

FROST & SULLIVAN

KYNDI

2022
COMPETITIVE
STRATEGY
LEADER

NORTH AMERICAN
NATURAL LANGUAGE
PROCESSING INDUSTRY

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. Kyndi excels in many of the criteria in the NLP space.

AWARD CRITERIA	
<i>Strategy Innovation</i>	<i>Customer Impact</i>
Strategy Effectiveness	Price/Performance Value
Strategy Execution	Customer Purchase Experience
Competitive Differentiation	Customer Ownership Experience
Executive Team Alignment	Customer Service Experience
Stakeholder Integration	Brand Equity

Best-in-class Strategies Drive Competitive Differentiation

Founded in 2014 and headquartered in San Mateo, California, Kyndi is an artificial intelligence (AI)-powered natural language processing (NLP) solutions provider that enables users to convert enterprise data into actionable insights with quality, precision, speed, and transparency. In 2021, Frost & Sullivan recognized Kyndi for its AI-powered NLP platform’s efficiency, accuracy, and versatility and remains impressed with the company’s continued innovation and sustained market position.

“Kyndi actively invests in research and development and customer acquisition activities that feed into land-and-expand opportunities. Additionally, a keen innovation focus enables the company to adapt to the speed of technology change to optimize strategy execution. Thus, Kyndi routinely builds out its portfolio with best-in-class solutions designed to augment human-centered processes with a wide range of enabling AI technologies.”

**- Hemangi Patel,
Industry Analyst**

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Roughly 80% of data in most organizations is unstructured text; however, most competing AI technologies cannot uncover the hidden intelligence inside the large volume of unstructured data they

capture. Kyndi addresses this need for unstructured data analysis by providing AI-based software that analyzes text and helps customers derive insights from this data.

Significant disadvantages of competing AI solutions include considerable time and monetary investments with slow returns, causing organizations to leverage keyword-based approaches. However, such practices cannot effectively find the correct answers from text data, resulting in user frustration, lost productivity, and regulatory and compliance risks. Due to these challenges, organizations cannot operate efficiently. Kyndi overcomes these challenges by offering advanced AI products, such as Kyndi Natural Language Search, which leverages best-in-class NLP technology to enable a deeper language understanding. Launched in March 2022, Kyndi Natural Language Search is an end-to-end solution designed to maximize the relevancy and speed of finding answers in unstructured, text-based data. This key product offers best-in-class capabilities such as Site Search (simplified digital content discovery) and Natural Language Understanding (advanced cognitive intelligence that detects user intent, query variations, semantic similarity, and more). It also includes user-friendly explanations (explainable AI that provides contextual information on the underlying data). The search solution also offers a no-code environment and rapid deployment. Kyndi takes an advanced Neuro-Symbolic Languages model approach that overcomes challenges related to cost and complexity. It provides all the benefits of a generalized language model, simplifying tuning and optimization without requiring additional machine learning (ML) engineering resources.

Frost & Sullivan commends Kyndi for its innovative hybrid AI approach that delivers rapid time to production, ease of management and use, and AI democratization across an entire organization.

Building Trust through a Customer-centric Approach

With its customer-centric corporate philosophy, Kyndi operates on the central tenet that its success depends on customer satisfaction. This philosophy permeates the company's daily practices, with everyone in the company (e.g., from core algorithm design to sales and marketing) laser-focused on solving customer needs. More importantly, the company maintains a lifeline to the market through customer feedback. Early client reports identified explainability as a critical necessity for users wanting to understand how their systems arrived at certain conclusions. Unlike some deep learning (DL) competitors, Kyndi went back to the drawing board and invested in new AI techniques to address this need, which led to its current portfolio strength. Thus, customer engagement is a critical driver of the company's success. Through early customer engagement, Kyndi's leadership discovered enterprises did not have enough labeled training data to use a DL model for specific use cases, driving the creation of its easy-to-tune system that requires no training data. Most of the ML community has focused on ways to train their systems, resulting in significant time and resource efforts to collect and label data before designing and training a model.

Kyndi's Neuro-Symbolic Languages model combines two critical AI fields, symbolic and connectionist. Symbolic approaches stem from symbolic reasoning, which focuses on terms, confirmed definitions, and term hierarchies and are partly rules-based. Connectionist is essentially ML that learns from data but lacks contextual and reasoning capabilities. When used in conjunction, these two approaches allow for data efficiency and eliminate the need for labeled training data.

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**- Samantha Fisher,
Best Practices Research Analyst**

Most recently, Kyndi’s customer focus has manifested in its go-to-market strategy. Customers want problems solved rapidly, not in two years. Selling line-of-business (LOB) with a game-changing time to value gives the company a significant competitive advantage. Most AI companies focus on selling tools to data science teams; however, Kyndi concentrates on selling solutions to LOB. By bringing LOB into the conversation from the start, Kyndi gets to production faster and can generate tangible business outcomes immediately, resulting in quick returns. The average payback period for a Kyndi license is less than six months, whereas competing AI projects are more than five years. The company delivers specific, measurable business outcomes at unprecedented speeds compared to supervised ML projects.

Kyndi meets with clients to assess their specific needs and develop tailored solutions with roadmaps for seamless execution. This foundational approach establishes ongoing trust with customers for long-lasting relationships extending throughout the product lifecycle.

Positioned for Growth

Since its inception, Kyndi’s sterling reputation and customer-centric framework led to its coveted preferred partner status. Over the years, it added several new customers to its established base. The company has witnessed triple-digit revenue and customer growth year-over-year. Kyndi has prioritized customer acquisition as a strategic approach to land-and-expand opportunities. By leveraging an operational model that allows customers to use NLP-as-a-Service, rather than competing ML models or AI tool kits, Kyndi provides flexibility and faster time to production for business value. The company achieves substantial brand equity by offering an NLP-based Reading Automation platform in North America. It has also built strong solution capabilities in pharmaceuticals, defense, financial services, and manufacturing sectors.

By allowing humans to use their language rather than specified terminology of enterprise applications and technologies, the company helps individuals find the right answers from long-form text with high accuracy, speed, and transparency.

Through customer feedback and market research, Kyndi consistently improves its technology, ensuring it exceeds customer needs and performs optimally compared to competing solutions. By allowing humans to use their language rather than specified terminology of enterprise applications and technologies, the company helps individuals find the right answers from long-form text with high accuracy, speed, and transparency. Kyndi continues to strengthen its position through best-in-class efficiency, precision, and versatility. The company’s explainable AI and context-driven information

enable users to achieve meaningful work across verticals. Frost & Sullivan believes the company is well-positioned to drive the NLP space into its next growth phase, capturing market share and sustaining its position in the coming years.

Conclusion

Frost & Sullivan believes that innovation and growth opportunities drive future success; many factors contribute, yet having a competitive strategy is critical. Kyndi understands this core concept in the natural language processing (NLP) market due to its focused strategies, helping it outpace competitors. Customer feedback and research and development activities serve Kyndi as critical differentiators, enabling it to adapt rapidly to emerging customer needs or technology voids. These lifelines to the market helped the company to develop its most recent product, Kyndi Natural Language Search, which employs an advanced end-to-end NLP solution designed to maximize the relevancy and speed of finding answers in unstructured, text-based data. Since roughly 80% of enterprise data is unstructured, this solution delivers unwavering value to the market. Overall, Kyndi develops and implements its strategies with its customers in mind, securing its position as a trusted partner.

For its strong overall performance, Kyndi earns Frost & Sullivan's 2022 North American Competitive Strategy Leadership Award in the natural language processing market.

What You Need to Know about the Competitive Strategy Leadership Recognition

Frost & Sullivan's Competitive Strategy Leadership Award recognizes the company with a stand-out approach to achieving top-line growth and a superior customer experience.

Best Practices Award Analysis

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

Strategy Innovation

Strategy Effectiveness: Effective strategy balances short-term performance needs with long-term aspirations and overall company vision

Strategy Execution: Company strategy utilizes Best Practices to support consistent and efficient processes

Competitive Differentiation: Solutions or products articulate and display unique competitive advantages

Executive Team Alignment: Executive team focuses on staying ahead of key competitors via a unified execution of its organization's mission, vision, and strategy

Stakeholder Integration: Company strategy reflects the needs or circumstances of all industry stakeholders, including competitors, customers, investors, and employees

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at <http://www.frost.com>.

The Growth Pipeline Engine™

Frost & Sullivan’s proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fueled by the Innovation Generator™.

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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 6 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)**

