IDC MarketScape: U.S. IT Training 2021 Vendor Assessment

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THIS IDC MARKETSCAPE EXCERPT FEATURES UDACITY

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape U.S. IT Training Vendor Assessment

Source: IDC, 2021

Please see the Appendix for detailed methodology, market definition and scoring criteria.

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: U.S. IT Training 2021 Vendor Assessment (Doc # US47541121). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included is Figure 1.

IDC OPINION

This IDC study represents the vendor assessment model called IDC MarketScape. This research is a quantitative and qualitative assessment of the characteristics that are most significant to IT education buyers and how specific training firms perform against those characteristics. This study assesses the capabilities and strategies of many of the most well-known IT training vendors in the United States. This evaluation is based on a framework and set of parameters expected to most impact the success in providing training services during both the short term and the long term. A significant and unique component of this evaluation is the inclusion of IT education buyers' perception of both the key characteristics and capabilities of these training providers. As one would expect of market leaders, overall, these firms performed very well on this assessment. Key findings include the following:

- Instructor quality, the quality and relevance of the material, and the "authority" of the training provider are the most significant characteristics of successful training services.
- Delivery options generally did not have a significant impact on training provider success in this evaluation – with the exception of availability of self-paced elearning, which was considered very important.
- Both breadth of training content and relevance to role are almost equal to training quality in importance – suggesting that while some training buyers are seeking training services from fewer providers, in other cases, organizations are seeking technical depth and expertise.
- Many firms participate in this IT training market, but a few firms seem to stand separate from the others in terms of both capability and training strategy.

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

There are dozens, even hundreds, of training providers that can offer training services in this area including specialists and generalists, both large and small. This research includes an analysis of the most well-known IT training firms with portfolios that are appropriate to organizations considering "significant transformation initiatives." Therefore, we included organizations with a wide breadth of offerings and those with a specific technology expertise that is important to transformation initiatives. This assessment is designed to evaluate the characteristics of each firm – as opposed to its size. While some IT training buyers/learners may prefer to select training providers that have broad portfolios spanning multiple technology areas, specialist firms may also be highly valued if their offering, brand, or content is particularly relevant. It is conceivable, and in fact the case, that specialty firms can compete with multidisciplinary firms on an equal footing.

As such, this evaluation should not be considered a "final judgment" on the firms to consider for a particular training initiative. An enterprise's specific objectives and requirements will play a significant role in determining which firms should be considered as potential candidates for a training need.

ADVICE FOR TECHNOLOGY BUYERS

Training IT professionals is a challenging activity, as there are time and cost pressures. IT professionals have different skill levels, interest levels, and career aspirations, and they work on different combinations of technology. However, there are several elements of IT training that should dominate the selection criteria for IT education selection:

- **Choose convenience:** Training must be attended or taken by willing (or at least not distracted) students; therefore, training convenience for the team or individual must be a primary consideration. Convenience may imply more instructor-led training (ILT), more self-paced elearning, more onsite or more offsite training, or a particular combination of delivery options. So strongly consider the selection of training based on the preferences, work schedules, and availability of the target learners.

- **Compare the quality of instructors:** For instructor-led programs, either online or classroom based, instructor quality is essential. Request evidence of quality instructors, and understand which instructors are going to teach the specific classes.

- **Evaluate the training content quality:** Training material "authorized" by the technology vendor or third party is often of higher quality and more current than the material developed by other sources. If training on specific technology equipment, seek training provided by authorized training providers. However, some "unauthorized" providers offer exceptional training services, so in addition, consider how the training content is developed and how it is maintained before making a final decision.

- **Evaluate the training content for reference value:** Because of the complexity and breadth of most IT infrastructures, leveraging training material after the training is complete as a reference for routine or exceptional administration is essential. Examine the training and supporting material to assess its value as a reference source for IT professionals while they perform their work.

- **Explore the availability and breadth of labs and simulations:** Labs and simulations are critical training aids. The use of high-quality labs after a course is complete to refresh skills or to experience unfamiliar situations can dramatically increase retention and IT professional competence.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

Udacity

According to IDC analysis and buyer perception, Udacity is positioned in the Leaders category in this 2021 IDC MarketScape for IT training in the United States.

Udacity is an educational company that blends the flexibility of online learning with the benefits of human instruction. Udacity teaches very specific, job-focused skills and allows learners to create

sample work to prove it. It offers proprietary content that is co-created with industry partners. Udacity offers intensive learning programs called nanodegrees, a handful of free courses, and career services for individuals. Udacity has product suites tailored to individuals, enterprises, and governments.

The heart of Udacity's catalog are nanodegrees, which are courses designed to give practical real-world knowledge and experience. Generally, these courses fall under the larger umbrella of computing sciences, though there are some in marketing, business, and a few other categories. Nanodegrees are designed for practical application and represent collaborations with Udacity's industry partners to develop specific content courses.

The Mountain View, California-based company collaborates with expert instructors and over 200 global industry partners including AT&T, Google, Facebook, Mercedes-Benz, and NVIDIA. Beyond the United States, it has operations in the United Kingdom, Egypt, Germany, India, and the United Arab Emirates.

Udacity's features and solutions include:

- **60+ courses on job skills:** Udacity offers more than 60 courses focused on specific job skill development, especially in programming and computer science.
- **Hybrid learning model:** Udacity provides online learning, a hands-on system of projects, mentors, and quizzes.
- **1400+ mentor network:** Learners have 24 x 7 access to mentors, with responses to questions in one hour or less.
- **Project-based learning:** Learn by doing with projects that reflect real-world professional scenarios (such as programming a self-driving car).
- **Personalized project feedback:** Mentors provide individualized, line-by-line feedback.
- **Curriculum partners:** Proprietary content is co-created with industry partners, not academics, to ensure workplace relevance.
- **Expert instructors:** Learn from the people who use the skills they teach in their own job.
- **Various course levels:** Beginner, intermediate, and advanced skills are covered.
- **Career services:** Learners receive services such as resume and LinkedIn page reviews.

Udacity content partners include Accenture, AWS, Alteryx, BMW, Facebook, GitHub, Google, IBM, Mercedes Benz, Microsoft, and NVIDIA.

Learning categories include programming and software development, artificial intelligence, cloud computing, data science, business, autonomous systems, product management, and cybersecurity.

Strengths

Its strongest attributes include clients appreciating:

- Its partnerships with technology vendors
- The easy approach to purchasing
- The quality of presentation and delivery
- The variety in lengths of courses.

Its strongest attributes also include:

- Helping clients customize content or paths

- Having a strong refresh and update process for its content
- Offering a range of pricing and packaging approaches
- Producing authoritative content
- Students appreciating its self-paced learning option

Challenges

To improve its opportunities and market position, it can improve:

- Its content or material quality
- Its IT process training offering
- Its certification test preparation offering
- Its integration of labs into instruction
- Its mentoring services
- Relationships with its best clients
- Its availability or relevance of additional training services

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis or strategies axis indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in this IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed. For this evaluation, we are measuring "student contact hours" as an indication of market share. We asked vendors to estimate the number of students who took a course in the past year multiplied by the average length of the course. For self-paced courses, we also asked them to consider the average time a student spent in an elearning course. The result is a "share of IT education" consumed that each vendor represents.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants and end users. Market weightings are based on user interviews, buyer surveys and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and

interviews with the vendors, publicly available information and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior and capability.

Priorities of IT Training Buyers' Perception as an Input

A significant and unique component of this evaluation is the inclusion of the perception of IT education buyers on the content and delivery quality of these training providers. This insight is captured in a broad-based random survey and reveals key insights into the capabilities of the individual firms.

The broad survey also provides key insights into the priorities of IT managers and IT training managers regarding what makes excellent training experiences. We asked IT training buyers to describe the how important a series of training characteristics is to their organization, then asked them to assign a rating from 1 to 5, with 1 being "not a factor" in their selection decision and 5 being a "very significant factor" in their selection decision. Using the mean averages for each driver, we ranked the drivers by relative importance. We also asked IT training buyers about how well each of their training providers performed on each characteristic. When combined, this illustrates both the importance and general performance of IT training providers. The results are shown in Figure 2.

FIGURE 2

IT Training Selection Criteria and Performance

*Q.	How important are each of the following characteristics of the training provider? (x-axis)*

*Q.	How would you evaluate your training vendor on the following characteristics? (y-axis)*

Importance Versus Capability (Worldwide)

Note: See *How Well Do IT Training Vendors Perform Worldwide?* (IDC #US46605821, July 2021) for more details.

Source: IDC, 2021

Market Definition

Generally, IT training includes the content processes or structures that support employee, client, or supply chain development to meet identified business requirements related to developing, administrating, or using information technology.

The IT training market is predominantly focused on teaching customers (and partners) about products and processes. A well-trained user-base or ecosystem benefits the IT vendors along three dimensions.

First, it helps ensure that learners understand the product's capabilities (and limitations) and that learners and their companies receive the expected benefits from the installed technology. Second, a skilled ecosystem helps to maximize technology utilization so that each customer IT organization can access skilled employees (or can readily train them). The third dimension of IT training is to support technology partner skills during the selection, implementation, and management of a given technology. These three legs can be seen as "enterprise readiness," "market readiness," and "partner readiness" for a technology. While technology adoption can be severely impacted by the degree of market readiness, of most immediate value to technology vendors is a focus on enterprise readiness. At the same time, some activities help a vendor simultaneously support market, partner, and enterprise readiness.

To maximize enterprise readiness to achieve the benefits of systems and technology, an organization's workforce must be well skilled. Deploying, managing, and repairing a technology or solution without sufficient skills reduce the benefits that organizations receive from their technologies. Training vendors have developed training lines of business to provide training services to their clients. These training lines of business have several functions that the vendors leverage to varying degrees:

- Technical deployment education (project team training)
- End-user training
- Certification preparation
- Learning services supporting IT organizational development

Technical Deployment Education

Technical deployment education supports the technical implementation and integration of a product into a technical environment. The audience is typically IT professionals who will deploy or install the technology. This type of training is important before the software is available within an enterprise – and often involves unique technical capabilities that are only important during the deployment phase of a product implementation. From a vendor's perspective, technical education for an individual client has a peak-and-valley profile – where each client either is or is not in a deployment phase. This type of education supports initial enterprise readiness.

End-User Training

End-user training is focused on the use and management of the technology. The audience is typically larger than the deployment training. The audience may be either IT professionals – in the case of infrastructure technologies, IT management software, or application development software – or any other user of applications such as financial management or inventory control software. This type of education is critical at the early stages of a deployment to ensure that the appropriate population is prepared to use the new capabilities or functions that the software enables. This type of training is also important during the ongoing life cycle of the application as new users are exposed to the application because of promotion, hiring, or the expanding use of the application within the enterprise. While ongoing training often occurs at a much lower volume or intensity than rollout training, the audience and the content are often very similar. The timing profile for end-user training is at a high intensity during an organization's deployment and then at a much lower intensity between upgrades, but clients almost never have "zero" training needs. End-user training almost exclusively supports ongoing enterprise readiness, but over sufficient time, trained users represent a market readiness for technology dominance.

Certification Preparation

Certification preparation is most focused on user or technician readiness and attestation to capability. While consultants and partners leverage technical certification training, individual employees are the largest and most dynamic portion of the audience for certification training. Certification training occurs throughout the product life cycle – early in the release and late – depending on type of product and the market demand for skill attestation. Because the largest portion of the audience are individuals, the degree of certification demand and adoption, often measured by the related preparation training, is used by technology vendors to indicate market readiness for a product.

Learning Services

Learning services, supporting IT organizational development, require a more complex relationship between the technology vendor and its clients. These services include a consultative relationship where the technology vendor performs an analysis of the client's IT organization to help determine the optimal staffing and training requirements necessary to effectively deploy and leverage the new technology. This relationship is typically available at the early stages of technical deployment – and may even occur as part of a technical readiness evaluation prior to a system design. Learning services exclusively support enterprise readiness by focusing on a particular organization's ability to absorb and leverage a new technology.

Strategies and Capabilities Criteria

The key measures for success are outlined in Tables 1 and 2.

TABLE 1

Key Strategy Measures for Success: U.S. IT Training

Strategies Criteria	Definition	Weight (%)
Delivery	▪ Determine the availability and value of a mentor-like relationship with an instructor or other subject matter expert. (client feedback) ▪ Determine the availability and value of courses of varying lengths. (client feedback) ▪ How are you helping clients create "custom" training using your content? This includes custom paths or curricula assembled from existing content. (vendor interview or other insight) ▪ To what degree do marketing messages describe how learning services align with the life cycle of learning needs for the target client? (vendor interview or other insight)	18.2
Functionality or offering strategy	▪ Content derived from a known or reputable source is considered more authoritative and is valued more highly. (client feedback) ▪ The training vendor offers training authorized by the technology vendor. (client feedback) ▪ Determine the availability and value of a local training provider. (client feedback)	32.6

TABLE 1

Key Strategy Measures for Success: U.S. IT Training

Strategies Criteria	Definition	Weight (%)
	▪ What are all the service options you offer? (vendor interview or other insight) ▪ How do you determine what type of training is appropriate for each release/product/topic? (vendor interview or other insight)	
Growth	▪ Determine the reasonableness of the cost of training (individual course, subscription, or license). (client feedback) ▪ Determine the difference in the percentage of respondents who will use the vendor less from the percentage who will use the vendor more in the next 12 months than the prior 12 months. (client feedback) ▪ What pricing models or enterprise features do you offer? (vendor interview or other insight) ▪ How do you estimate how much training a client should purchase to solve a specific need? (vendor interview or other insight) ▪ Where will growth come from? (vendor interview or other insight)	27.4
Innovation	▪ Determine the availability and value of mobile-device accessible content. (client feedback) ▪ Determine the Availability and value of labs or simulated environments to support instruction. (client feedback) ▪ Determine the availability and value the use of quizzes and other assessments to support learning. (client feedback) ▪ To what extent are you leveraging labs and simulations to support either instructional delivery or assessments? (vendor interview or other insight)	20.8
R&D pace/productivity	▪ Does your marketing material describe how "training" or "skill" improves the client's chance for "success"? (vendor interview or other insight)	1.0
Total		100.0

Source: IDC, 2021

TABLE 2

Key Capability Measures for Success: U.S. IT Training

Capabilities Criteria	Definition	Weight (%)
Customer satisfaction	- Determine the share of clients that report that the vendor is a "preferred" vendor of IT training services. A higher share suggests greater client retention and growth in wallet. (client feedback) - Determine the degree to which the material is relevant to the roles/responsibilities of the learners. (client feedback) - Additional training services help enterprise's determine need, conduct gap analysis, develop learning paths, and so forth. (client feedback) - Determine the ease of contracting and fulfilling training engagement. (client feedback)	18.0
Delivery	- Training beyond technology skills is often important — especially process training related to project management, service management, and so forth. (client feedback) - The breadth of content library must be sufficiently large to satisfy the enterprise requirements. - Additional capabilities help organizations get the "whole solution" from the vendor. (client feedback) - Training content specifically prepares students for certification tests. (client feedback) - Determine the frequency of course offerings for instructor-led courses. (client feedback) - Determine whether the length of the course is appropriate to the topic and the audience requirements. (client feedback) - Determine the ability to integrate metadata related to training into the LMS.	33.0
Functionality or offering	- Determine the ability to search the available content to identify relevant courses or material. - Determine the instructor quality. (client feedback) - Determine the degree to which the content is considered high quality. (client feedback) - Determine the degree to which the presentation of the material is considered high quality. (client feedback) - To what extent do you offer content customized for specific vertical industries? (vendor interview or other insight)	30.0

TABLE 2

Key Capability Measures for Success: U.S. IT Training

Capabilities Criteria	Definition	Weight (%)
Portfolio benefits	• Do you have a process for allowing others to create content while you host/post/distribute it? (vendor interview or other insight) • Describe the process you use to identify weaknesses in courses and prioritize improvement. (vendor interview or other insight)	1.0
Pricing model or structure of product/offering	• What are the key messages to various segments of the market? (vendor interview or other insight)	1.0
Range of services	• Determine the availability and value of off-site classroom delivery. (client feedback) • Determine the availability and value of onsite classroom delivery. (client feedback) • Determine the availability and value of a self-paced elearning option. (client feedback) • Determine the availability and value of virtual instructor-led training. (client feedback) • Determine the availability and value of end-to-end training services. (client feedback) • How do you create vertical industry content? (vendor interview or other insight)	17.0
Total		100.0

Source: IDC, 2021

LEARN MORE

Related Research

- *IDC MaturityScape Benchmark: Technology Skills Development Worldwide, 2021* (IDC #US48113421, August 2021)
- *What Skills Matter Overall to IT Professionals in the United States* (IDC #US48132921, August 2021)
- *How Well Do IT Training Vendors Perform Worldwide?* (IDC #US46605821, July 2021)
- *What Skills Matter to Data Management Professionals* (IDC #US47837821, June 2021)
- *What Skills Matter to Cybersecurity Professionals* (IDC #US47837721, June 2021)
- *Worldwide and U.S. IT Education Services Delivery Forecast, 2021-2025* (IDC #US46606221, May 2021)

- *Worldwide and U.S. IT Education Services Forecast, 2021-2025* (IDC #US47677921, May 2021)
- *IDC MaturityScape: Technology Skill Development 2.0* (IDC #US47596821, April 2021)
- *IDC's Worldwide Corporate Education Taxonomy, 2021* (IDC #US47597021, April 2021)

Synopsis

This IDC MarketScape assessment focuses on the market for IT training in the United States. This research includes analysis of the most well-known IT training firms with portfolios that are appropriate to organizations considering "significant transformation initiatives." Therefore, we included organizations with a wide breadth of offering and those with specific technology expertise important to transformation initiatives. This evaluation found that both breadth of training content and relevance to role are almost equal to training quality in importance – suggesting that while some training buyers are seeking training services from fewer providers, in other cases, organizations are seeking technical depth and expertise.

"While training providers are generally perceived as capable, this analysis and the opinion of buyers of training services are clear that several providers provide better, more consistent, and more valuable training services than others." – Cushing Anderson, vice president, IT Education and Certification research

About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications and consumer technology markets. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy. More than 1,100 IDC analysts provide global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries worldwide. For 50 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company.

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