer needs will always be a top priority in Poly's product and services roadmap, enabling the continuous acquisition of new customers and enhancing retention of existing ones. With a solid track record and customer commitment, the firm invests nearly 10% of its revenues every year in research and development (R&D).

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In 2020 Poly grew its global professional headset sales by more than 17.0%. UC headset sales from the vendor skyrocketed as never before, including its flagship Blackwire series.

As the usage of software communications and collaboration services continues to grow year over year, the UC headset market is expected to considerably grow going forward. The installed base of paid cloud meetings and team collaboration licenses grew by a staggering 172.7% in 2020 to 201.5 million and is expected to reach 713.6 million by 2026. Unified communications as a service (UCaaS) users also continue to visibly grow with the attach rate of UC devices to UCaaS software seats increasing as a result of remote work trends.

Frequently described by many customers as consistent, innovative, responsive, and offering increased value in terms of productivity enablement, Poly's customer acquisition and growth potential is higher than ever.

Conclusion

The new Poly Blackwire 8225 line of headsets has been envisioned with the new way of work in mind, elevating the user experience by providing superior audio delivery and excellent microphone pick up with all day comfort. A premium corded UC headset with advanced hybrid ANC and Acoustic Fence technology for high noise reduction for both the end user and the far end party, the Blackwire 8225 is unmatched today in the industry for individuals that need an always-on connected device with the highest levels of audio quality and performance.

For coming up with the Blackwire 8225 series, Poly earns Frost & Sullivan's 2021 Product Leadership Award in the corded UC headset market.

What You Need to Know about the Product Leadership Recognition

Frost & Sullivan's Product Leadership Award recognizes the company that offers a product or solution with attributes that deliver the best quality, reliability, and performance in the industry.

Best Practices Award Analysis

For the Product Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Product Portfolio Attributes

Match to Needs: Customer needs directly influence and inspire the product portfolio's design and positioning

Reliability and Quality: Products consistently meet or exceed customer expectations for performance and length of service

Product/Service Value: Products or services offer the best value for the price compared to similar market offerings

Positioning: Products serve a unique, unmet need that competitors cannot easily replicate

Design: Products feature innovative designs, enhancing both visual appeal and ease of use

Business Impact

Financial Performance: Strong overall financial performance is achieved in terms of revenues, revenue growth, operating margin, and other key financial metrics

Customer Acquisition: Customer-facing processes support efficient and consistent new customer acquisition while enhancing customer retention

Operational Efficiency: Company staff performs assigned tasks productively, quickly, and to a high-quality standard

Growth Potential: Growth is fostered by a strong customer focus that strengthens the brand and reinforces customer loyalty

Human Capital: Commitment to quality and to customers characterize the company culture, which in turn enhances employee morale and retention

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About Frost & Sullivan

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The Growth Pipeline Engine™

Frost & Sullivan's proprietary model to systematically create on-going growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.

Key Impacts:

■ **Growth Pipeline:** *Continuous flow of Growth opportunities*

■ **Growth Strategies:** *Proven Best Practices*

■ **Innovation Culture:** *Optimized Customer Experience*

■ **ROI & Margin:** *Implementation Excellence*

■ **Transformational Growth:** *Industry Leadership*

The Innovation Generator™

Our six analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

■ Mega Trend (MT)

■ Business Model (BM)

■ Technology (TE)

■ Industries (IN)

■ Customer (CU)

■ Geographies (GE)