Firework

# 2025 COMPETITIVE STRATEGY LEADER

*Transforming Innovation Into High-Growth Performance and Competitiveness*

*RECOGNIZED FOR BEST PRACTICES IN THE GLOBAL VIDEO COMMERCE INDUSTRY*

FROST & SULLIVAN

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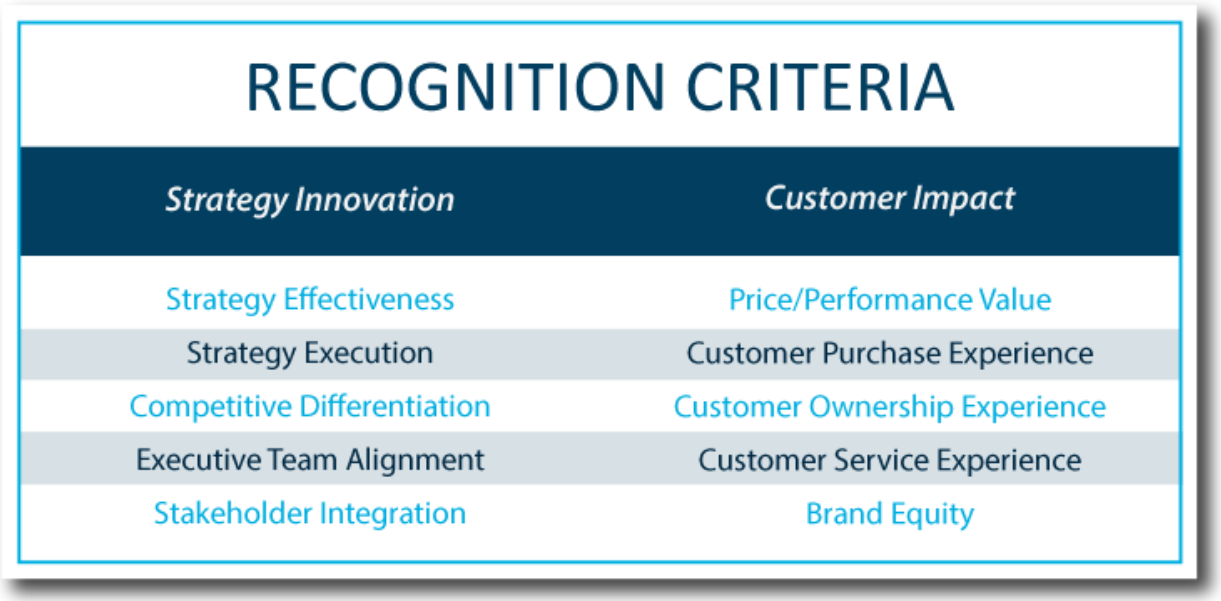
## Best Practices Criteria for World-class Performance

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



RECOGNITION CRITERIA

| *Strategy Innovation* | *Customer Impact* |
|---|---|
| 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 |

## The Transformation of the Video Commerce Industry

While most online sales occur directly on a brand's website, the majority are configured traditionally, primarily using images or tabs for product descriptions. Firework sets out to enhance the purchasing process by providing best-in-class video commerce experiences on a brand's website. The company's commitment to technological innovation and meeting customers' varying needs led it to have a broad product base, including shoppable long- and short-form videos, digital showrooms, and one-to-one (1:1) video chats. Firework goes beyond merely hosting videos, combining artificial intelligence (AI) to provide personalized chats on pre-recorded videos and AI-virtual assistants (AVA), empowering an individualized shopping experience. As a result, the company enables unprecedented conversion rates, enhancing customer loyalty and overall return on investment (ROI) for its clients.

### Scalable and Secure Infrastructure: Firework's Backbone for Product Leadership

Firework is one of the most scalable and secure infrastructures on the market, maintaining ultra-low latency of .3 seconds to allow real-time interactive experiences with customers and a video player 25% faster than competitors providing embedded player with native web components. The company's world-class infrastructure layers compress videos without losing quality, making videos that have a 40% smaller file size compared to standard H.264 transcoder. Finally, the infrastructure is highly scalable, supporting 8,700,000 transactions per minute. As a result, the company supports some of the largest global brands,

including over 2,000 of the 2,500 top global enterprise companies across five industries (beauty, consumer electronics, fashion, health and wellness, and home appliances and grocery).[1]

## A Complete Product and Support Strategy

Firework developed a simple framework (known as the 4 C's) for retail enablement: content commerce, conversation commerce, connected commerce, and internal communication. These four pillars provide the complete product span and support clients' need to maximize video commerce's impact through increased customer engagement, loyalty, and purchasing rates.

*Content Commerce*

Firework focuses on audience engagement with immersive video experiences to enhance storytelling, thereby driving engagement and increasing sales conversions. Its content commerce products give clients the flexibility to choose the solution that best fits their needs.

- Shoppable videos: Long- or short-form videos go beyond viewing, enabling customer interaction to increase engagement, product discovery, and allow users to shop directly from the video. Shoppable videos allow brands to include polls, product cards, questions, and calls to action for unmatched engagement flexibility.
- Livestream videos: Clients can livestream events for immersive experiences, including enabling multiple hosts, audience polling, coupon access, product card delivery to simplify purchases, pinning specific products to spotlight them throughout the event, and answering questions in real-time. After the livestream ends, Firework's AI-driven livestream chat allows customers to revisit the recorded video and ask questions about products featured directly in the chat.
- Digital showrooms: Digital showrooms offer live interactive video shopping experiences, making customers feel like they are in a physical store. Customers can ask questions and receive support 24/7, enhancing the buying journey to increase customer purchase rates. Showroom videos can also be turned into short interactive videos, enhancing the use longevity and increasing overall ROI and impact.

One of the largest challenges facing the video commerce industry is content creation, as it is highly expensive. Firework fills this gap with its end-to-end content production and services, including talent acquisition and training for hosts, content creation and strategic planning, full-service content production, real-time support and monitoring, and access to the company's studio.

*Conversation Commerce*

Firework extends value beyond shoppable videos to create a full audiovisual commerce experience. By allowing brands to engage directly with customers, the company empowers personalized shopping experiences, increasing customer relationships and brand loyalty, thereby driving sales. Its conversation commerce solutions focus on streamlining communication to potential clients, either via connecting customers with actual sales experts or through AI capabilities.

[1] Information in this section provided by Firework

- 1:1 Virtual shopping connects experts and shoppers in a 1:1 video, allowing a personalized shopping experience akin to being in a physical store. It enables assistance anywhere at any time, empowering seamless co-browsing and smart waitlist management for on-the-spot conversion. As a result, Firework's clients leveraging its 1:1 Virtual Assistant experience unprecedented results, including a 9.65% conversion rate, 80% add-to-cart rate (62.9% increase versus site wide) and a 50% cart abandonment rate (37.9% lower versus site wide).[2]
- AVA is a complete, self-learning digital sales assistant that delivers tailored recommendations and meets shoppers' needs proactively. Designed for targeted conversations and assisting potential customers in purchase decision making, AVA provides a face-to-face conversational interface that allows customers to receive immediate inquiries and explore demonstration videos for a comprehensive product view. Data collected by AVA remains the brand's property, enabling private model training and eliminating data sharing with potential competition. Finally, AVA learns from conversations, empowering continuous improvement to enhance the customer experience. Customers leveraging AVA experience an average 6.76% conversion rate, seven times higher than a conversion rate from a website alone.[3]

Firework's clients can train AI-modules based on specific internal data, including product information or how to address inquiries regarding competitor's offerings. As a result, clients have complete control to position their brand, aligning AI-responses with company strategies and specific product goals.

### Connected Commerce

Firework's connected commerce strategy enables a unified ecosystem to create a seamless shopping journey. The company unifies all of a brand's customer touchpoints, (i.e., instore experiences, SMS messaging, retailers, social media, email, mobile applications, publishers, and QR codes) with video-based shopping to elevating the overall experience.

### Internal Communication

Firework's final pillar, internal communication, gives clients immersive video tools to enhance internal communication. Clients can use AVA to deliver interactive, real-time training for thousands of staff members, ensuring consistent and engaging learning experiences.

### Investing into the Future: Generative AI

Firework recognizes the advancements provided by generative AI (GenAI) and invests heavily into expanding its offerings with these capabilities. The company uses GenAI in various applications. It employs the GenAI technology in an AI copilot for Firework's live video experiences to answer questions. This functionality has resulted in about a 40% increase in sales as the AI chat can answer a potential customer's specific questions, driving customer purchases.[4] The company also integrates GenAI into its shopping assistants. GenAI allows Firework to perform content creations, turning a customer's website and product

[2] Provided by Firework.

[3] Ibid.

[4] Provided by Firework.

detail page into a video showing and narrating product features. Finally, it leverages GenAI to go beyond script-level translations for global client videos, enabling the translation of the entire video presentation.

Frost & Sullivan has previously recognized Firework for its technological innovation and remains impressed with the company's commitment to technology leadership.

### Placing the Customer at the Forefront via Unmatched Customer Support

In addition to its innovative technology, Firework's comprehensive approach to value-added services is a key differentiator from competitors. The company maintains an extensive customer support team to provide advanced consulting, maximizing customer ROI, value, and satisfaction. Firework provides enterprise customers with client leaders that perform initial onboarding and meet with clients on an ongoing basis to provide support, including video commerce best practices, industry-specific strategies and benchmarks, custom digital transformation plans, user/professional/individual-generated content strategies, and data review and optimization.

Firework collects market intelligence from video data (down to an hourly basis), including what a typical customer journey looks like, engagement times with short videos and digital show rooms, where revenues come from, chat analysis sentiment, and products that are gaining the largest traction. As a result, brands use these valuable datasets to improve the customer experience and target better advertising for potential buyers. Moreover, the data highlights client outcomes, allowing them to understand the value added by Firework's offerings. Finally, the company's client support leaders use these insights to provide concrete suggestions for clients, such as content creation and format for additional products, optimizing customer purchase rates or additional Firework solutions that can maximize ROI further.

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>
> ***- Lara Forlino***
> ***Industry Analyst, Digital Content Services***

Firework's commitment to supporting clients regardless of size is highlighted further in its pricing model. The company offers a tiered pricing structure based on a client's online traffic volume and the functionalities leveraged. Its tiers include an option for about 10,000 website visits per month for $19 and another for 1.2 Mnvisits per month for $899/month with access to deeper features (i.e., personalized videos, advanced journey insights, and a dedicated customer support team). Firework also offers customized billing for large enterprises including access to additional benefits, including private severs, general data protection regulation software, single sign-on service level agreements, and customization fitting an enterprise's brand.

This tiered pricing model enhances value and safeguards high ROI, as it enables clients to pay for the capabilities they use without overburdening smaller clients with unmanageable costs.

## Positioned for Long-term Growth

Firework's main market expansion strategy centers on customer-led growth. It recognizes the need for education regarding the value created from livestream and shoppable videos. As a result, the company hosts client-led webinars, allowing them to share their experiences with Firework, added value, and ROI. These webinars also allow clients to discuss their views on the future evolution of digital shopping and help bolster the recognition of the expanded value advanced technologies (i.e., AI and GenAI) leveraged in conjunction with traditional video commerce offerings. The customer-led webinars also allow Firework to identify the features customers desire, thereby shaping its innovation road map to address current and emerging needs.

Firework supports clients regardless of size and location, with many clients being large global enterprises. The company attributes about 60% of its business in North America, 30% in Europe, and 10% in the Asia Pacific (APAC). Firework is experiencing large expansion in Europe from more global brands adopting its solutions.[5] The company is also seeing large growth in Japan and China, as many APAC companies leverage western marketing strategies to sell directly to the United States.

In addition to regional expansion, Firework's advanced offerings enhance the shopping experience across a wide array of applications, thereby empowering its expansion into areas beyond the five traditional commerce industries. The company provides extended value for the automotive industry with short videos presenting vehicles and digital showrooms; with the healthcare insurance industry, it provides personalized policy information to individuals to enhance their understanding of policies; and enables financial institutions to give potential customers guidance and education toward relevant services. As a result, Firework drives a better human-to-human shopping experience regardless of application, enhancing customer acquisition and purchasing.

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In recognition of its added value potential across various industries, Firework places significant focus on privacy and security. As a result, its platform and capabilities are General Data Protection Regulation Service Organization Control 2 compliant, making them applicable to industries with extreme privacy regulations, such as healthcare or financial services. This strategy also enables the company's seamless expansion, as it is already compliant with stringent data security and protection regulations across industries.

[5] Provided by Firework.

## Conclusion

Firework is creating the new gold standard for the video commerce industry, providing a complete spectrum of products to meet its clients' needs regardless of size or industry application. The company's powerful, secure, and scalable infrastructure maintains ultra-low latency of .3 seconds, is 25% faster compared to alternative embedded players, and compresses videos into a file size 40% smaller than industry standards without compromising video quality. Additionally, Firework invests heavily in artificial intelligence (AI) and generative AI to develop AI chats and an AI-virtual assistant, powering individualized and personalized interactions with client's potential customers, enhancing engagement, and increasing customer purchasing rates.

Firework goes beyond technological innovation, offering unmatched support ensuring clients of all size gain value from its solutions. It provides enterprise clients with deep and detailed insights, helping guide content creation for additional products, optimizing customer purchase rates, or additional Firework solutions that will maximize ROI further. The company's tiered pricing structure ensures clients gain access to solutions while safeguarding ROI. With General Data Protection Regulation Service Organization Control 2 compliance, Firework's expansion potential is unlimited as it meets regulatory requirements across even the strictest industries, such as financial services or healthcare. As a result of its commitment to data security coupled with the company's added value potential across various industries, the company expects large future growth, regionally and into additional applications.

With its strong overall performance, Firework earns Frost & Sullivan's 2025 Global Competitive Strategy Leadership Recognition in the video commerce industry.

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# What You Need to Know about the Competitive Strategy Leadership Recognition

Frost & Sullivan's Competitive Strategy Leadership Recognition is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

## Best Practices Recognition Analysis

For the Competitive Strategy Leadership Recognition, 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 offer the best ROI and superior value compared to similar market offerings

**Customer Purchase Experience**: Purchase experience with minimal friction and high transparency assures customers that they are buying the optimal solution to address both their needs and constraints

**Customer Ownership Excellence**: Products and solutions evolve continuously in sync with the customers' own growth journeys, engendering pride of ownership and enhanced customer experience

**Customer Service Experience**: Customer service is readily accessible and stress-free, and delivered with high quality, high availability, and fast response time

**Brand Equity**: Customers perceive the brand positively and exhibit high brand loyalty, which is regularly measured and confirmed through a high Net Promoter Score®

# Best Practices Recognition Analytics Methodology

## Inspire the World to Support True Leaders

This long-term process spans 12 months, beginning with the prioritization of the sector. It involves a rigorous approach that includes comprehensive scanning and analytics to identify key best practice trends. A dedicated team of analysts, advisors, coaches, and experts collaborates closely, ensuring thorough review and input. The goal is to maximize the company's long-term value by leveraging unique perspectives to support each Best Practice Recognition and identify meaningful transformation and impact.

| | | VALUE IMPACT | |
|---|---|---|---|
| STEP | | WHAT | WHY |
| 1 | **Opportunity Universe** | Identify Sectors with the Greatest Impact on the Global Economy | Value to Economic Development |
| 2 | **Transformational Model** | Analyze Strategic Imperatives That Drive Transformation | Understand and Create a Winning Strategy |
| 3 | **Ecosystem** | Map Critical Value Chains | Comprehensive Community that Shapes the Sector |
| 4 | **Growth Generator** | Data Foundation That Provides Decision Support System | Spark Opportunities and Accelerate Decision-making |
| 5 | **Growth Opportunities** | Identify Opportunities Generated by Companies | Drive the Transformation of the Industry |
| 6 | **Frost Radar** | Benchmark Companies on Future Growth Potential | Identify Most Powerful Companies to Action |
| 7 | **Best Practices** | Identify Companies Achieving Best Practices in All Critical Perspectives | Inspire the World |
| 8 | **Companies to Action** | Tell Your Story to the World (BICEP*) | Ecosystem Community Supporting Future Success |

*Board of Directors, Investors, Customers, Employees, Partners

# 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 Generator™

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

Learn more.

***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***:

- Megatrend (MT)
- Business Model (BM)
- Technology (TE)
- Industries (IN)
- Customer (CU)
- Geographies (GE)

