

2001 MARKET ANALYSIS

NewMindsets was built upon a significant amount of market research, both from primary and secondary sources. When developing NewMindsets solutions, the management team spent over three years researching competitive offerings, writing about how technology has been changing the education industry, attending conferences in training and education, and analyzing research reports. In addition, to better understand customer buying preferences and corporate user needs, NewMindsets interviewed a series of training and education leaders in U.S.-based domestic and global companies.

A series of key findings from the research has shaped the vision of NewMindsets and its products and services. Some of the key findings include:

- ▶ **There is universal interest in on-line education and training:** Leaders in training and development are rapidly trying to move major portions of their learning programs on-line in efforts to reach broader segments of their organizations. They are also moving to Internet-based solutions to cut costly expenses associated with training, primarily travel and other overhead expenses.
- ▶ **The Internet cannot replace all training and education needs:** Companies see value in Internet-based training and education on multiple levels, but feel on-line tools and programs need to be integrated with other training modes. Many leaders view on-line resources as being able to significantly augment existing programs and facilitate collaboration among employee populations.
- ▶ **The market is mixed on the desirability of a “one-stop e-learning shop”:** There is no current “one-stop-shop” for all e-learning applications. Some companies have said that receiving all on-line learning solutions from a single provider is highly desirable. Many others have noted it was not currently an attractive option. The result is that providers must meet specific needs of customers, but also offer a flexible product to fit into a larger solution.
- ▶ **Broader, non-technical content is needed:** Historically most on-line education tools have focused on technical computer skills, software applications, and programming. However, much of the recent training and education focus and demand has moved away from technical skills to soft skills. Leaders are increasingly open and eager to use on-line technologies for training in traditionally classroom-based business and soft skills.

- ▶ **Granularity of content is necessary to meet user needs:** Many training leaders feel that virtually every current offering is not as effective as it could be. This is primarily due to existing providers taking old content and formatting it on the Internet in a linear format, similar to a textbook or classroom presentation. When asked about a universal characteristic to describe employees at their organizations, leaders noted that their employees have short attention spans. Thus, users are finding most current offerings too cumbersome to manage and they do not use them.
- ▶ **Knowledge sharing needs to be integrated in training and development:** A significant portion of large companies report that their existing knowledge sharing programs are insufficient and limit the ability for their organizations to grow and realize efficiencies. When seeking outside vendors of training and development offerings, a compelling knowledge sharing function is critical.