

# Learning Experience Platforms (LXP) State of the Market Report 2023

December 2022: Complimentary Abstract / Table of Contents



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## Background and scope of the research

Learning and Development (L&D) has never been more crucial for organizations than it is today. The pressing need to upskill/reskill the workforce at scale and the increased focus on personalizing the learning experience for employees have led to the emergence of solutions such as LXP in the market. These platforms mark a fresh approach to corporate learning that makes it more engaging and accessible for employees. At the same time, they help talent managers foster a culture of continuous learning throughout their organizations and transition to a data-driven and skills-based learning landscape.

The LXP market is currently thriving, with several providers operating in the space including next-generation start-ups and traditional Learning Management System (LMS) providers that have diversified to provide a holistic learning experience to users. These platforms are evolving rapidly, with providers increasing the breadth and depth of their functionalities/offerings and global outreach to better serve the clients.

This research presents the key trends in the LXP market, and the primary components of the report are elucidated below:

- Understanding LXPs
- LXP market size and adoption trends
- Buyer feedback
- Key investment themes
- Provider landscape
- Outlook for 2023

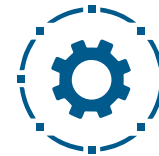
### Scope of this report



**Coverage**  
Across all industries,  
geographies, and  
buyer segments



**Providers**  
Coverage across 15 LXP  
providers



**Assessment**  
Assessing LXP products available in the  
market for independent licensing.  
Operational information and product  
information as of March 2022

## Overview and abbreviated summary of key messages

This report examines the global LXP market in detail. It focuses on the changing market dynamics and emerging buyer adoption trends. It also provides detailed information about the market overview, buyer objectives, key investment themes, provider landscape, and outlook.

Some of the findings in this report, among others, are:

### Market overview and adoption trends

- The LXP market grew at a steady rate of over 60% in 2021; however, as murmurs of an impending recession come to fruition, this momentum is expected to slow down in the near future
- The North American market dominates LXP adoption with the highest contribution to the revenue of providers followed by the UK and Europe
- LXP has been adopted by buyers of all sizes, although midsize and large buyers have adopted it the most

### Buyer feedback

- Before embarking on their LXP journey, enterprise buyers are increasingly asking for a modern user experience and ease of implementation and use during the selection process. Responsiveness, customer support, and pricing are other top selection criteria
- While buyers appreciated the ongoing support and proactiveness of providers, they opined scope for improvement in reporting and analytics, integration with enterprise applications, and ease of use for administrator

### Key investment themes

- LXP providers are constantly bringing in targeted investments to improve their product capabilities and are also investing in next-generation technologies to gain a competitive edge over their peers in the market
- Beyond product enhancements, providers are making strategic investments to provide professional & consulting services and offer round-the-clock customer support to their clients

### LXP provider landscape

- Degreed had the highest market share in 2021; Absorb Software, Docebo, and EdCast by Cornerstone have considerable market shares
- Degreed, Docebo, and EdCast by Cornerstone have a significant presence across the top five industry verticals that are adopting LXP

# This study offers multiple distinct chapters providing a deep dive into key aspects of LXP market; below are four charts to illustrate the depth of the report

## Key LXP features

### Content sourcing and discovery

LXPs can collate content from a diverse range of sources, both within and outside the organization, at one location. While doing so, its advanced search tools and filters ensure that the content is easily discoverable by users.



### Personalized learning

LXPs put the learner at the center of the experience by making personalized content recommendations to them based on their current role, skill gaps, career paths, interests, and learning behavior.



### Social and collaborative learning

LXPs allow learners to engage in discussion forums and use social plug-ins such as like, rate, and share to foster more interactions among users. Most LXPs also offer gamification features such as badges and leaderboards.



### Skills tracking capabilities

Utilizing skill-role frameworks, LXPs allow enterprises to assess employee skill levels, identify skill gaps, map content to skills, and do career pathing with the skills required to succeed.



### Extensive integrations capabilities

In order to deliver learning at the point of need to the user, LXPs offer seamless connections with multiple enterprise applications such as ERP, HRMS/HRIS, CRM, social and collaboration tools, and other learning platforms.



### Analytics and insights

LXPs' analytics go beyond learning completion rates (who, what, and for how long) and provide wider insights into learner behavior, social engagement, and key learning goals.



## LXP adoption trends

### LXP adoption by buyer size<sup>1</sup>

License revenue in percentage; US\$ million

#### Current Market Share

Large buyers X-X%

Midsize buyers X-X%

Small buyers X-X%



- LXP solutions are experiencing greater traction across buyers of all sizes driven by accelerating/scaling technology initiatives among enterprises and increasing awareness brought in by LXP providers
- Midsize and large buyers continue to dominate the market with over four-fifth of the share. This is due to the large-scale deployments involved and the breadth of potential use cases, in addition to the need to address increasing talent development challenges
- Small enterprises, owing to simpler learning requirements, have not made significant investments in LXP and have demonstrated lower adoption

## LXP selection criteria

### Top reasons cited by enterprises for choosing a particular LXP provider



- Integration flexibility with other platforms
- User experience and ease of use
- Features and functionalities
- Responsiveness and customer support
- Pricing

### Key takeaways

- Key takeaway 1
- Key takeaway 2
- Key takeaway 3
- Key takeaway 4

## M&A activity in the LXP market

NOT EXHAUSTIVE

Acquirer	M&A target	Acquisition description
degreed	LEARN IN	The acquisition is aimed at helping Degreed extend its upskilling offering to include talent academies, a prepaid learning stipend card, a skills marketplace, a custom program builder, a tuition benefits manager, and dedicated coaching.
cornerstone	edcast by cornerstone	The deal has enhanced Cornerstone's ability to provide users with a people growth experience that spans learning, skills, and career mobility, in addition to its portfolio of learning management, performance, recruiting, and HR management.
learningpool	True Office Learning	The deal is aimed at leveraging True Office's adaptive compliance and behavioral intelligence technology to deliver compliance learning through LXP to meet critical business needs and legislative requirements.
360Learning	loop	The acquisition allows 360Learning to leverage Loop's data-driven automation for its platform, in addition to learning path enhancements, custom dashboards to uncover insights, and survey tools to gather learner feedback.
docebo	skillslive	The acquisition has helped Docebo expand its footprint in Australia and accelerate time-to-market by adding specialized talent and infrastructure in the APAC region.
VALAMIS	TMA	The acquisition is aimed at enhancing career mobility opportunities on the Valamis platform to reduce employee turnover costs and labor shortages by upskilling clients' employees.
ltg	BRIDGE	The deal extends LTG's learning and talent offering in the mid-enterprise market.

# Research calendar

## Human Resources Outsourcing

Published
  Planned
  Current release

Reports title	Release date
Employee Experience Management (EXM) Platforms PEAK Matrix® Assessment 2022	March 2022
Multi-Process Human Resources Outsourcing (MPHRO) Services PEAK Matrix® Assessment 2022	March 2022
Navigating Change with Technology for Better Rol	May 2022
Learning Experience Platforms (LXP)	June 2022
360-degree Digital Adoption	June 2022
The Payroll Transformation Journey	June 2022
Digital Adoption Platform (DAP) Products PEAK Matrix® Assessment with Technology Vendor Landscape 2022	August 2022
Employer of Record (EOR) – Solutions Provider Landscape with PEAK Matrix® Assessment 2022	September 2022
Learning Experience Platforms (LXP) Products PEAK Matrix® Assessment with Technology Vendor Landscape 2022	September 2022
Multi-Country Payroll (MCP) Solutions PEAK Matrix® Assessment with Service Provider Landscape 2022	September 2022
Multi-process Human Resources Outsourcing (MPHRO) State of the Market Report 2022	September 2022
Employee Experience Management (EXM) State of the Market Report 2022	October 2022
Learning Experience Platforms (LXP) – Provider Compendium 2023	November 2022
Digital Adoption Platform (DAP) – State of the Market 2023	December 2022
<b>Learning Experience Platforms (LXP) State of the Market Report 2023</b>	<b>December 2022</b>
Employer of Record (EOR) State of the Market Report 2023	Q4 2022

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