

# Liquid x Avasta Challenger Index B2B Products 2023

---



**Avasta**

Sponsored by



# Table of contents

Introduction ..... 2

Definitions ..... 4

Interpreting the scores ..... 5

Overall Themes for B2B Products ..... 6

B2B AI ..... 10

Business Intelligence ..... 18

CRM ..... 26

Cybersecurity ..... 34

Database Management ..... 42

Marketing Automation ..... 50

# Introduction

## A revolutionary tool for measuring modern business success

In an era marked by rapid changes in business models and the dramatically shortened lifespan of public companies, the need for innovative and sustainable strategies has never been greater. Gone are the days when historical profitability was a prerequisite for a company to go public—a norm until the early 1990s. Addressing this shift, the Liquid x Avasta Challenger Index emerges as a pivotal tool in understanding and navigating the modern marketplace.

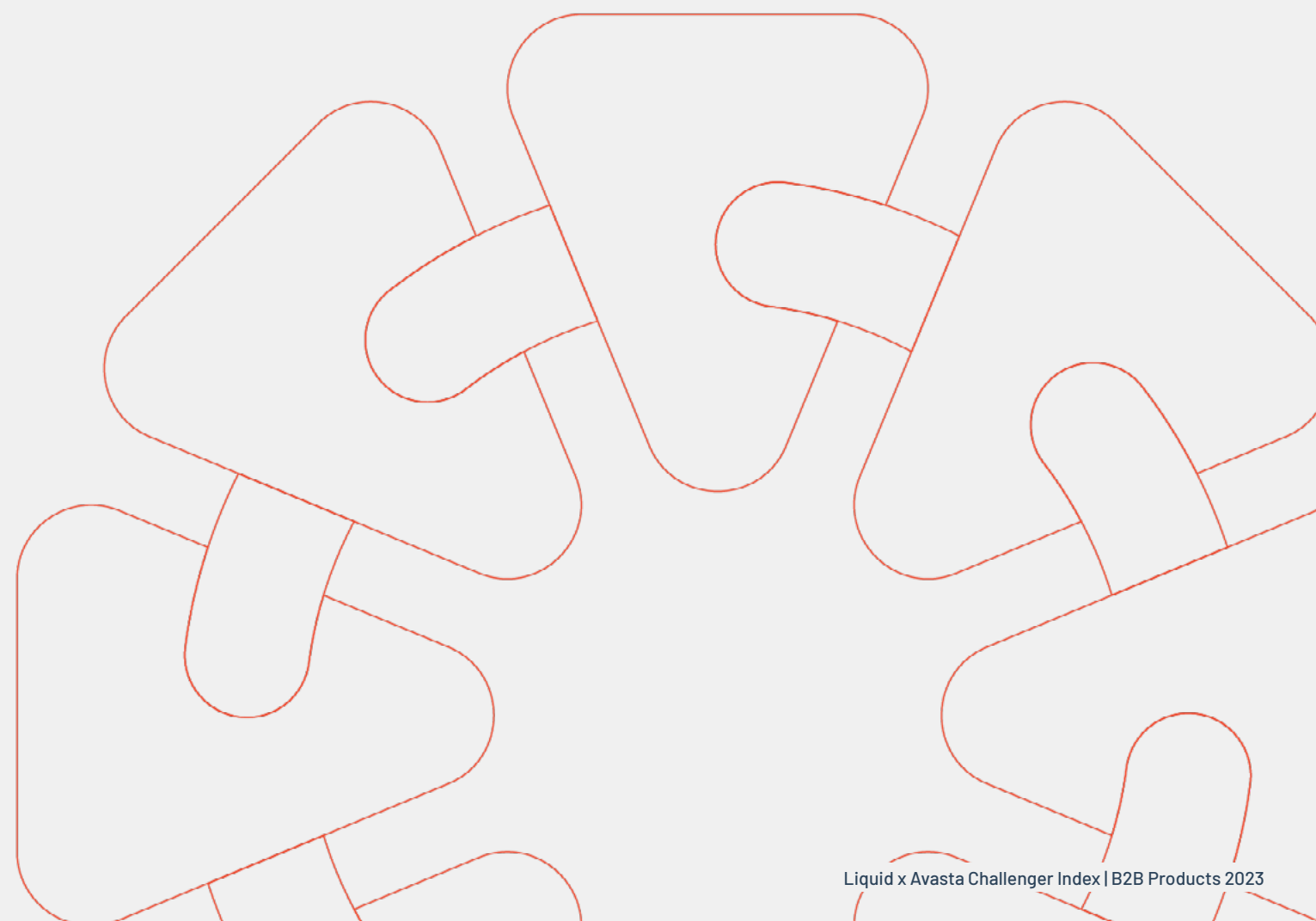
The Challenger Index, a joint effort between Liquid Agency, a Brand Consulting and Activation Company, and Avasta, the Profitable Growth Company, represents a paradigm shift in measuring business success. This innovative metric covers a wide range of categories, including B2B Products, B2B Services, B2C Products and B2C Services, with a focus on quarterly analysis. The initial phase spotlights B2B Products, setting the stage for a comprehensive exploration across various sectors.

This index is designed to redefine the metrics of business achievement by integrating diverse market segments. It offers executives a detailed and comprehensive view of their brand's standing and potential in the market. Uniquely, it employs a neutral, outside-in assessment strategy, focusing on how end-buyers, decision-makers and power users perceive products or services within their respective categories.

## Market realities and the genesis of the Liquid x Avasta Challenger Index

In the B2B sector, traditional business strategies are increasingly falling short. The complexity of selling to groups rather than individuals, coupled with the high stakes involved in replacing established B2B solutions, demands a new approach. The Challenger Index meets this need by offering a fresh perspective, distinct from consumer brand-building strategies, which often prove ineffective in the B2B realm.

Liquid Agency and Avasta co-developed this index with a realization: past practices and historical performances are often unreliable indicators of future growth. The index shifts focus towards a “future outlook,” aiming to understand how markets perceive and engage with brands. This approach challenges conventional metrics of brand and business success, proposing a redefinition of business strategy through the lens of brand competitiveness.



# Introduction

## **Methodology: Unveiling future B2B leaders**

The Liquid x Avasta Challenger Index, an innovative approach to evaluating brand perception in B2B and B2C products and services categories, emphasizes a contemporary method that reflects the dynamics of the 21st-century marketplace. This inaugural study focuses on six key B2B product categories: Business Intelligence, B2B AI, CRM, Cybersecurity, Database Management and Marketing Automation.

The study initiated a comprehensive survey involving nearly 7,000 B2B buyers across the targeted categories. To ensure the credibility and neutrality of the results, this sample was refined to a core group of 720 participants. The survey began with an open-ended question about the top three market leaders by market share in each category, followed by inquiries about potential challengers to these leaders over the next 5 to 10 years.

Adopting the “wisdom of the crowds” principle, the survey was designed to garner straightforward yet insightful responses. Participants were prompted only with the B2B product category and the top three leaders by market share, then asked to identify names perceived as current or future challengers. Responses varied significantly, with some participants unable to name any challengers while others identified over 30.

A critical aspect of the methodology was ensuring the representativeness of the sample. Reflecting the U.S. working population, where nearly half of all employees work in enterprise companies (over 1,000 employees), the study focused on individuals actively engaged in using or purchasing products in the measured categories. This approach aimed to mirror market representation and solicit qualified responses, significantly reducing the margin of error compared to typical random sample studies.

The study implemented stringent quality control measures to validate the authenticity of the respondents. This included screening for contradictory answers and verifying text-based responses. The primary objective was to evaluate the actionable feelings of buyers towards the companies, going beyond mere recognition to understand their willingness to engage in future transactions with these brands.

The study not only examined current brand perceptions but also projected how these perceptions might evolve over the next four years. This involved analyzing how brands have influenced perceptions, either positively or negatively, in the past five years, providing a comprehensive view of the evolving B2B marketplace and the potential trajectories of various brands.

## **Revolutionizing brand insights**

The Challenger Index represents a significant advancement in brand and business measurement techniques, aligning closely with modern market demands and the changing nature of brand perception’s role in determining business success.

# Definitions

**Challenger brand:** Brands that are disrupting the established market dynamics in the category. They offer fresh perspectives and stimulate innovation. Many of these brands are on a growth trajectory to becoming major market players or market leaders. However, they face obstacles from leaders within their industry and encroachment into the segment by leaders from other categories.

**Incumbents:** Leaders within a given industry who command one of the top three shares of the market. These brands are older and more trusted than challengers, but their shares vary from commanding (i.e., ~30%) to more modest (<10%). They need to keep pace with challengers' innovations to maintain their dominance.

**Likelihood of category leader in five–10 years:** A score for how confident the respondents are in the specified company gaining significant market share in the future.

**Overall brand perception:** A score for respondents' perception of what the brand represents and how it makes them feel relative to industry peers. Extremely Low (–3) to Extremely high (3).

**Brand momentum:** A metric that combines a brand's industry ranking within the category with its future purchase intent relative to the other brands within the category. This measure is compiled from end-buyers and power-user responses fielded for this index.

**Brand/marketing performance:** A score for how well the company's brand positioning and marketing activities resonate with the respondents, relative to industry peers.

**Product(s):** A score for how the respondents rate the company's products relative to industry peers.

**Process and experience:** A score for how the respondents rate the experience purchasing, implementing and maintaining the products from the company relative to industry peers.

**Technology:** A score for how the respondents perceive the technology offered by the company with respect to industry peers.

**Employee talent:** A score for the confidence respondents have in the talent hired by the company with respect to industry peers.

**Customer service:** A score for how robust, accessible and proactive the customer service is with respect to industry peers.

**Innovation in the industry:** A score for how original and cutting-edge the company is perceived to be with respect to industry peers.

**Value for money:** A score for the cost of purchasing, implementing and maintaining the company products versus the benefits offered by the products.

**Future momentum:** A metric that identifies a brand's trend in the industry ranking from 5 years ago to 5 years from now, providing a 10-year perspective of relative ranking within the industry.

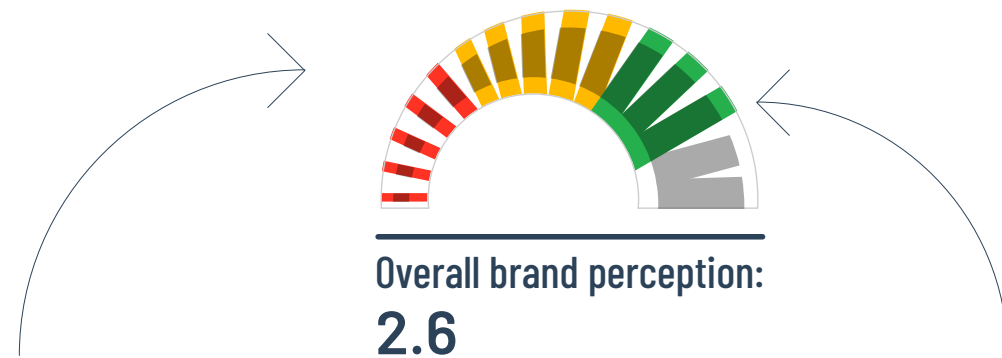
**Industry rank five years ago:** A score for how superior the company's product, services and brand were considered in the past. Best in class (1) – Worst in class (5).

**Industry rank five years from now:** A score for the confidence respondents have in the growth of a company's products, services and brand in the upcoming years. Best in class (1) – Worst in class (5).

**Would buy from in five years:** A score for the respondent's willingness to switch to the company's products and services. Highest likelihood (1) – Least likelihood (5).

# Interpreting the scores

## Overall brand perception



**1**  
A score for respondents' perception of what the brand represents and how it makes them feel relative to industry peers. Extremely Low (-3) to Extremely high (3).

**2**  
The gray bars represent the industry average. The colored overlay is a visual representation of the company's score.

## Likelihood of becoming a category leader



This represents the likelihood that a company will become a category leader in 5-10 years.

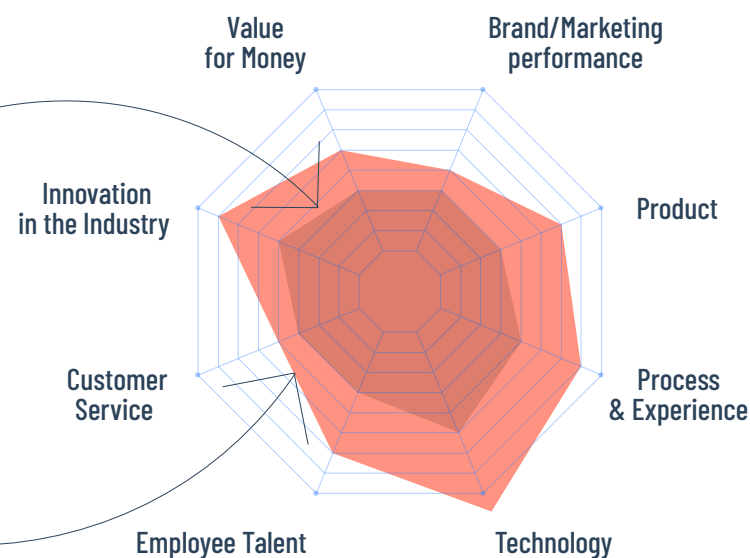
## Future momentum



1. The rank of the company 5 years ago.
2. The rank of the company 5 years from now.
3. Downward trajectory means losing momentum.
4. Upward trajectory means gaining momentum.

## Market perception graph

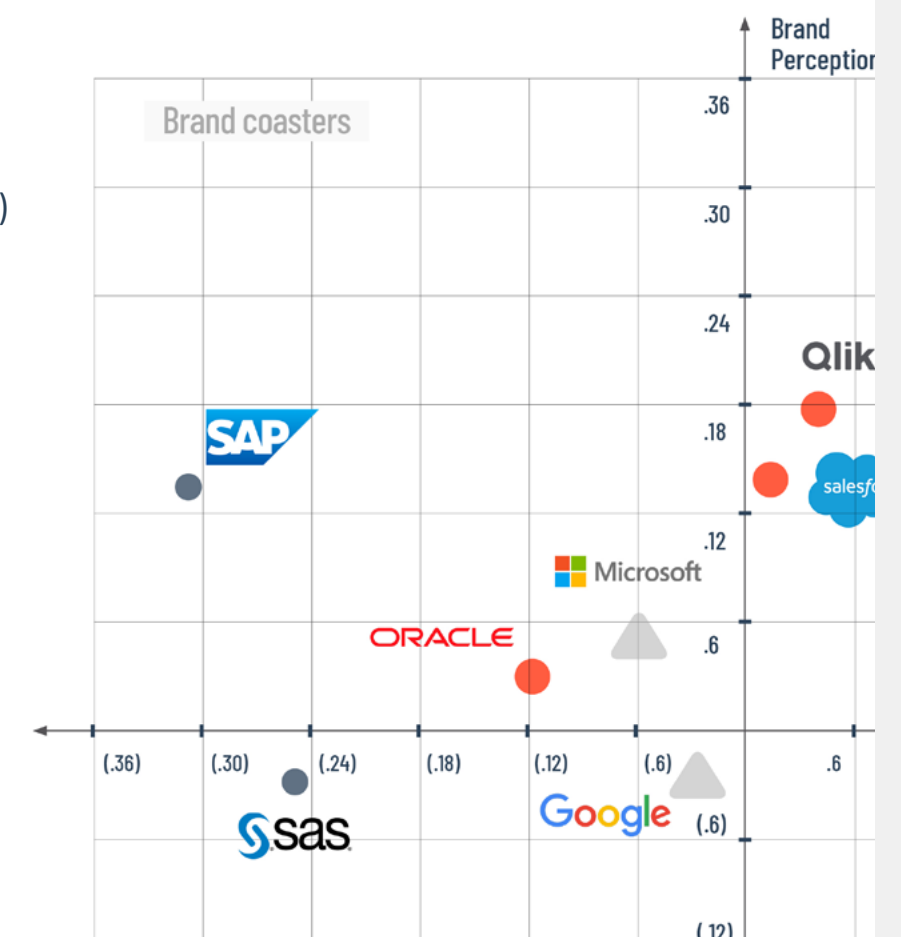
- 1**  
The gray area represents the industry average.
- 2**  
The colored overlay is the visual representation of the company's score in each category. The further out from the center equals a better score.



## Future performance

Overview of all incumbents (gray triangles), challengers (red circles) and honorable mentions (blue circles) in each category.

Incumbent  
Challenger  
Honorable Mentions



# Overall Themes for B2B Products





This executive summary encapsulates the critical insights and emerging themes from the report, spotlighting the dynamic interplay of niche specialization, brand evolution and market strategy among these challenger brands.

### **Redefining challenger brands: Navigating niche markets and evolving beyond traditional metrics**

Overall, the findings in this study indicate an evolution in the definition of “challenger brand” spanning at least the past decade and into the foreseeable future. Concepts like total addressable market (TAM) are no longer reliable indicators of brand success, at least on their own. Innovators do not necessarily have to have mass association; when they succeed, they’re winning on products and (less often) services. Or, they’re fulfilling a niche that the established leaders are content to leave unaddressed.

Challenger brands across these sectors share a common strategy of focusing on niche markets and specialized verticals. This approach, while effective in gaining initial recognition and market foothold, presents a significant obstacle in evolving beyond their original brand identity and product differentiation. The brands, recognized as viable challengers to established players, face the daunting task of expanding their market reach to ascend as top-tier industry leaders. This trajectory requires a strategic shift, particularly in brand perception and business tactics, emphasizing the need for profitability as a critical entry point to the top echelons of the market.

Interestingly, the lifecycle of products in these sectors varies significantly. Cybersecurity, for instance, is advancing through multiple iterations, whereas B2B AI is relatively nascent. This disparity in product maturity impacts the strategic decisions of challenger brands. Older challengers that have managed to build positive brand momentum have done so by investing in the next generation of technologies. They focus on enhancing features and user experiences, strategically positioning themselves for the future rather than remaining in a state of incremental competition.

### **The complex dynamics of market encroachment and independent innovation**

A pivotal theme emerging from the study is the phenomenon of market encroachment. Leading brands in one category often expand their influence into adjacent categories, leveraging their established brand equity to gain a foothold in new markets. This trend creates a layered challenge for challengers, as they must not only compete with dominant players in their category but also with versatile giants from other sectors—all while trying to be/become profitable. The encroachment underscores the fluid nature of market boundaries and the evolving definition of competitiveness. This is well reflected in the cross-category strategies of Salesforce and AWS, which have made numerous acquisitions of early-stage and growth companies.

These acquisitions have been integrated to enhance the already strong brand perceptions of their respective brands.



However, the landscape is not entirely daunting for independents. The report illuminates the unique potential of these challengers to revolutionize market categories. The interplay between Business Intelligence and B2B AI exemplifies this potential, where the evolution of one leads to the emergence of the other, hinting at a future amalgamation of these categories. Challengers, therefore, are not just participants in the market; they are catalysts for change, holding the power to redefine market norms and leadership paradigms.

### **The road to success: Profitability, buyer preferences and brand momentum**

One of the most significant challenges identified for challengers is the journey towards profitability and sustainable growth. Market leaders often have a history spanning decades, with profitability being a cornerstone of their longevity. For emerging brands, the path to profitability is not just a financial objective but a strategic necessity for long-term survival and market relevance. For established brands, it is maintaining a balance between historic credibility and continued association with being the next-generation company at the same time.

The study also reveals buyer preferences leaning towards vendor consolidation and ecosystem compatibility. This preference spectrum varies among incumbents, with some having notoriously inflexible ecosystems (Adobe, for example), while others are more adaptable (such as Salesforce). This scenario presents a nuanced challenge for challengers, necessitating

a balance between innovation, ecosystem compatibility and market responsiveness.

Brand momentum emerges as a crucial metric in this context. The study introduces the concept of “brand momentum” as a predictor of future category leadership or potential decline. This new measure underscores the importance of a brand’s trajectory, offering insights into its future market positioning and value.

### **The surprising drivers of B2B growth and purchase decisions**

Contrary to conventional wisdom, the study underscores that product quality alone does not guarantee market success. A robust brand presence is pivotal in driving growth and profitability. This report reveals that brand recognition and trust are often more influential in purchasing decisions than the product features themselves. This insight challenges the traditional focus on product-led strategies, highlighting the need for a holistic approach that integrates brand development as a central element.

The emotional influence of brands in the B2B sector is also significant. Previous studies indicate that a majority of B2B buyers have predetermined brand preferences even before commencing their purchasing process. This preference is often influenced by brand familiarity and trust, underscoring the emotional underpinnings of B2B purchase decisions.

In terms of market indicators, brand ranking within a product vertical emerges as a strong determinant of purchase behavior. The concept of “brand momentum” here becomes crucial, serving as a barometer for predicting future leadership potential or anticipating a decline in growth. This perspective offers a more nuanced understanding of market dynamics, transcending traditional financial metrics.\*

### **Recommendations and concluding insights**

Based on these findings, the report offers several recommendations for B2B executives. Understanding the customer’s rationale for brand preference is paramount. Aligning the brand value proposition with market expectations and recognizing optimal customer engagement timing are critical for maintaining positive customer relationships and driving growth.

In conclusion, the Liquid x Avasta Challenger Index provides a multifaceted view of the B2B technology products market, highlighting the interplay between financial, technological and behavioral dynamics. This comprehensive approach offers strategic insights for both B2B and B2C sectors, paving the way for a more nuanced understanding of brand dynamics and market strategies. The Challenger Index, with its in-depth analysis and forward-looking perspective, serves as a crucial tool for brands aspiring to navigate the complex waters of market leadership and innovation.



\*All financial metrics and estimates sourced from PitchBook as of 11/27/2023.



# Category: B2B Artificial Intelligence

## B2B AI: A forward-looking analysis

### Evolving landscape of B2B AI

The B2B Artificial Intelligence (AI) sector stands at a pivotal point in its evolution. This relatively young category is witnessing a unique trend: the incumbent leaders have the lowest usage rates, while challenger brands are rapidly gaining ground. Over the next 5-10 years, these challengers are expected to receive stronger purchase consideration scores compared to incumbents. This shift indicates a significant market transformation, where businesses are either adopting AI solutions for the first time or migrating away from traditional Business Intelligence (BI) platforms, with the potential for tens of billions of dollars to migrate as B2B AI software seeks to supplant BI software.

### Struggling to maintain dominance

IBM, Microsoft and Google, the leading incumbents in the B2B AI space, face distinct challenges. IBM, despite its long-standing presence, struggles with brand reputation and market relevance. Microsoft's broad AI impact is overshadowed by its identity crisis, as its collaboration with OpenAI blurs its B2B AI offerings. Google, while a key innovator, grapples with issues in deployment and competitive positioning against rising AI entities like OpenAI. These challenges for incumbents highlight a market ripe for disruption.

### Redefining the B2B AI market

Challengers like Salesforce, Oracle and Qlik are repositioning themselves as formidable competitors in the B2B AI landscape. Salesforce, leveraging its CRM expertise, has successfully integrated AI across various business functions. Oracle, with its strong technology foundation, is focusing on autonomous AI solutions and generative AI strategies. Qlik's focus on innovative product strategy and strategic AI integration positions it as a significant player in both BI and B2B AI.

### Competition and market trends

The competition in the B2B AI space is intensifying, with challengers threatening to outpace incumbents. A key trend is the emphasis on practical applications of AI in business tasks, a shift from theoretical AI advancements to real-world solutions. This trend is further fueled by the increasing importance of data security, privacy and governance in AI applications.

### Technology and product trends

There is a clear shift towards cloud-based AI services, autonomous solutions and integrative approaches. AI's role in CRM systems, predictive analytics and automated decision-making is gaining momentum. Furthermore, generative AI models are becoming increasingly important, offering new capabilities for businesses.

### Brand perception and momentum

While incumbents like IBM and Google hold strong historical positions in AI, their current brand momentum is waning. In contrast, challengers such as Salesforce and Oracle are witnessing positive brand momentum, reflecting their evolving strategies and market perception. The brand strength and market positioning of these companies will play a crucial role in shaping the future B2B AI landscape.

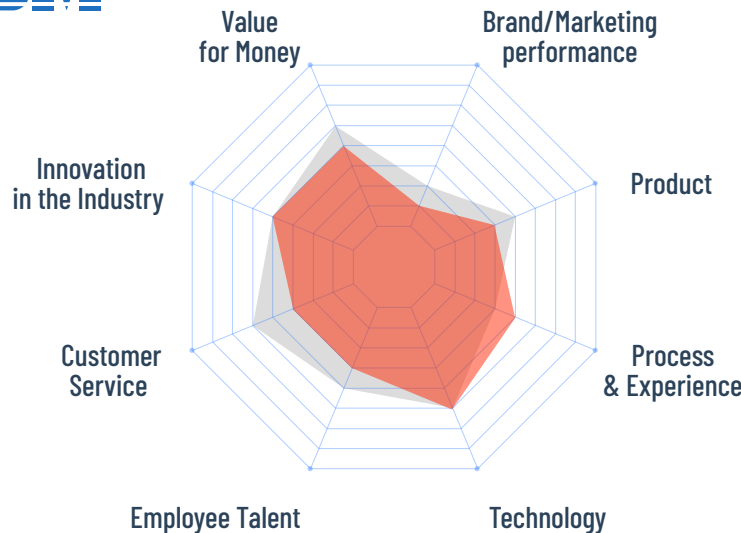
### Future outlook

The B2B AI industry is expected to see a surge in adoption rates, with challenger brands likely leading the way. The focus will be on balancing innovation with user-friendly and cost-effective solutions. The market will also witness a growing emphasis on AI applications that are directly aligned with specific business needs rather than generic AI tools. The promise of AI as a multi-trillion dollar share of the economy is driving investment not only from large incumbents but also from venture capitalists flush with cash. The risk lies in whether the cost of access becomes prohibitive for most companies.

### An industry in transition

The B2B AI sector is undergoing a significant transformation. As incumbents strive to reinvent their strategies, challengers are poised to redefine the industry norms. The success in this evolving landscape will depend on the ability to deliver practical, scalable and secure AI solutions that meet the evolving needs of businesses. Those who can effectively balance technological innovation with strong brand positioning and customer-centric approaches will emerge as the new leaders in the B2B AI space.

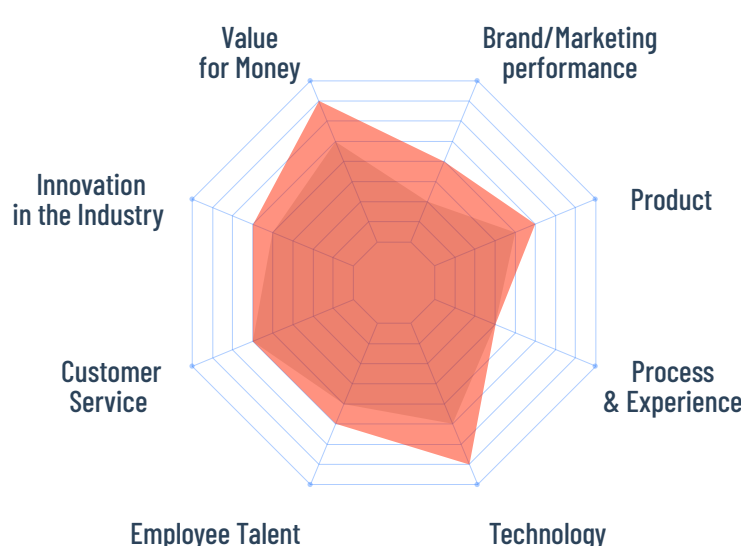
B2B AI: incumbents leading the category



IBM: Evolving amidst challenges

IBM Watson, despite being a leader in B2B AI, faces challenges in translating its decade-long investment into category strength. With the weakest brand reputation among its peers and negative brand momentum, IBM is at risk of losing market share in the next 5-10 years. Watson, known for its “Jeopardy!” win, has seen mixed success, especially in healthcare. The recent launch of WatsonX, evolving into a practical AI tool for business tasks, marks IBM’s ongoing efforts to revitalize its AI strategy and offerings.

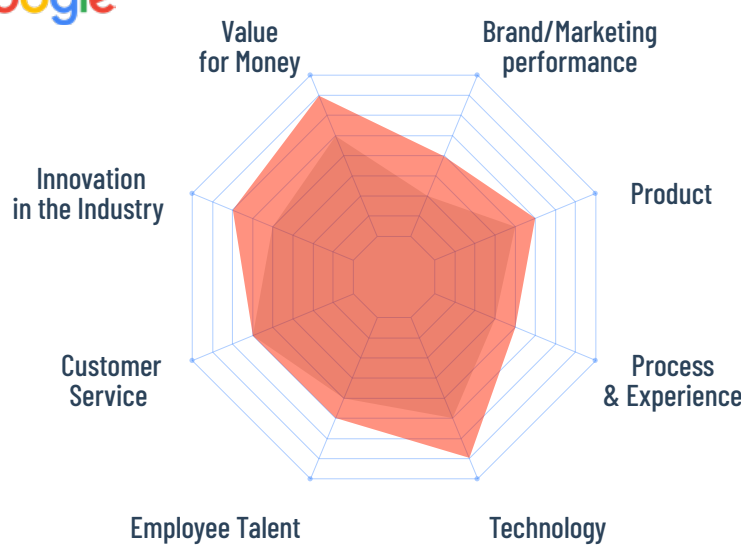
TTM Total Revenue	\$61.17B (+1.05% YoY)
Market Cap	\$142.05B (+5.90% YoY)
Target Price	144.50
Entity Type	Public
Employee Size	311,300
HQ	Armonk, NY, USA



Microsoft: Broad impact, identity challenge

Microsoft, with over 30 years in AI, is not a top three future AI leader but leverages its vast size and reach to establish incumbent status. Its AI focus spans speech recognition to natural language understanding. The Azure AI platform runs large-scale models like GPT-3.5 and DALL•E 2, impacting various applications. However, Microsoft’s AI identity risks being blurred by its close ties with OpenAI, creating ambiguity in its distinct B2B AI offerings versus those from this collaboration.

TTM Total Revenue	\$218.31B (+7.50% YoY)
Market Cap	\$2.81Tn (+52.52% YoY)
Target Price	413.00
Entity Type	Public
Employee Size	221,000
HQ	Redmond, WA, USA



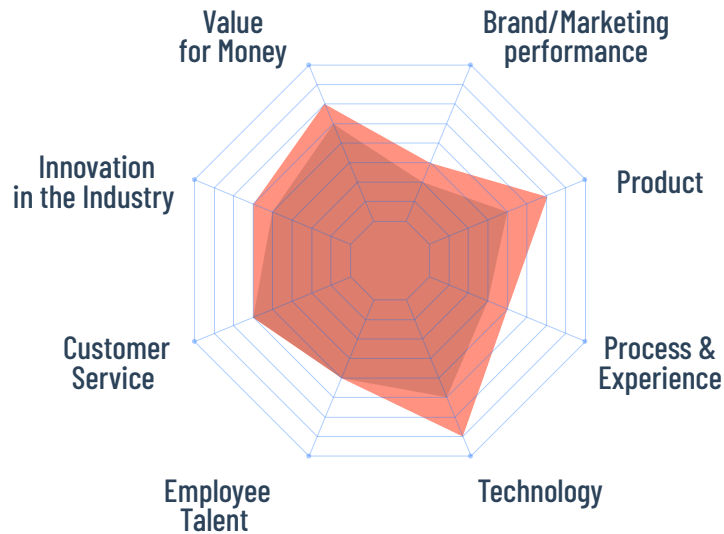
Google: AI innovator with challenges

Google stands as a B2B AI incumbent, with key innovations like Google Translate, TensorFlow, AlphaGo and TPUs. Recent advancements include BERT for search enhancement and AlphaFold in protein research. However, Google faces challenges with its Search Generative Experience, impacting web traffic and publisher relations. Google’s difficulties in launching Bard this year have inadvertently highlighted OpenAI’s competitive edge. These issues highlight the complex dynamics in AI development and deployment, even as Google maintains its position through continuous technological progress and a strong history in AI.

TTM Total Revenue	\$297.13B (+5.32% YoY)
Market Cap	\$1.72Tn (+36.00% YoY)
Target Price	153.00
Entity Type	Public (Alphabet)
Employee Size	181,798
HQ	Mountain View, CA, USA



# B2B AI Challenger Profile: Salesforce



## Summary:

Salesforce, “the customer company,” was founded in 1994. It has since been a provider of enterprise software for CRM and other client needs, including support for and in the cloud. All of its products emphasize unity across these areas, along with marketing and app development, so its clients can be customer companies too.

TTM Total Revenue	\$33.07B (+12.79 YoY)
Market Cap	\$218.72B (+42.63% YoY)
Target Price	255.00
Entity Type	Public
Employee Size	79,390
HQ	San Francisco, CA, USA

## AI challenger in CRM and beyond

### AI-focused ecosystem development

Salesforce, poised to challenge the top three B2B AI incumbents, has developed an ecosystem where AI deployment plays a critical role, leveraging a vast array of managed data. The company’s AI journey began in 2014 with the ambition to democratize AI, marked by the acquisition of RelateIQ and the introduction of the Opportunity Scoring model. This evolution led to the 2016 launch of Salesforce Einstein, now a leading AI in CRM, generating over one trillion predictions weekly and making AI accessible across various business functions.

### Integrating AI into sales cloud

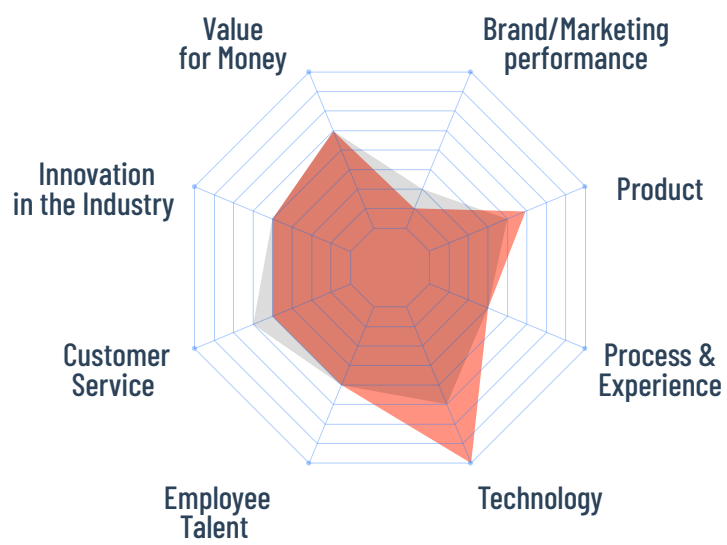
In its forward-looking strategy, Salesforce is embedding AI into its Sales Cloud platform, enhancing productivity and growth. Innovations like Copilot for Sales provide AI assistance in CRM updating and account research, while AI tools automate tasks like email creation and call summarization. Leveraging real-time internal and external data, Salesforce aims to shift focus from routine processes to customer engagement, underlining AI’s transformative potential in sales.

### Customer experiences and challenges

Salesforce’s Einstein platform has received mixed customer reviews. Users praise its automation features and scalability but are challenged by its complexity and cost, particularly for smaller businesses. The learning curve for advanced features and issues with technical support add to these challenges. While Salesforce’s AI tools are powerful, their complexity and cost are significant considerations for users.

### Conclusion: Balancing innovation and accessibility

Salesforce’s journey in B2B AI is characterized by significant innovation, particularly in integrating AI into CRM systems. However, making this powerful technology user-friendly and cost-effective remains a challenge. As Salesforce advances its AI capabilities, addressing these user concerns will be key to maintaining its position as a formidable challenger in the AI landscape.



Summary:

Founded in 1977, Oracle is a premier global provider of enterprise software solutions, including database, cloud computing and enterprise resource planning products. Oracle has been a trailblazer since its inception, having introduced one of the first commercially available SQL-based databases in 1979.

TTM Total Revenue	\$50.96B (+15.41 YoY)
Market Cap	\$319.06B (+43.06% YoY)
Target Price	135.00
Entity Type	Public
Employee Size	210,322
HQ	Austin, TX, USA

A rising B2B AI challenger

Strengths in technology, weakness in brand

Oracle, a renowned technology company, is emerging as a formidable B2B AI challenger. It is in a unique position to leverage its strong technology foundation but must overcome its weaker brand recognition to dominate the AI landscape. Oracle’s positive scores and purchase intent in various product categories indicate its potential resurgence in the B2B AI arena.

Harnessing AI’s potential

Oracle is making significant strides in enhancing its AI capabilities. Leveraging its extensive database and cloud infrastructure, the company is focusing on autonomous AI solutions, including self-driving databases and automated machine learning. Additionally, Oracle is committed to cloud-based AI services and chatbots, positioning itself as a prominent player in the AI space. These initiatives demonstrate Oracle’s dedication to unlocking AI’s potential for its customers.

Generative AI strategy

Oracle’s comprehensive generative AI strategy spans infrastructure, cloud services and application integration. They collaborate with NVIDIA to provide robust infrastructure for AI model training and partner with Cohere to offer accessible cloud services for developers. Furthermore, Oracle plans to integrate generative AI models into its applications, improving user experiences and decision-making. Their emphasis on data security, privacy and governance distinguishes them in the generative AI landscape, offering industry-specific models and flexible deployment options.

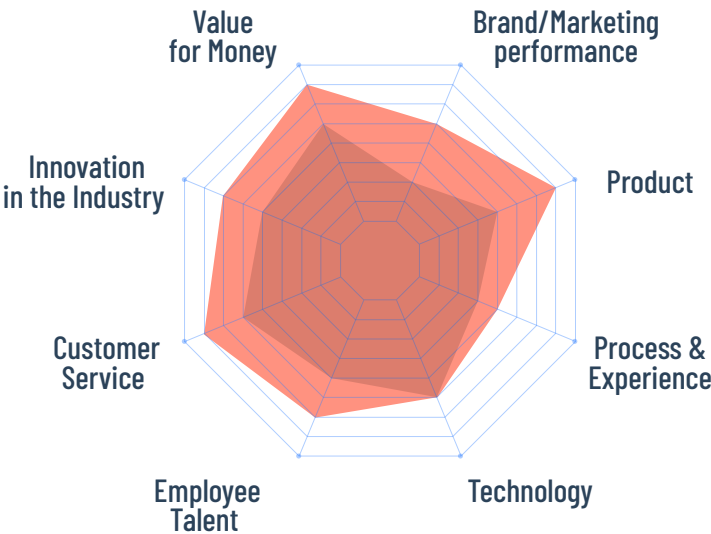
Oracle: Coming for the incumbents

In the competitive AI landscape, Oracle has introduced a three-tiered generative AI strategy to take on industry giants like Microsoft, Google and IBM. The first tier focuses on OCI Supercluster, delivering potent AI supercomputing services. The second tier empowers enterprises with generative AI capabilities, utilizing their data and incorporating foundational models from Cohere. The third tier involves the integration of generative AI into Oracle’s Fusion Cloud and NetSuite applications, enhancing employee productivity and insights.

Conclusion: A strong contender with brand challenges

Oracle’s strengths in technology and its comprehensive approach to AI make it a rising star in the B2B AI space. However, the company faces a significant challenge in improving its brand recognition to match its technological prowess. Overcoming this hurdle will be crucial for Oracle to establish itself as a dominant force in the B2B AI market.





**Summary:**  
Qlik, formerly Qliktech, was founded in 1993. It's a private company that provides business analytics and intelligence solutions, such as data discovery and visualization tools, primarily to SMB clients. Today, Qlik serves more than 40,000 customers globally. In 2022, Qlik announced its intention to commence an IPO.

TTM Total Revenue	\$500M - \$999M (2016)
Market Cap	N/A
Target Price	N/A
Entity Type	Private Company
Employee Size	3,600
HQ	King of Prussia, PA, USA

Emerging B2B AI and BI challenger

**Innovative product strategy**  
Qlik, a BI and B2B AI challenger founded in 1993 in Sweden, initially focused on data analysis through QlikView. Rapid expansion followed, including international ventures and strategic acquisitions, boosting AI and data integration capabilities. Qlik's innovative product strategy, coupled with impressive product and innovation scores, sets the stage for future growth in the BI and B2B AI landscape.

**Solving the future purchase puzzle**  
Qlik's challenge is that it has a brand and product suite that is admired from a distance but without the same commitment or willingness to buy in the future. Bridging the gap between perception and market reality is the key to becoming a dominant brand in the category. Solving purchase drivers is paramount for Qlik's success.

**Strategic AI integration**  
Qlik's AI strategy revolves around enterprise-wide integration, focusing on high-quality data as the cornerstone of AI implementation. Aligning AI deployment with core strategies and fostering a culture of growth and experimentation are top priorities. By championing data readiness and nurturing an AI-centric corporate culture, Qlik aims to reshape modern enterprises through AI.

**Customer reception and market position**  
User reviews highlight the effectiveness of Qlik's predictive analytics and AI capabilities in enhancing data analytics and business intelligence functions. Positive ratings on Gartner Peer Insights and G2 underscore the value of its AI features. These reviews reflect a positive perception of Qlik's AI capabilities.

**Conclusion: Navigating potential and perception**  
Qlik's journey illustrates a company leveraging innovation and acquisitions to expand its capabilities. While customer reviews are positive, the challenge lies in converting current admiration into future market share. Prioritizing purchase drivers and maintaining a focus on AI integration positions Qlik to navigate the delicate balance between potential and market perception effectively.

## B2B AI Challengers: Honorable mentions



**Opportunity:** AWS has the opportunity to improve its brand score in B2B AI and capitalize on its strong performance scores, ensuring it remains competitive in the market.

**Risk:** If AWS's brand score for its B2B AI offering does not improve, it runs the risk of being outpaced by competitors despite its strong performance in other areas.



**Opportunity:** OpenAI, despite its weak brand marketing performance score, has the opportunity to leverage its disruptive technology to become relevant in the B2B AI landscape.

**Risk:** OpenAI's weak brand fundamentals and reliance solely on disruptiveness as a calling card may hinder its growth and competitiveness in the market.



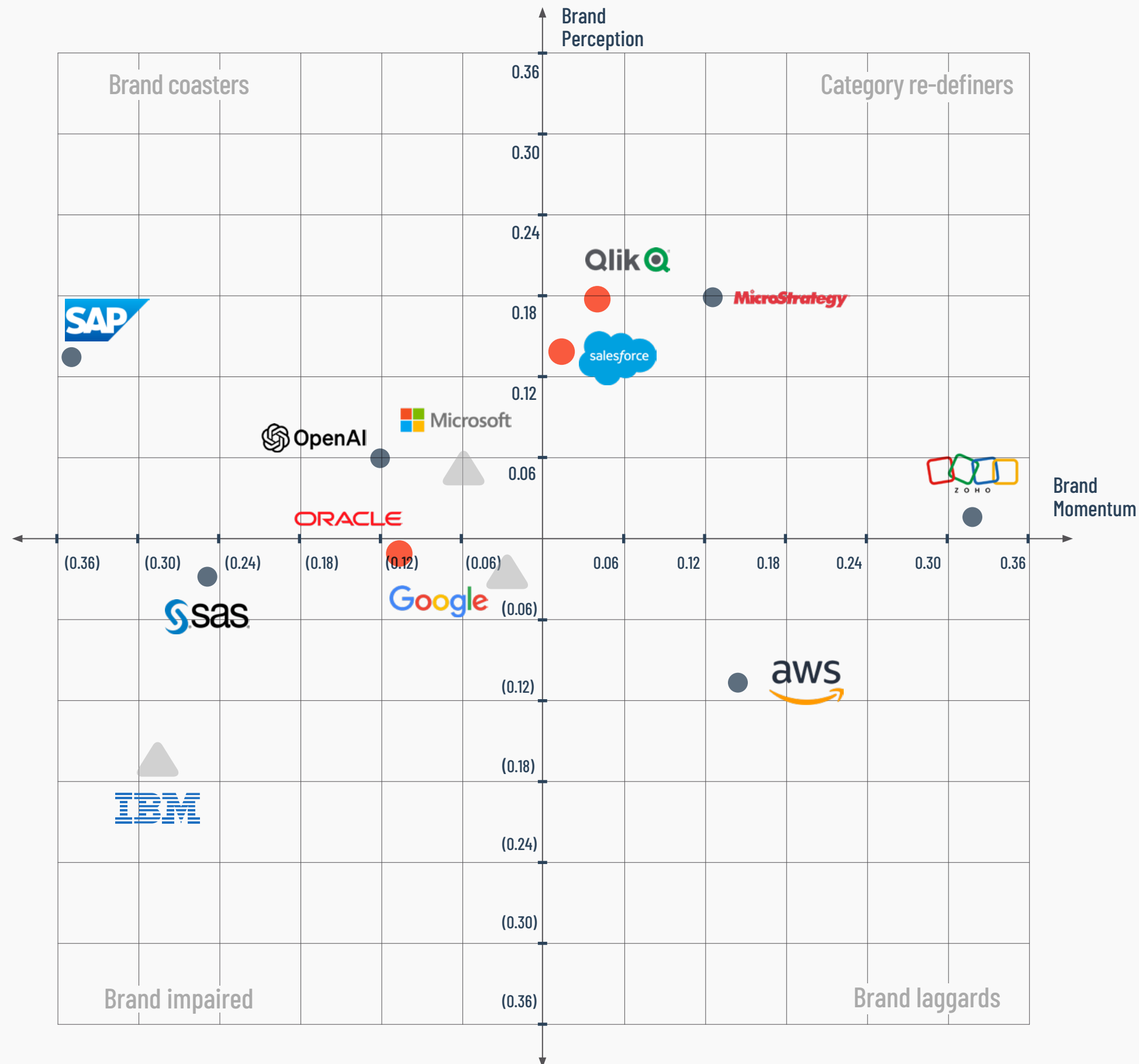
**Opportunity:** Microstrategy, a 34-year-old company, can leverage its niche following and next-generation profile to make a significant commercial impact in B2B AI.

**Risk:** Microstrategy needs to shed its historical narrative that is no longer relevant to drive growth in the B2B AI space.



**Opportunity:** Zoho's positive brand momentum scores provide an opportunity for the company to fend off competition in Marketing Automation and CRM spaces by leveraging its next-generation tools.

**Risk:** Zoho faces a risk from larger and more well-funded competitors who could put pressure on the company through pricing or other incentives, potentially impacting its market position.



## Category re-definers

Long term will win share: the brand and market demand are in sync; brand is supporting purchase intent.

## Brand coasters

Long term has permission to correct for shortfalls in drivers of category demand: the brand has a positive reputation but declining share of future demand.

## Brand impaired

Long term will lose share: brand is declining in reputation and company is increasingly declining in growth and retention.

## Brand laggards

Long term will miss out on maximum potential share: the brand is not effective at conveying the competitive advantages that meet future demand.

Incumbent

Challenger

Honorable Mentions





# Category: Business Intelligence

# Business Intelligence: A forward-looking analysis

## The evolving landscape of BI

The business intelligence (BI) sector is undergoing a significant transformation, with the convergence of traditional BI and B2B artificial intelligence (AI). This integration, spearheaded by major players like Salesforce, Microsoft and IBM, is shifting the industry toward more predictive and AI-driven insights. The next five years are poised to see this trend redefine how businesses harness data for strategic decision-making, moving away from traditional data analysis.

## Adaptation among industry stalwarts

In response to these industry shifts, established BI giants SAP, Oracle and SAS are reorienting their strategies. SAP is leveraging its S/4HANA transition to focus on real-time analytics and predictive insights. Oracle is enhancing its Analytics Cloud with AI and machine learning to bolster decision-making and data governance. Meanwhile, SAS is confronting brand momentum challenges by transitioning to a cloud-native platform and integrating AI, aiming to maintain relevance amid evolving market demands.

## Challengers pushing boundaries

Salesforce and Microsoft are at the forefront of the new wave of challengers reshaping the BI landscape. Salesforce's Tableau acquisition has broadened its analytics capabilities, creating a more integrated customer experience within its CRM platform. Microsoft is also making strides with Power BI, capitalizing on its integration with Microsoft Office and advancements in AI. Meanwhile, Qlik's customer-centric approach and the strategic acquisition of Talend exemplify the independent innovation driving the sector forward.

## Competitive dynamics and technological advancements

The BI market is characterized by both competition and strategic partnerships, reflecting its diversity and the varied needs it addresses. Technological advancements are central to this landscape, with cloud data integration, machine learning and mobile analytics gaining prominence. New pricing models like capacity-based pricing are aligning costs more closely with customer usage, particularly benefiting OEM partners.

## Realigning brand strategies

Despite high performance scores, some BI brands face challenges in brand and marketing performance, highlighting a disconnect between market perception and presence. This gap necessitates a reassessment of marketing strategies to better align with evolving market expectations and customer preferences.

## Expanding market opportunities

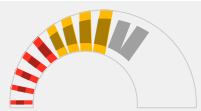
The BI market is expanding beyond traditional analytics, with a growing emphasis on AI integration and cloud-based solutions. This expansion opens new opportunities for companies to innovate and offer more comprehensive data solutions. The potential for IPOs and evolving customer preferences underline the industry's dynamic nature, requiring companies to balance legacy strengths with new, AI-driven approaches.

## The future of BI

As BI evolves into a more integrated and AI-focused domain, companies are navigating a landscape marked by technological advancements, shifting brand perceptions and evolving market needs. The future of BI will be characterized by its ability to offer predictive and proactive solutions, blending traditional data analysis with advanced AI capabilities to meet the growing demands of a data-driven business world.

# Business Intelligence: incumbents leading the category

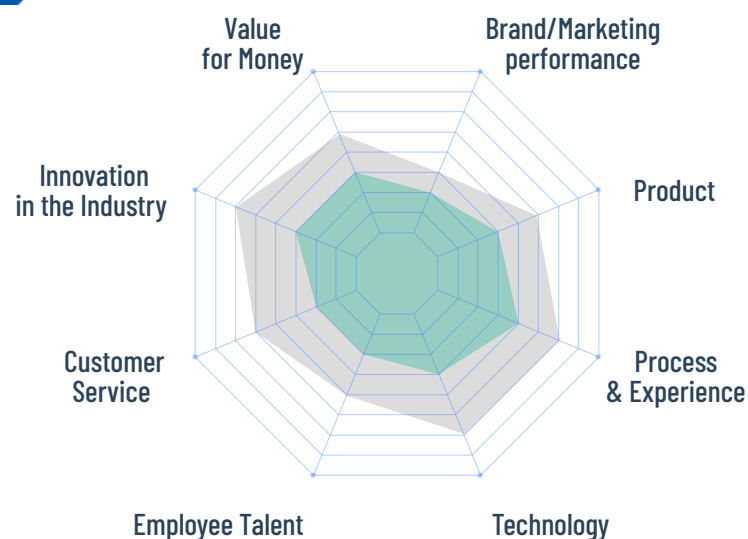
Overall brand perception: 1.9



Industry Averages for Brand Perception: 2.1



Future Momentum



## SAP: Leading BI's future transition

SAP, reigning supreme in the business intelligence category, is poised to maintain its top position amid industry shifts. As B2B AI looms on the horizon, SAP's slow yet deliberate adaptation—typical of B2B evolution—may well secure its stronghold. With a strategy entrenched in real-time analytics and decision-making support during the S/4HANA transition, SAP is streamlining operational reporting and infusing predictive insights, signifying a strategic pivot from historical data analysis to forward-thinking business intelligence.

TTM Total Revenue €34.31B (+7.72% YoY)

Market Cap \$181.19B (+40.40% YoY)

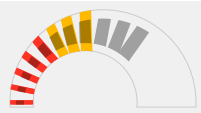
Target Price €145.00

Entity Type Public

Employee Size 105,380

HQ Walldorf, Germany

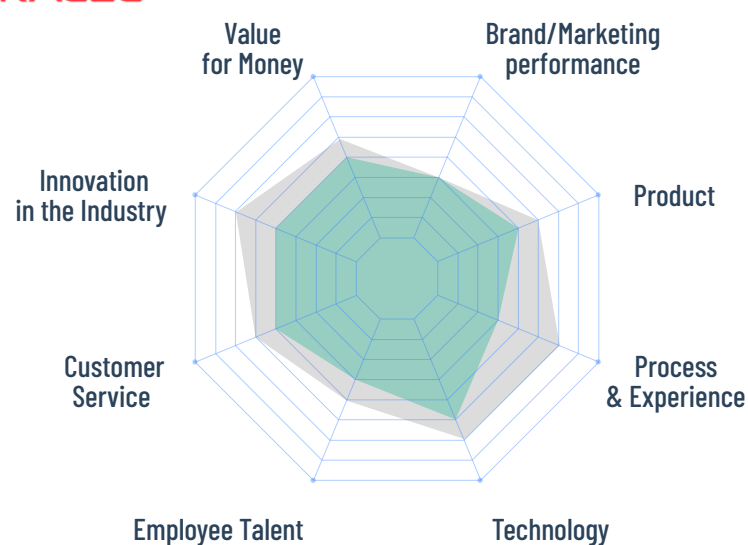
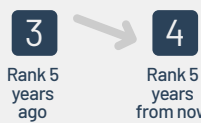
Overall brand perception: 1.8



Industry Averages for Brand Perception: 2.1



Future Momentum



## Oracle: Defending against challengers

Oracle, firmly established yet facing challengers, must use its extensive scale and distribution networks to turn around negative brand and brand momentum scores. To counter competitors outscoring it on at least two to three of the performance measures tested, Oracle is refining its BI strategy. Its focus on leveraging advanced innovations within its Analytics Cloud—such as cognitive AI and Auto ML—will help enhance decision-making capabilities and fortify data governance, ensuring its vast install base remains a competitive asset rather than a legacy fallback.

TTM Total Revenue \$50.96B (+15.41 YoY)

Market Cap \$319.06B (+43.06% YoY)

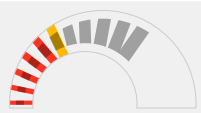
Target Price 135.00

Entity Type Public

Employee Size 210,322

HQ Austin, TX, USA

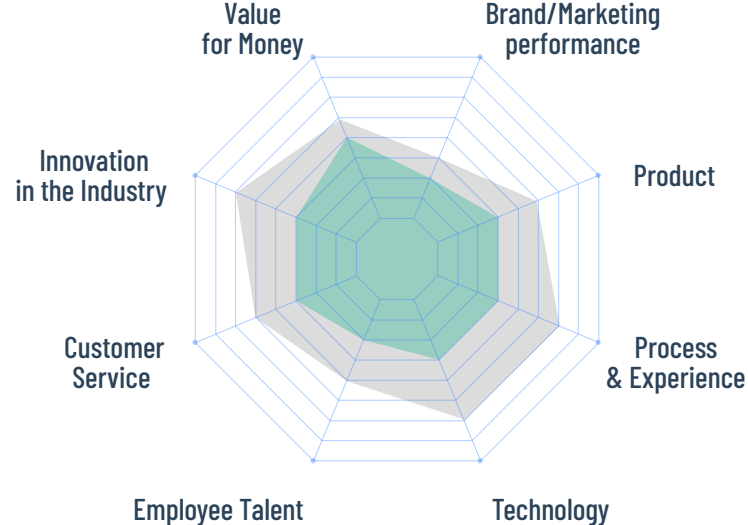
Overall brand perception: 1.6



Industry Averages for Brand Perception: 2.1



Future Momentum



## SAS: Struggling to hang on

SAS faces a critical juncture—marked as the weakest incumbent across all six B2B product categories tested—with negative brand momentum and low likelihood of future purchase. Despite not facing immediate obsolescence, SAS's growth prospects appear bleak and it is ripe to be toppled as a BI incumbent. As it gears up for a 2025 IPO, concerns loom over its ability to secure a robust market debut, despite transitioning toward a cloud-native BI platform and integrating AI innovations to realign with current industry standards.

TTM Total Revenue \$3B+ (2022)

Market Cap N/A

Target Price N/A

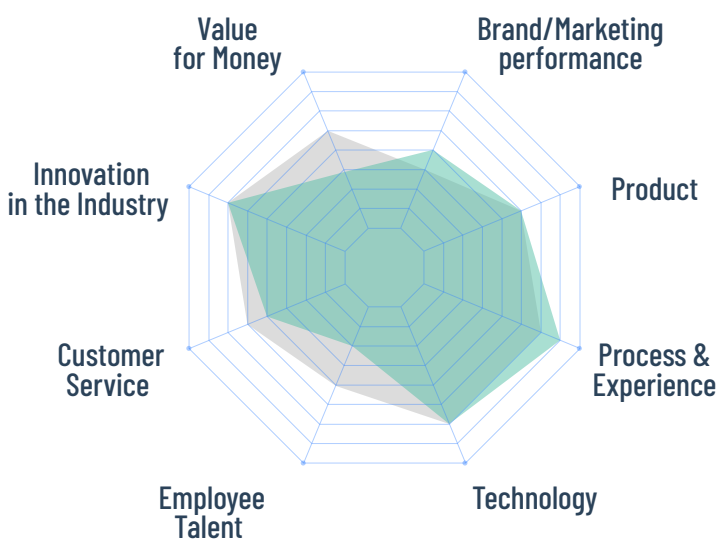
Entity Type Public

Employee Size 12,000

HQ Cary, NC, USA



# Business Intelligence Challenger Profile: Salesforce



## Summary:

Salesforce, “the customer company,” was founded in 1994. It has since been a provider of enterprise software for CRM and other client needs, including support for and in the cloud. All of its products emphasize unity across these areas, along with marketing and app development, so its clients can be customer companies too.

TTM Total Revenue	\$33.07B (+12.79 YoY)
Market Cap	\$218.72B (+42.63% YoY)
Target Price	255.00
Entity Type	Public
Employee Size	79,390
HQ	San Francisco, CA, USA

## Leading the analytics revolution

### Salesforce’s strategic edge in analytics

Salesforce, a dominant player in CRM, has significantly amplified its presence in the analytics domain through the strategic acquisition of Tableau. This move has enhanced Salesforce’s analytics offerings, combining Tableau’s capabilities with Salesforce’s robust data management. Tableau’s assimilation has not only retained its strong brand qualities but also bolstered Salesforce’s momentum in the analytics sector.

### Seamless integration for enhanced customer experience

The integration of Tableau into Salesforce’s CRM platform has created a unified and efficient analytics tool, significantly improving the customer experience. Highlighted in events like Dreamforce, this synergy between Salesforce and Tableau’s products has led to increased functionality and efficiency, showcasing a successful blend of technologies.

### Emphasizing innovation and AI integration

At the Tableau Conference 2023, Salesforce demonstrated its commitment to innovation, particularly with AI and headless BI. Key developments, including Tableau GPT and VizQL Data Service, align with the industry’s move toward sophisticated data analytics, underlining Salesforce’s ambition to lead in integrated cloud analytics.

### Cultural integration and empathetic leadership

The merger of Salesforce and Tableau in 2019 highlighted effective cultural integration, with Salesforce maintaining Tableau’s unique identity and fostering collaborative decision-making. This empathetic approach facilitated a smooth transition and established Salesforce’s proficiency in managing complex organizational integrations.

### Evolving brand identity

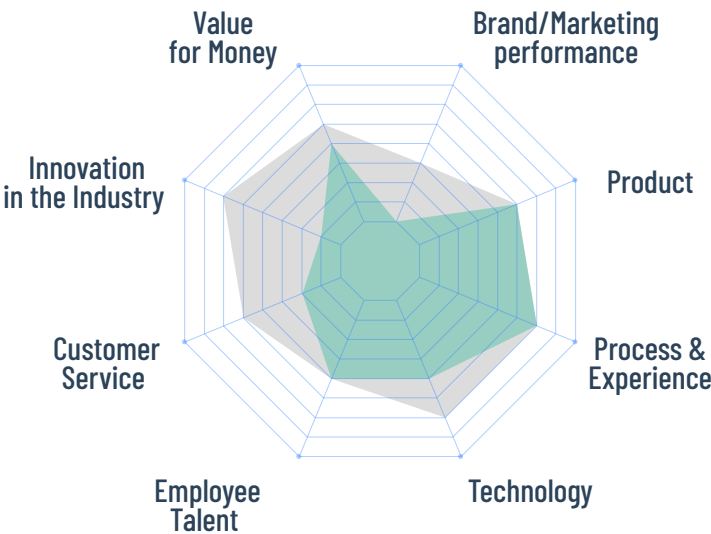
Post-acquisition, Tableau’s branding is progressively aligning with Salesforce’s identity, signifying a strategic evolution in their market approach. This gradual merging of brands is a deliberate strategy by Salesforce, indicating a significant shift in the marketing analytics landscape.

### Conclusion: Salesforce’s transformative analytics strategy

Salesforce’s integration of Tableau on its CRM foundation has fortified its challenger brand status and reshaped the analytics and CRM landscape. Through strategic acquisitions, innovative AI integration and empathetic cultural mergers, Salesforce continues to lead in providing advanced, user-centric analytics solutions.



# Business Intelligence Challenger Profile: Microsoft



## Summary:

Founded in 1975, Microsoft is one of the largest and most recognizable brands in the world across all industries. Best known for its operating systems and productivity suite, for both personal and business use, Microsoft occupies a strong position in many enterprise software niches—including database management.

TTM Total Revenue	\$218.31B (+7.50% YoY)
Market Cap	\$2.81Tn (+52.52% YoY)
Target Price	413.00
Entity Type	Public
Employee Size	221,000
HQ	Redmond, WA, USA

## Steadily building momentum

### Growing brand momentum

In the last five years, Microsoft's brand momentum has significantly increased, especially in the business intelligence (BI) realm. The company's strategic growth, leveraging its vast ecosystem, positions Power BI as an increasingly dominant choice in the competitive BI market. Despite some inherent weaknesses, Microsoft's approach of bundling its BI offerings with other services demonstrates a clever tactic to expand market share.

### User-centric design and seamless integration

Central to Microsoft's strategy is its focus on user-friendly design, particularly for business analysts and casual users. Power BI's tighter integration with Office simplifies data analysis, allowing users to seamlessly transition from data collection to analytics. This design philosophy, harmonized with Excel's functionalities, represents Microsoft's commitment to democratizing data analytics.

### Future-forward with AI and enhanced collaboration

Looking ahead, Microsoft aims to revolutionize Power BI with advanced AI and machine learning, promising improved analytics, predictive capabilities and expanded data integration. Enhanced collaboration features through Microsoft Teams and a focus on mobile analytics are set to elevate Power BI's functionality. Microsoft's ongoing commitment to security, customization and Azure cloud integration fortifies its position as a BI leader.

### Strategic vision and industry recognition

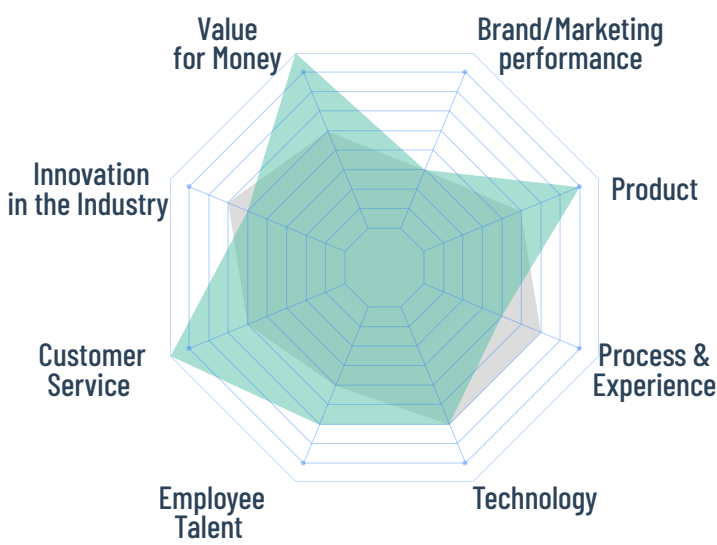
Forrester's acknowledgment of Microsoft as a leader in augmented BI platforms underscores its impactful BI strategy. Microsoft's success lies in its strategic vision and innovation, complemented by a robust partner ecosystem and flexible pricing models.

### In-house development driving widespread adoption

Microsoft's dedication to BI innovation is exemplified by Power BI's in-house development since 2006. This commitment has led to its adoption by 97% of Fortune 500 companies, a testament to Power BI's effectiveness and popularity.

### Conclusion: Microsoft's market-changing strategy

Microsoft is actively redefining the BI market with its ecosystem-centric approach, user-friendly tools and AI innovations. Power BI's in-house development and growing global adoption spotlight Microsoft's potential to continue shaping the future of BI.



Summary:

Qlik, formerly Qliktech, was founded in 1993. It’s a private company that provides business analytics and intelligence solutions, such as data discovery and visualization tools, primarily to SMB clients. Today, Qlik serves more than 40,000 customers globally. In 2022, Qlik announced its intention to commence an IPO.

TTM Total Revenue	\$500M - \$999M (2016)
Market Cap	N/A
Target Price	N/A
Entity Type	Private Company
Employee Size	3,600
HQ	King of Prussia, PA, USA

Independent challenger in data analytics

Positive brand momentum despite marketing challenges

Qlik, the only independent challenger brand in the data analytics market, stands out with strong brand momentum and performance. Interestingly, its overall positive brand perception contrasts with its weaker brand and marketing performance, suggesting a disconnect between its historical marketing activities and the favorable views it holds in the industry.

Customer-driven innovation and strategic acquisitions

“Qlik Ahead,” the company’s 2023 direction, emphasizes customer-centric innovation in data integration, analytics and foundational services. Qlik is enhancing cloud data integration, bolstering analytics and machine learning capabilities, and improving enterprise reporting. Its strategic acquisition of Talend and the implementation of capacity-model pricing further align costs with customer usage, boosting its appeal, especially among OEM partners.

Talend acquisition: Comprehensive data solutions

The acquisition of Talend marks a significant step in enhancing Qlik’s data integration and analytics capabilities. This move is aimed at offering more comprehensive solutions, reducing dependencies on multiple vendors and providing a competitive edge. It simplifies complex data processes and opens new opportunities for both partners and customers.

Market position and competitive landscape

Consistently recognized as a leader in Gartner’s Magic Quadrant, Qlik faces reduced competition from Tableau and effectively co-exists with Microsoft. By focusing on complex data scenarios, Qlik differentiates itself in the \$140 billion data integration analytics market, offering solutions that surpass simpler analytics tools.





IPO plans and future outlook

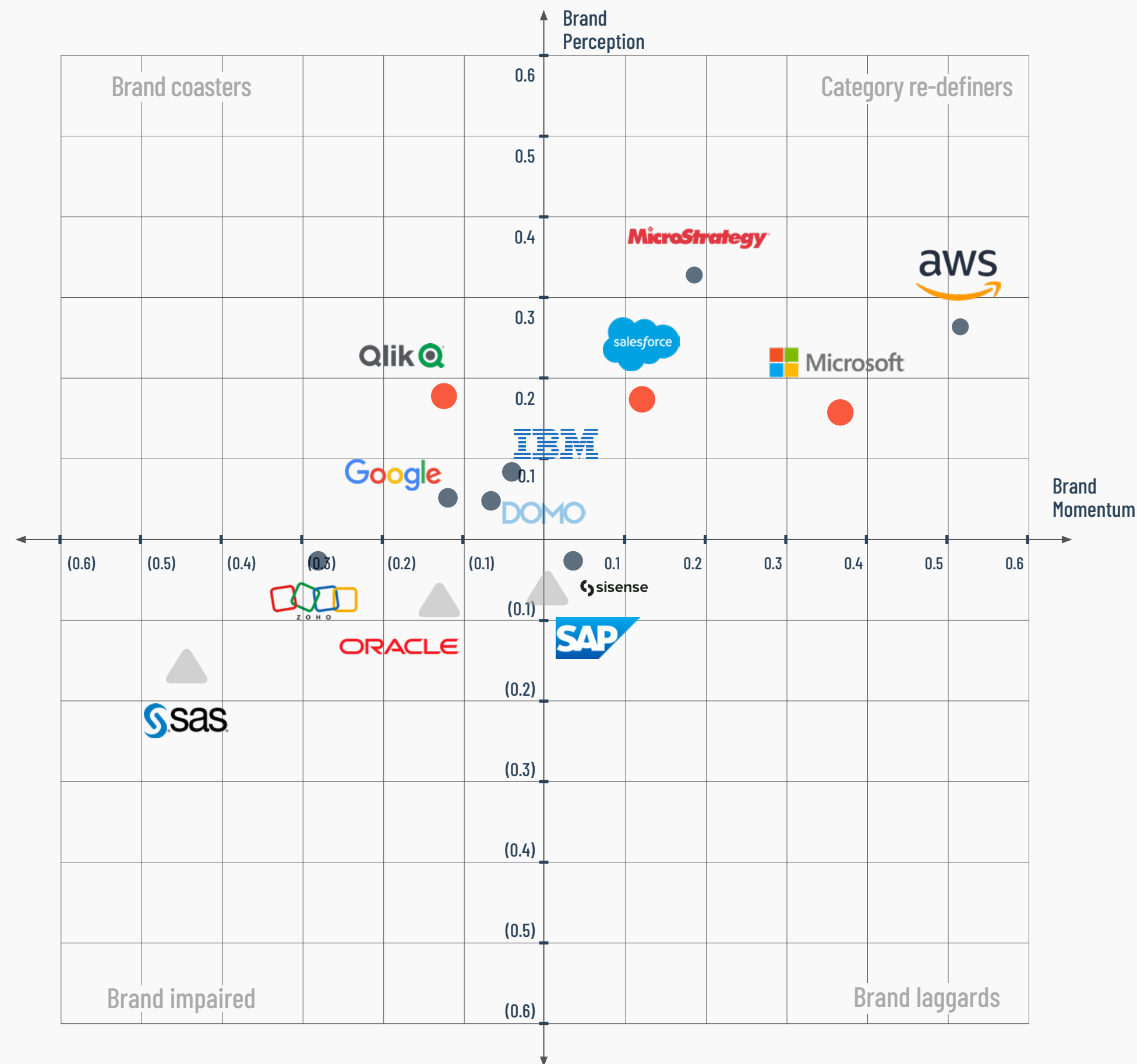
Despite initial plans signaled in January 2022, Qlik’s IPO remains on hold amid uncertain market conditions. The company is currently focused on optimizing its business through the Talend integration, remaining open to revisiting the IPO when market conditions improve.

Conclusion: Qlik’s strategic path forward

Qlik’s strong brand momentum, coupled with strategic acquisitions and customer-focused innovations, positions it as a formidable player in the data analytics space. Despite economic uncertainties, Qlik’s focus on complex data solutions and ongoing integration with Talend sets it on a path of continued growth and competitive distinction in the analytics market.

## Business Intelligence Challenger Honorable mentions

	<p><b>Opportunity:</b> IBM maintains a steady presence in the BI market, expected to hold its ground without challenging leadership.</p>	<p><b>Risk:</b> Its consistent position could lead to stagnation, lacking the dynamic push needed for market leadership.</p>
	<p><b>Opportunity:</b> Domo, with strong product and innovation, is on the verge of significant market impact.</p>	<p><b>Risk:</b> Despite its potential, Domo risks peaking early and needs to differentiate its brand narrative to compete with stronger players like Qlik.</p>
	<p><b>Opportunity:</b> AWS is rapidly evolving as a BI contender, significantly enhancing its BI capabilities on its servers.</p>	<p><b>Risk:</b> The challenge lies in maintaining momentum and innovating in ways that redefine BI tool deployment and usage.</p>
	<p><b>Opportunity:</b> Google's size grants it a notable presence in BI, with potential growth through Google Workspace and Google Cloud.</p>	<p><b>Risk:</b> The need for more focused BI differentiation is crucial, as Google's current standing in BI benefits mainly from its success in other verticals.</p>
	<p><b>Opportunity:</b> MicroStrategy shows strong potential, earning high scores from those recognizing it as a challenger.</p>	<p><b>Risk:</b> The positive perceptions are not proportionately translating into actual buying intent for the foreseeable future.</p>
	<p><b>Opportunity:</b> Sisense is gaining traction within its niche, driven by customer experience and value.</p>	<p><b>Risk:</b> Low brand and marketing scores could limit its growth and broader market relevance.</p>
	<p><b>Opportunity:</b> Zoho is making notable strides by expanding beyond CRM and marketing automation to offer complementary BI tools.</p>	<p><b>Risk:</b> To significantly improve its market position, Zoho must enhance its brand score to boost overall momentum.</p>



**Category re-definers**  
Long term will win share: the brand and market demand are in sync; brand is supporting purchase intent.

**Brand coasters**  
Long term has permission to correct for shortfalls in drivers of category demand: the brand has a positive reputation but declining share of future demand.

**Brand impaired**  
Long term will lose share: brand is declining in reputation and company is increasingly declining in growth and retention.

**Brand laggards**  
Long term will miss out on maximum potential share: the brand is not effective at conveying the competitive advantages that meet future demand.

**Incumbent**  
**Challenger**  
**Honorable Mentions**



# Category: Customer Relationship Management



# Customer Relationship Management: A forward-looking analysis

## A convergence of technologies

The customer relationship management (CRM) industry is experiencing a pivotal transformation, shaped by the convergence of analytics, automation and data management. This evolution extends beyond traditional sales and marketing functions, encompassing comprehensive customer experience management. Emerging technologies are not just add-ons, but are becoming integral—redefining CRM's role in business strategy.

## Adapting to evolving dynamics

Salesforce, Adobe and Oracle represent the incumbent powerhouses in the CRM landscape. Salesforce leads with a robust B2B ecosystem, while Adobe struggles to maintain its leadership post-Marketo acquisition. Oracle's CRM, part of the broader NetSuite OneWorld, faces challenges in retaining its top-tier status. These incumbents are navigating a complex market, balancing expansion with the need to innovate and remain relevant. Their strategies indicate a shift toward more integrated and comprehensive enterprise solutions, reflecting a broader trend in the industry.

## Disrupting the status quo

Challengers such as Microsoft Dynamics 365 and HubSpot are reshaping the CRM market. Dynamics 365, with its significant revenue growth and integration within Microsoft's ecosystem, presents itself as a formidable competitor, especially in medium to large enterprise segments. HubSpot, with its strong brand momentum and focus on inbound marketing, appeals to a different market segment, emphasizing customer service and value for money. These challengers are redefining market expectations, offering alternatives that contrast with the traditional approaches of incumbents.

## Competition and market trends

The CRM market is increasingly competitive, with brands vying for differentiation. The trend is moving toward offering comprehensive, integrated solutions that cater to diverse business needs. There's a shift happening from standalone CRM systems to platforms that offer a blend of CRM, enterprise resource planning (ERP) and analytics. This change is driven by the need for deeper customer insights and more streamlined, efficient business processes.

## Technology and product trends

The integration of AI and machine learning is becoming a standard expectation in CRM solutions. These technologies enable predictive analytics, automated customer interactions and more personalized customer experiences. Cloud-based solutions continue to dominate, offering scalability and accessibility. There's also an increasing emphasis on mobile CRM solutions, reflecting the need for on-the-go access to customer data and analytics.

## Brand perception and momentum

Brand perception is playing a crucial role in the CRM market. Salesforce continues to enjoy strong brand recognition, but challengers like Microsoft Dynamics 365 and HubSpot are gaining ground. The market is noticing a shift in brand momentum, with smaller players like Agile CRM and Pipedrive making significant strides.

## Future outlook

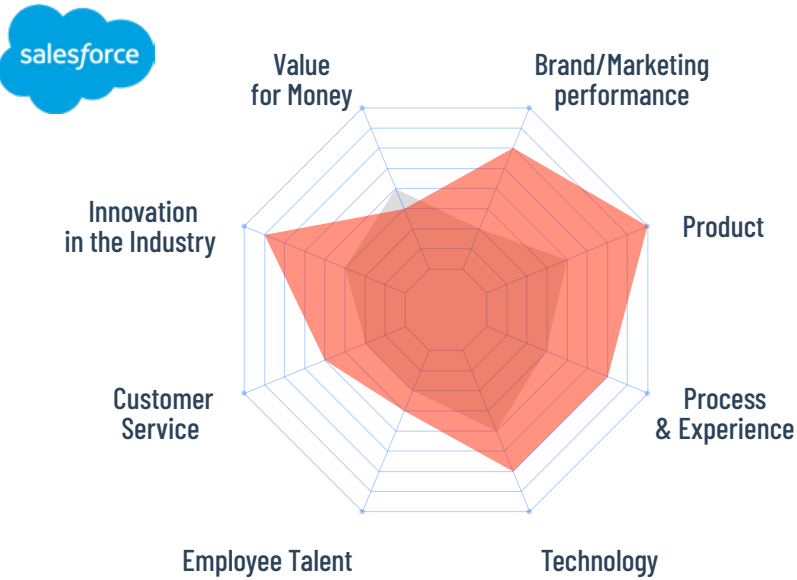
The future of the CRM industry seems poised for further convergence of CRM, analytics and automation technologies. The market is likely to witness more strategic acquisitions, most likely outside of traditional CRM, and partnerships as companies strive to offer more comprehensive and integrated solutions. The growing importance of data privacy and security will also shape CRM development, as businesses need to balance customer insights with regulatory compliance.

## CRM's transformative journey

As the CRM industry evolves, the lines between different business functions are blurring, leading to more integrated and sophisticated solutions. Incumbents and challengers alike are adapting to these changes, each bringing unique strengths to the table. The industry's future will likely be characterized by more personalized, data-driven customer experiences, powered by advanced technologies like AI and machine learning. Companies that can adapt to these changing dynamics, prioritize customer experience and leverage new technologies will likely emerge as leaders in the transformed CRM landscape.



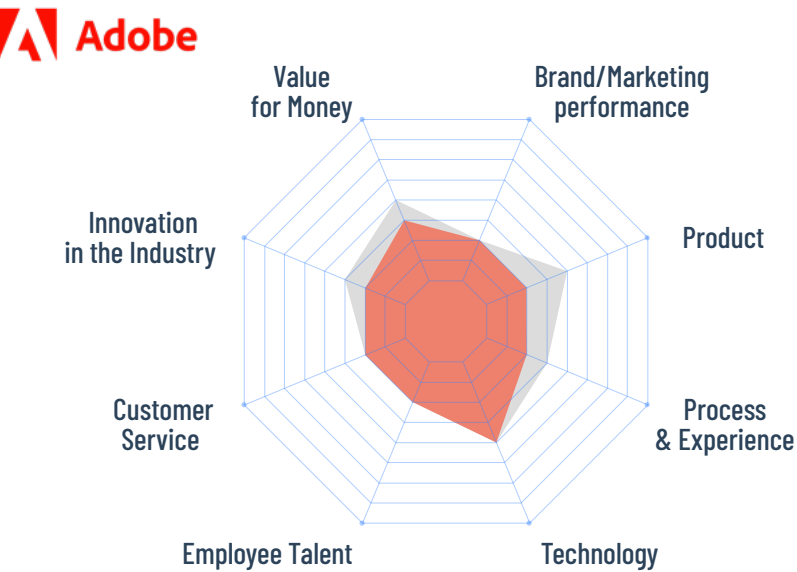
# CRM: incumbents leading the category



## Salesforce: Expanding B2B ecosystem leader

Salesforce, still a dominant force in the CRM sector, leads the category with unparalleled strength. Its deep organizational entrenchment allows Salesforce to efficiently cross-sell and scale acquisitions across various product categories, transforming it into a comprehensive B2B ecosystem. While Salesforce remains a top player, it strategically focuses on larger clients, leaving smaller market segments open to competitors. This approach solidifies Salesforce as more than just a platform—it's evolving into a critical enterprise business platform akin to Azure or AWS.

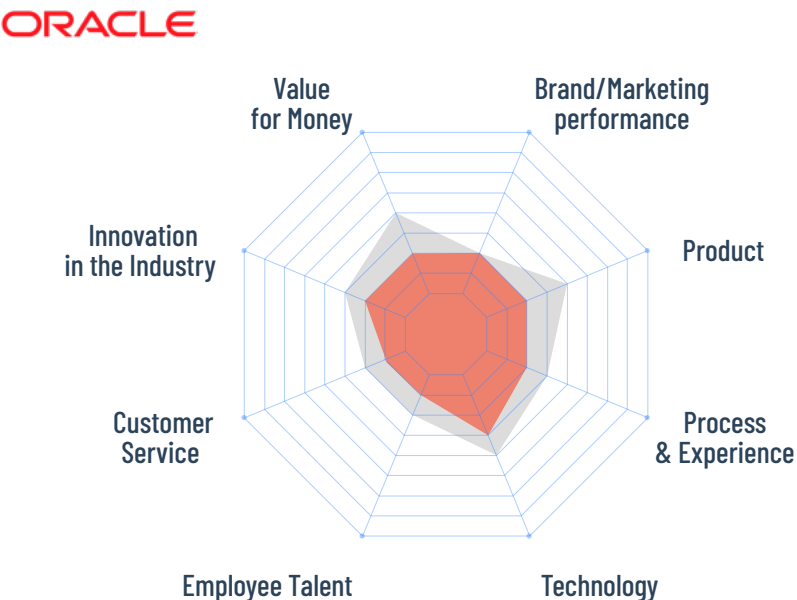
TTM Total Revenue	\$33.07B (+12.79% YoY)
Market Cap	\$218.72B (+42.63% YoY)
Target Price	255.00
Entity Type	Public
Employee Size	79,390
HQ	San Francisco, CA, USA



## Adobe: CRM leadership position wanes

Adobe, an incumbent in both the CRM and marketing automation sectors, is facing potential challenges. After the acquisition of Marketo (a former challenger brand), Adobe's position appears to be waning in terms of future purchase intent. While it's unlikely to be completely dethroned, current data suggests a decline in its market share, potentially placing it outside the top three for future CRM purchases. This shift highlights the evolving competitive landscape and the need for Adobe to bolster its strategy in these areas.

TTM Total Revenue	\$18.89B (+9.86% YoY)
Market Cap	\$281.95B (+81.42% YoY)
Target Price	625.00
Entity Type	Public
Employee Size	29,239
HQ	San Jose, CA, USA



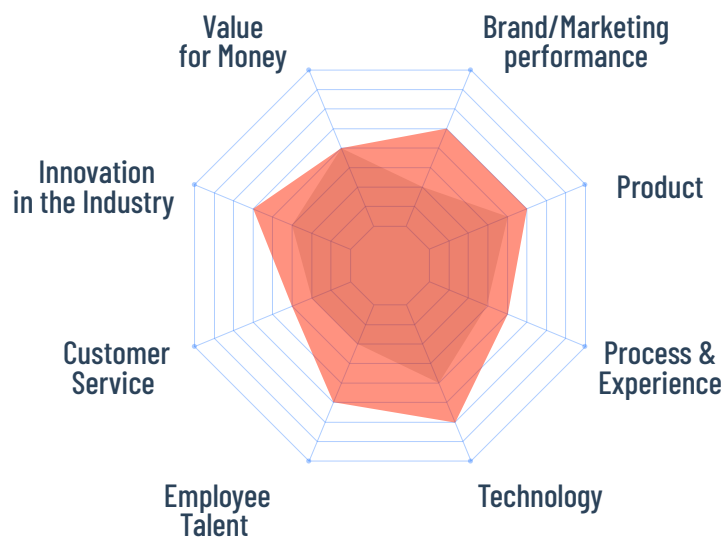
## Oracle: Top CRM status threatened

Oracle NetSuite, while still an incumbent leader in CRM, faces the risk of losing its top-tier status. With over a quarter of respondents anticipating its fall from the top three by market share, Oracle's CRM capabilities are considered basic and lacking standout features. While the broader functionalities of Oracle NetSuite OneWorld compensate for the CRM's mediocrity, this balancing act may not be enough to maintain its incumbent position in the fiercely competitive CRM market.

TTM Total Revenue	\$50.96B (+15.41% YoY)
Market Cap	\$319.06B (+43.06% YoY)
Target Price	135.00
Entity Type	Public
Employee Size	210,322
HQ	Austin, TX, USA



# CRM Challenger Profile: Microsoft Dynamics 365



## Summary:

Founded in 1975, Microsoft is one of the largest and most recognizable brands in the world across all industries. Best known for its operating systems and productivity suite, for both personal and business use, Microsoft occupies a strong position in many enterprise software niches—including database management.

TTM Total Revenue	\$218.31B (+7.5% YoY)
Market Cap	\$2.81Tn (+52.52% YoY)
Target Price	413.00
Entity Type	Public
Employee Size	221,000
HQ	Redmond, WA, USA

## Emerging powerhouse in CRM

### Rapid growth and integration synergy

Microsoft Dynamics 365, a crucial component of Microsoft’s portfolio, has recently surpassed \$5B in revenue. This distinct entity within Microsoft, evolving since its 2003 inception from iCommunicate. NET, now challenges CRM leaders like Adobe and Oracle based on purchase intent. Its growth, mirroring Azure’s independent operational model, demonstrates Dynamics 365’s potential to reshape the CRM landscape.

### Comprehensive evolution from Dynamics CRM to 365

The transformation from Dynamics CRM to Dynamics 365 in 2016 marked a strategic shift in Microsoft’s approach to CRM. It integrated CRM and ERP applications, catering to a diverse range of business needs. This shift from a standalone CRM to a comprehensive, integrated business solution aligns with evolving market trends, positioning Dynamics 365 as a significant player in the CRM space.

### Competition and differentiation

In the competitive CRM market, Dynamics 365 positions itself as a formidable rival to Salesforce. While Salesforce is renowned for its extensive customization and user-friendly interface, Dynamics 365 distinguishes itself with seamless integration into Microsoft’s ecosystem, appealing to mid-sized and large enterprises already using Microsoft products. This strategic differentiation highlights the varied business needs in CRM solutions.

### Integration within Microsoft’s ecosystem

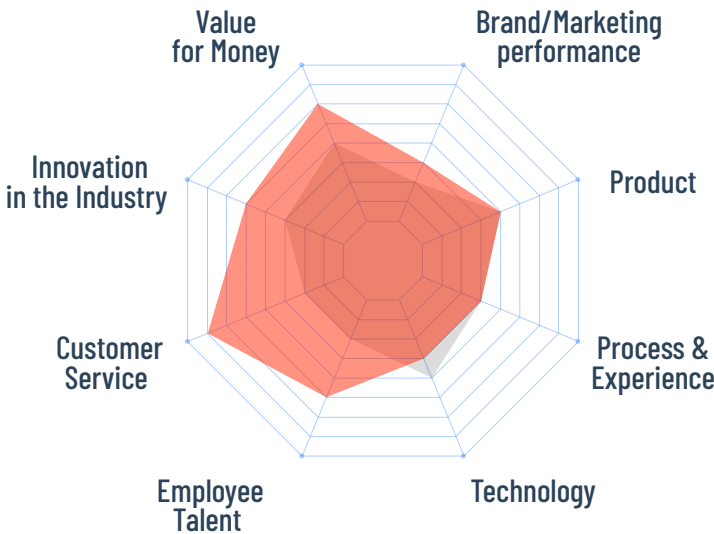
Dynamics 365’s deep integration with Microsoft’s suite, including Outlook and Power BI, offers unique benefits, especially for users familiar with Microsoft’s ecosystem. Its modular design and cloud accessibility are advantageous, though its complexity may pose challenges for SMBs.

### Future trajectory and market positioning

Dynamics 365’s evolution reflects Microsoft’s responsiveness to market demands and technological trends. Its comprehensive features for sales, customer service and analytics, combined with a familiar interface, enhance its appeal. Dynamics 365’s trajectory suggests continued growth and potential to unseat an established CRM player.

### Conclusion: Microsoft’s strategic CRM vision

Microsoft Dynamics 365’s strategic growth and integration within Microsoft’s broader ecosystem position it as a rapidly emerging contender in the CRM market. With its legacy of innovation and independent operation, Dynamics 365 is uniquely positioned to potentially redefine CRM, offering integrated, user-centric solutions.



Summary:

Founded in 2006 and public since 2014, HubSpot is a developer and distributor of enterprise and personal marketing, sales and CRM platforms, along with other software. HubSpot’s workforce includes over 7,100 employees across 11 global offices that serve its 184,000+ strong customer base in over 120 countries.

TTM Total Revenue	\$2.06B (+26.21% YoY)
Market Cap	\$23.42B (+66.18% YoY)
Target Price	550.00
Entity Type	Public
Employee Size	7,136
HQ	Cambridge, MA, USA

Progressive CRM marketer

HubSpot’s enduring challenge against legacy incumbents

HubSpot, recognized as a formidable challenger to established CRM giants, continues to make significant strides. With its strong brand momentum score, HubSpot has carved out a niche as a viable alternative to the larger incumbents. Despite its smaller size, it differentiates itself through exceptional customer service and superior value for money, appealing to a diverse range of users.

The rise from MIT to marketing prominence

Emerging from an innovative idea at MIT, HubSpot has transformed into a marketing powerhouse, boasting \$1.7B in revenue by 2022. Its inception marked the beginning of a journey that challenged traditional marketing norms with an inbound marketing strategy. Initially tailored for small businesses, HubSpot expanded its offerings to larger enterprises, incorporating tools like SEO and social media engagement. This expansion, coupled with significant achievements and venture capital, underscored its revolutionary impact on marketing and customer service.

Innovative growth in the SaaS market

HubSpot’s success in the SMB SaaS market is driven by its robust online marketing and inbound marketing prowess. Using multiple websites like HubSpot.com and Inbound.org, their strategy hinges on organic search and targeted paid ads, offering diverse lead generation incentives. Their product range, from CRM to AI solutions, demonstrates a comprehensive approach to inbound marketing, fostering significant growth and community engagement.

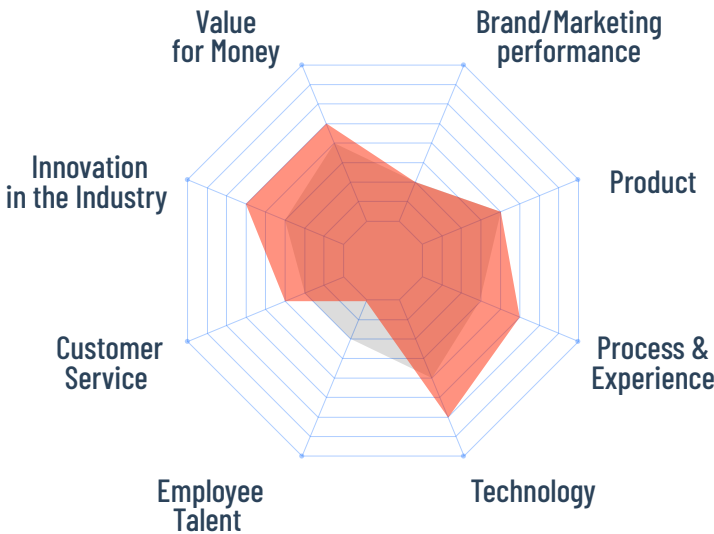
Mastering content marketing

HubSpot’s expertise in content marketing has made it a dominant force in SaaS marketing. Their diverse content strategy, spanning blogs, newsletters and social media, targets various audience segments with educational and value-driven materials. As thought leaders, they employ content repurposing and regular updates, maintaining relevance and authority in the field. This approach has cemented HubSpot’s status as a trusted source in content marketing.

Conclusion: HubSpot’s strategic vision in CRM

HubSpot, through its targeted growth strategies and innovative content marketing, has successfully established itself as a leader in the CRM space. With a distinct brand identity and a focus on user-friendly, value-driven solutions, HubSpot continues to challenge established players, proving that a strong customer-centric approach and thought leadership can effectively reshape the CRM industry. Their commitment to adapting and evolving in response to market demands positions HubSpot not just as a challenger but as a visionary in CRM solutions.

# CRM Challenger Profile: Zoho



### Summary:

Zoho is a multinational information technology company founded in 1996 and dual-headquartered in India and the US. Among the 55 unique products it's launched since its inception are several widely-used enterprise management products and services, most notably the Zoho Office Suite. Zoho has over 100M active users worldwide.

TTM Total Revenue	\$1B+ (2023)
Market Cap	N/A
Target Price	N/A
Entity Type	Private
Employee Size	15,000
HQ	Chennai, India

## The diverse and independent CRM challenger

### Zoho's unique market position

Zoho, a scrappy multi-platform contender, uniquely intersects CRM, sales analytics and marketing automation, reflecting the growing convergence in these domains. Standing out as a significant SaaS player, Zoho garners strong brand opinion second only to Salesforce. This positive reception among users highlights its distinct approach in the market.

### Zoho's evolution and philosophy

Originally branded as AdventNet, a network management company founded in 1996, Zoho transformed into a diverse business software provider in 2009. Its success is deeply rooted in a people-first philosophy, promoting long-term staff retention and a democratized approach to product development. Staying debt-free and private, Zoho prioritizes long-term growth and innovation over immediate investor demands. This strategic autonomy allows constant reinvestment in product development, ensuring competitive pricing and continual improvement of its offerings.

### Challenges and size constraints

Despite its strong brand opinion, Zoho faces challenges due to its relatively smaller size compared to industry leaders. With limited resources compared to the market giants, Zoho's journey to the top will involve strategic maneuvering, stronger capitalization and leveraging its unique strengths.







### Customer perspectives on Zoho CRM

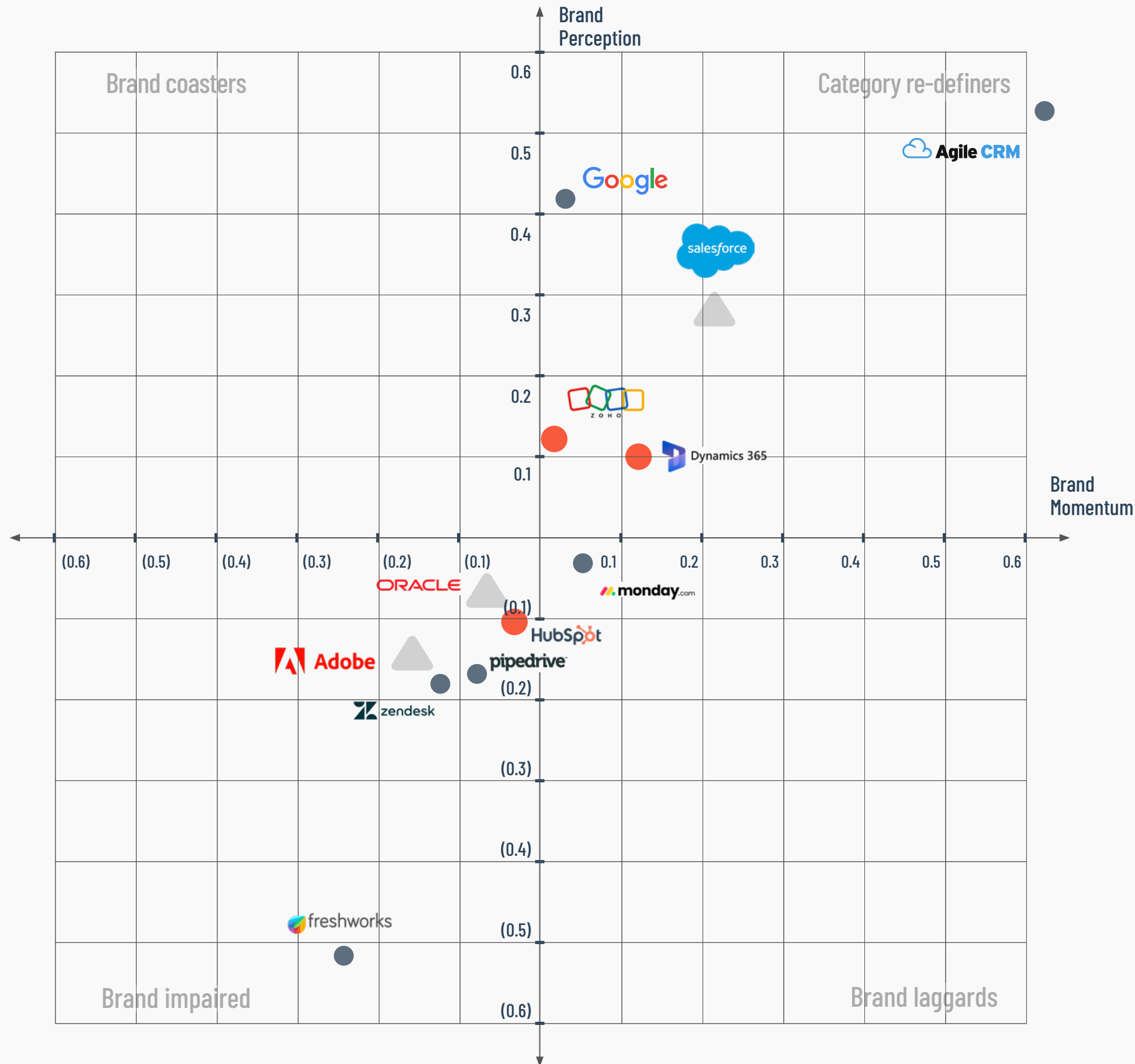
Zoho CRM has been well received, with strong ratings on TrustRadius and earning accolades in 2023 for its relationship management and feature set. However, customer opinions vary regarding its ease of use and third-party integrations, with some users finding challenges in setting up CRM integrations. It's worth noting that while most reviews of Zoho CRM are positive, many customers aren't satisfied with Zoho's customer support.

### Conclusion: Zoho's path forward

Zoho's journey as a leading CRM challenger brand is marked by its innovative and independent stance in a competitive market. Its commitment to affordable, diverse products and a people-centric approach sets it apart, promising sustained growth and enduring customer relationships. As it navigates challenges, Zoho's focus on long-term development and customer advocacy will be key to its continued success.

## CRM Challengers: Honorable mentions

	<p><b>Opportunity:</b> Agile CRM has the highest brand momentum score among CRM brands, appealing to small businesses with its free base platform. This strategy fosters customer loyalty and growth alongside these businesses.</p>	<p><b>Risk:</b> Agile CRM's lack of an enterprise offering and limited public awareness restrict its market impact.</p>
	<p><b>Opportunity:</b> Freshworks has the potential to consolidate its various "Fresh-XXX" product brands, enhancing its multi-product SaaS identity and gaining market traction.</p>	<p><b>Risk:</b> The challenge lies in distinguishing its product brands in a market dominated by larger master brands.</p>
	<p><b>Opportunity:</b> Google Workspace, while not a dedicated CRM, serves CRM functions for some companies, presenting an opportunity to expand its offerings for users of Google's suite of products.</p>	<p><b>Risk:</b> Google's focus on ad revenue overshadows organic usage growth, and its CRM capabilities are limited to integrations like Streak CRM.</p>
	<p><b>Opportunity:</b> With a strong brand momentum and above-average brand score, Monday.com is gaining recognition beyond its core offerings, potentially enhancing its CRM capabilities.</p>	<p><b>Risk:</b> To become a comprehensive multi-product platform, Monday.com needs to significantly improve its CRM features.</p>
	<p><b>Opportunity:</b> Pipedrive displays positive brand momentum but still trails behind industry leaders and challengers.</p>	<p><b>Risk:</b> Pipedrive risks remaining a niche brand unless it can find a way to differentiate itself significantly in the market.</p>
	<p><b>Opportunity:</b> Zendesk is carving out a niche with positive brand momentum scores, surpassing Adobe and Oracle in various aspects, indicating potential growth and market penetration.</p>	<p><b>Risk:</b> Despite the momentum, Zendesk is still perceived as having a weak brand, which could hinder its progress across the CRM market threshold.</p>



## Category re-definers

Long term will win share: the brand and market demand are in sync; brand is supporting purchase intent.

## Brand coasters

Long term has permission to correct for shortfalls in drivers of category demand: the brand has a positive reputation but declining share of future demand.

## Brand impaired

Long term will lose share: brand is declining in reputation and company is increasingly declining in growth and retention.

## Brand laggards

Long term will miss out on maximum potential share: the brand is not effective at conveying the competitive advantages that meet future demand.

**Incumbent**

## Challenger

## Honorable Mentions





# Category: Cybersecurity



## Cybersecurity: A forward-looking analysis

### The intricacies of brand longevity

Within the vast landscape of cybersecurity, the connection between brand resilience and its long-term importance stands pronounced. The Liquid x Avasta Challenger Index aspires to decode this intricate connection, unveiling predictions about brands that are not only poised to endure but also shape the sector in the subsequent 5–10 years. This perspective goes beyond common indicators such as sheer size or swift growth, providing deeper, more relevant insights.

### Cybersecurity's complex landscape

Cybersecurity is a vast and fragmented domain, spanning from legacy manufacturers like Cisco to software-centric and service-integrated giants like CrowdStrike. Of the 800+ distinct product and corporate brand names explored, only 54 unique cybersecurity brands were identified by 120 participants (organizational decision makers and power users). This sector, populated by thousands of companies, caters to a wide array of needs from broad to niche, emphasizing its intricate complexity and the myriad interpretations of what "cybersecurity" truly encompasses.

### The conundrum of brand portfolios

The cybersecurity sector is marred by convoluted brand portfolios, echoing a cacophony of acquired brands, ambiguously named offerings, and a palpable lack of precision in the christening of new products and features. This convolution exacerbates the crowdedness of the category, complicating brand recall for customers and muddying the decision-making waters.

### Valuation ambiguities and the reigning titans

Market valuation divergences are notable. Canalys pegs 2023's "pure-play" projection at USD 72B, in stark contrast to Gartner's estimate of USD 188B. Among incumbents, Cisco and Palo Alto Networks are likely to consolidate their leadership. However, Fortinet's footing appears less secure, with about 23% of respondents skeptical of its top-three standing in the coming decade. Brand comparisons reveal Fortinet lags, with scores 15–20% lower than stalwarts like Cisco and Palo Alto.

### Challenger brands: The rising contenders

Unlike sectors where there are distinct leading challengers, cybersecurity presents a decentralized brand landscape with multiple contenders. Instead of one or two unanimous brands set to challenge the established giants, there are about 10 brands all striving for the top challenger position. This diversity stems from the vast definitions of cybersecurity. Among these, brands like CrowdStrike, Trellix and Sophos have managed to establish a unique position. Notably, Sophos demonstrates exceptional potential, even surpassing some incumbents in brand momentum.

### Conspicuous absences and unsung prodigies

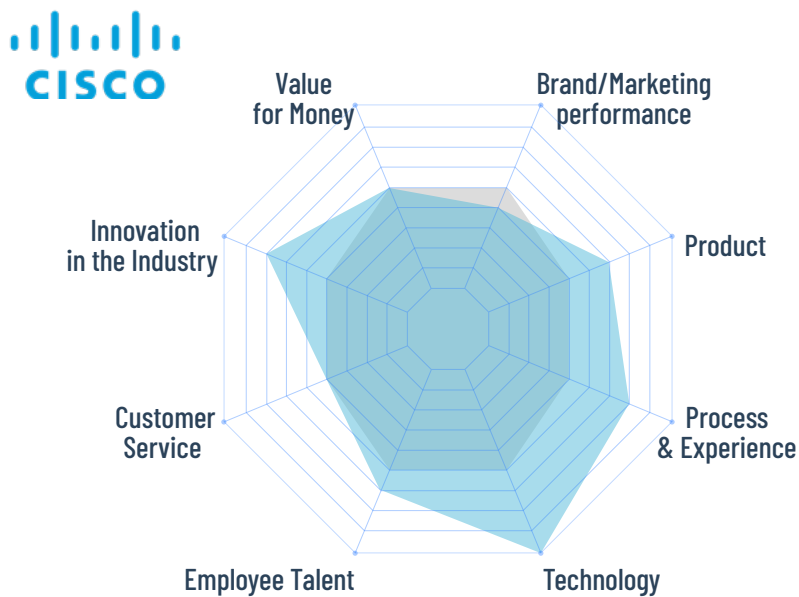
Despite the sprawling discourse, several influential brands remain conspicuously underrepresented. Microsoft Security, boasting a revenue surpassing \$20B, scarcely finds mention as a potent challenger. Similar tales resound for Juniper Networks, Kaspersky and Barracuda, with the latter entirely missing from mentions as a potential challenger brand in the coming decade.

### Brand strength: The beacon of future growth

Interlacing these threads, a clear pattern crystallizes: present-day brand strength serves as a reliable harbinger of future trajectories. Such brands, fortified by their present-day reputations, are well-poised for positive future evolutions, underscoring the core ethos of the Challenger Index.



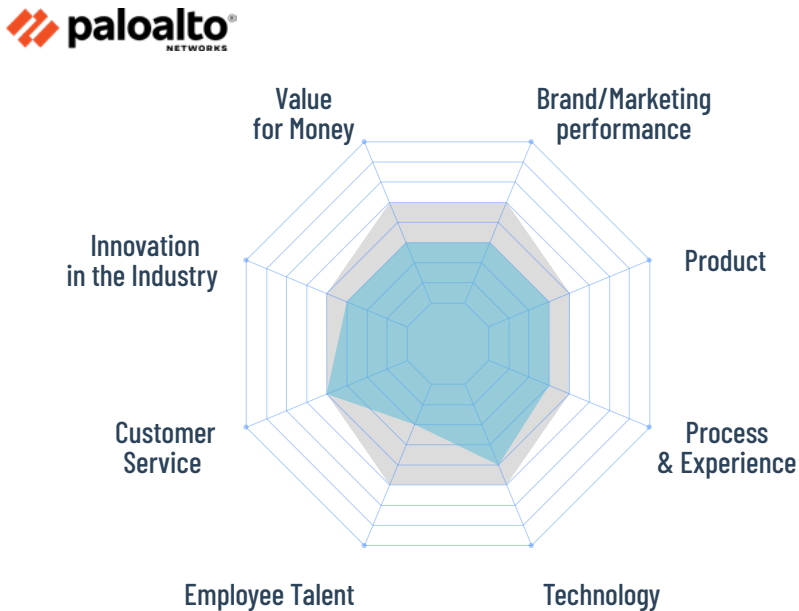
# Cybersecurity: incumbents leading the category



## Cisco: Leading cybersecurity through integration

Cisco Systems, a tech giant rooted in hardware, enjoys entrenched market presence. Its strategy of integrating security products with essential networking solutions fortifies its dominance against smaller competitors. Cisco's vast channel partner network enhances its market reach. Its strategic acquisition of Splunk could be transformational if it can fully repurpose Splunk's assets into a cybersecurity intelligence powerhouse. With its solid reputation and strong brand, Cisco is poised to sustain its cybersecurity leadership through strategic growth and acquisitions.

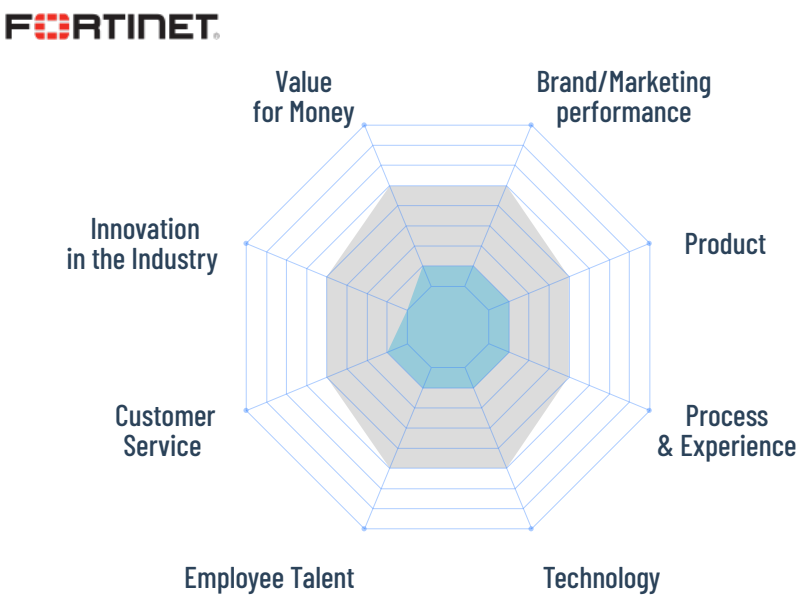
TTM Total Revenue	\$58.03B (+10.99% YoY)
Market Cap	\$194.76B (-2.05% YoY)
Target Price	54.00
Entity Type	Public
Employee Size	99,680
HQ	San Jose, CA, USA



## Palo Alto Networks: Adapting for future dominance

Palo Alto Networks, a top-two cybersecurity leader with Cisco, benefits from robust infrastructure-driven market entrenchment. Despite indications of its growth plateauing, its position remains secure near-term. However, facing a rapidly evolving landscape with gaps relative to Cisco and rising contenders, it's unclear if the company can maintain the same market share 5-10 years from now. Regardless, its commitment to AI, a platform-centric approach and real-time security innovation—coupled with a strategy focused on outcome-based partnerships—underscores its adaptability and commitment.

TTM Total Revenue	\$7.21B (+23.89% YoY)
Market Cap	\$84.84B (+62.42% YoY)
Target Price	280.50
Entity Type	Public
Employee Size	13,979
HQ	Santa Clara, CA, USA

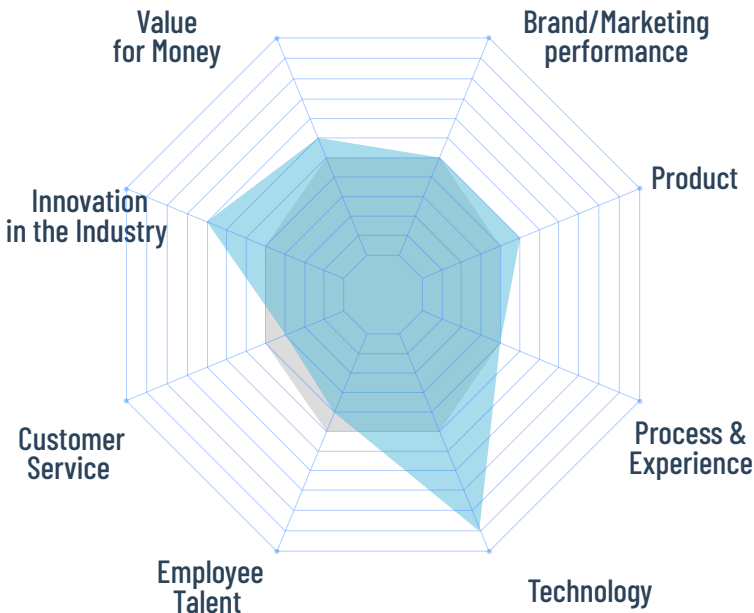


## Fortinet: Navigating a cloudy future

Fortinet, a prominent player in cybersecurity, currently ranks third in a competitive market. Acknowledged for strong financial performance, its current strategy might not secure its top-three position in the coming 5-10 years. Despite favorable customer feedback, Fortinet's market image lags, potentially hindering growth and jeopardizing its top-three status. Overcoming a weak overall cybersecurity brand perception is crucial to enhancing the company's prospects and momentum.

TTM Total Revenue	\$5.17B (+26.22% YoY)
Market Cap	\$41.27B (-0.16% YoY)
Target Price	55.06
Entity Type	Public
Employee Size	13,677
HQ	Sunnyvale, CA, USA

# Cybersecurity Challenger Profile: CrowdStrike



## Summary:

CrowdStrike is an information security company founded in 2011 and public as of 2019. Its primary offerings include solutions for threat intelligence, endpoint and anti-malware protections and incident response for SMBs and enterprises. CrowdStrike employs over 7,000 individuals and sits at over \$2B in revenue in 2023.

TTM Total Revenue	\$2.64B (+44.08% YoY)
Market Cap	\$50.16B (+53.47% YoY)
Target Price	200.00
Entity Type	Public
Employee Size	7,586
HQ	Sunnyvale, CA, USA

## A synthesis of brand mastery and financial prowess

### Foundational ethos drives market recognition

CrowdStrike's market prominence is rooted in an ethos of transparency and education, embodied by their assertive mantra, "We Stop Breaches." This stance, born from a track record of countering high-profile breaches like the DNC incident, underscores their broad protective reach and relentless innovation. CrowdStrike's dedication to these principles not only wins endorsements but is also reflected in their technology, which consistently outperforms competitors, validating the brand with superior product excellence

### Innovative aesthetics define brand identity

CrowdStrike's aesthetic choices, from its falcon symbol denoting vision and precision to gaming-inspired fictional adversaries and protectors, weave a compelling narrative of defense. Their brand fuses category tradition with modernity, creating a dynamic, multi-dimensional narrative in a crowded market.

### Financial milestones indicate growth potential

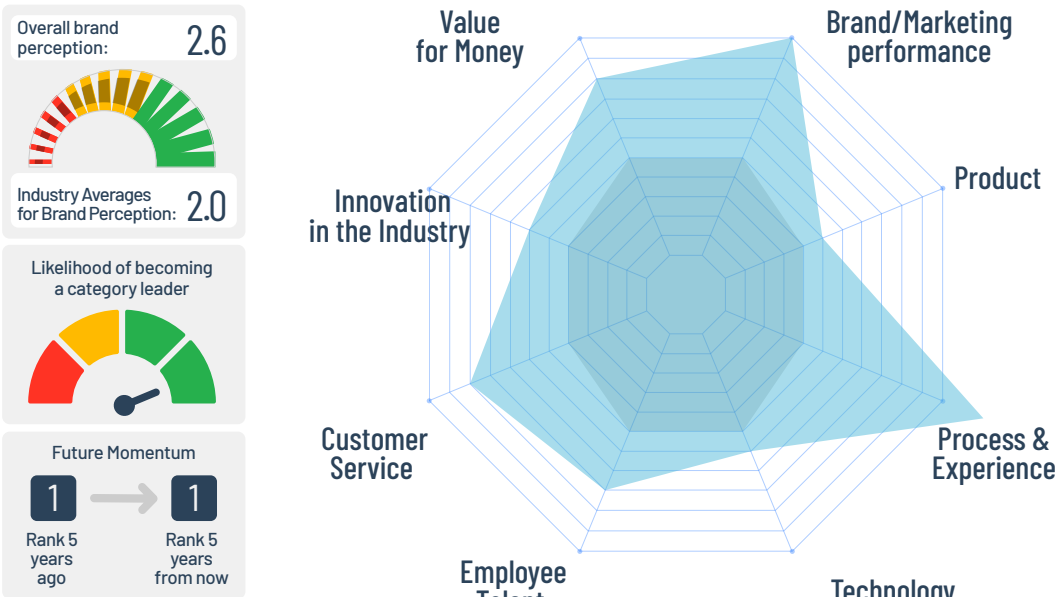
Within just five years, CrowdStrike's brand has made significant strides. Their 2021/2022 IPO, which saw the valuation doubling on day one, testifies to their meteoric rise. A threefold growth during the pandemic and a doubling of value post-IPO further underscore their market impact. Although profitability remains a goal, their positive cash flow and strategic reinvestments indicate a forward-thinking financial approach.

### Emerging as industry leaders

Positioned potentially to unseat established incumbents, CrowdStrike seems poised for capturing a significant industry growth share. The public markets' pronounced confidence in CrowdStrike, even exceeding some expert projections, hints at a company on the verge of defining industry standards.

In essence, CrowdStrike emerges as a cybersecurity brand that masterfully intertwines branding finesse with astute financial strategies, marking a trajectory toward significant industry leadership.

SOPHOS



**Summary:**

Originating in England, Sophos is an anti-virus and cybersecurity software company that was founded in 1985 and acquired by US-based private equity firm, Thoma Bravo, in February 2020. They serve over half a million organizations worldwide with technologies that include endpoint detection, network, email and cloud security.

TTM Total Revenue Est.	\$500M - \$1B (2023)
Entity Type	Private Company
Employee Size	4,519
HQ	Abingdon, United Kingdom

Crafting distinction in the cybersecurity realm

**Roots run deep**

Since its inception in 1985, Sophos has been navigating the crowded lanes of cybersecurity, blending rich heritage with a challenger-brand mindset. Despite operating in a competitive landscape, Sophos has distinguished itself by both its product suite and its principled approach to doing business. This reputation has been reinforced through over 50,000 partner relationships promoting, implementing and managing their products in the marketplace, amplifying the brand beyond its marketing.

**Beyond a name**

Sophos stands out in the crowded security marketplace with its vision of “Complete security without complexity.” This dedication to a holistic, accessible security strategy sets them apart from vendors offering piecemeal solutions. Sophos suite includes advanced anti-malware, sophisticated encryption, and a user-friendly integrated platform. Their commitment to simplicity is supported by their market-leading customer service.

**Trailblazing in MDR**

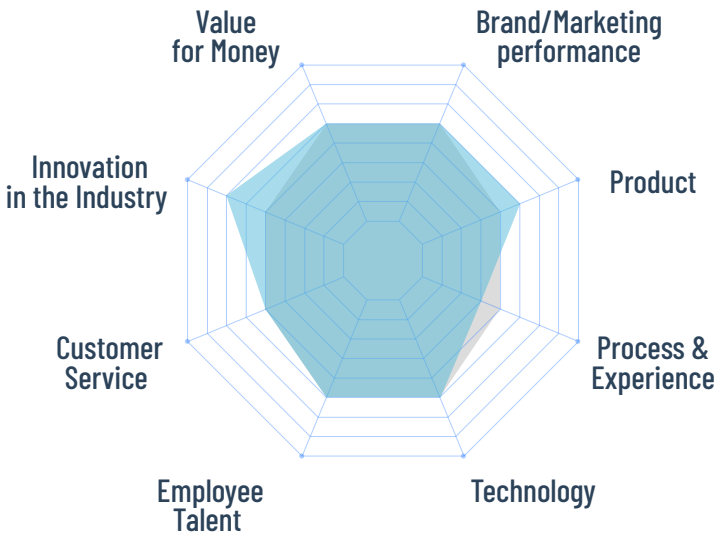
Sophos, despite its mid-tier market image, has showcased stellar growth in managed detection and response (MDR). Raking in over \$100M within three years, this segment embodies Sophos agility and resonance. CEO Kris Hagerman radiates confidence, emphasizing MDR’s transformative potential across diverse organizational scales.

**Navigating market tides and turbulence**

No ascent lacks challenges, as Sophos’ rise attests. The 2019 legal wrangle with Fortinet shines a spotlight on Sophos burgeoning industry footprint. The core issue—alleged talent acquisition—reflects deeper market dynamics. Sophos robust 23% YoY growth in UTM billings, eclipsing the industry norm and notably outshining Fortinet’s 12%, speaks volumes.

**Charting the future landscape**

With a legacy rich in achievements and an eye tuned to the evolving horizon of cybersecurity-as-a-service, Sophos stands poised for transformative leaps, it demonstrates that with adaptability, customer orientation and a lucid vision, profound growth and distinction await.



Summary:

Founded in 2022 as part of a merger between McAfee and FireEye, Trellix’s history in computer security dates back to 2004. Trellix’s mission of powering a resilient, thriving world is realized through its extended detection and response (XDR) platform. Today, Trellix serves over 40,000 customers, including 50% of the Fortune 500.

TTM Total Revenue Est.	\$1B+ (2022)
Entity Type	Private Company
Employee Size	5,000
HQ	San Jose, CA, USA

Cybersecurity rebirth through integration

Foundations and integration

Born from the merger of FireEye and McAfee Enterprise, Trellix emerges as a cybersecurity phoenix eager to eclipse the shadows of its tarnished pasts. With its name symbolizing growth and support—akin to a garden trellis—Trellix aims to usher in an era of dynamic, adaptive security solutions.

Branding and vision

Trellix’s discreet rebranding discards the reputational damage of both FireEye’s security breach and McAfee’s brand disavowal by its controversial founder. The new identity signifies a clean slate, reflected in the brand’s positive momentum score since its announcement in January 2022.

Strategic synergy

Combining significant legacies, Trellix benefits from shared business goals and technological synergies. Despite concerns of product overlap and relevancy, the merger seeks to streamline operations, align similar corporate cultures and foster innovative reinvention.

Market positioning

While still trailing behind industry challengers in brand score, Trellix shows promise with high future purchase intent, indicating that the combined entity is capitalizing on its ability to deliver customer value.

Innovation and customer focus

Trellix’s “living security” philosophy embodies a commitment to developing responsive technologies that learn and evolve, thereby offering advanced protection against contemporary threats.

Future outlook

Facing the challenge of harmonizing its offerings, Trellix aspires to resolve redundancies and redefine its market presence. The aim is not just to survive but to thrive, transforming two historically pivotal brands into a unified force in cybersecurity.

Comparative context—Sophos

Mirroring the focused vision and principled legacy of Sophos, Trellix strives to build a brand characterized by wisdom and innovation. Just as Sophos navigates industry complexities with a customer-centric approach and a unified security suite, Trellix envisions a streamlined and adaptive future, indicative of its resilient and transformative brand journey.

## Cybersecurity Challengers: Honorable mentions



**Opportunity:** With high brand momentum, Check Point Software reflects ongoing evolution and enduring impact over its 30-year history.

**Risk:** The firm faces differentiation challenges in a fragmented sector, underscored by low value-for-money perceptions among current and prospective customers.



**Opportunity:** Rapid7 exhibits robust scores across key metrics, establishing itself as a strong challenger brand with significant recognition.

**Risk:** Despite these strengths, the brand's capacity to contest market leaders appears restricted, suggesting a need for strategic expansion to diversify its competitive edge.



**Opportunity:** SonicWall's proponents rank it among the strongest challenger brands, evidenced by impressive study scores.

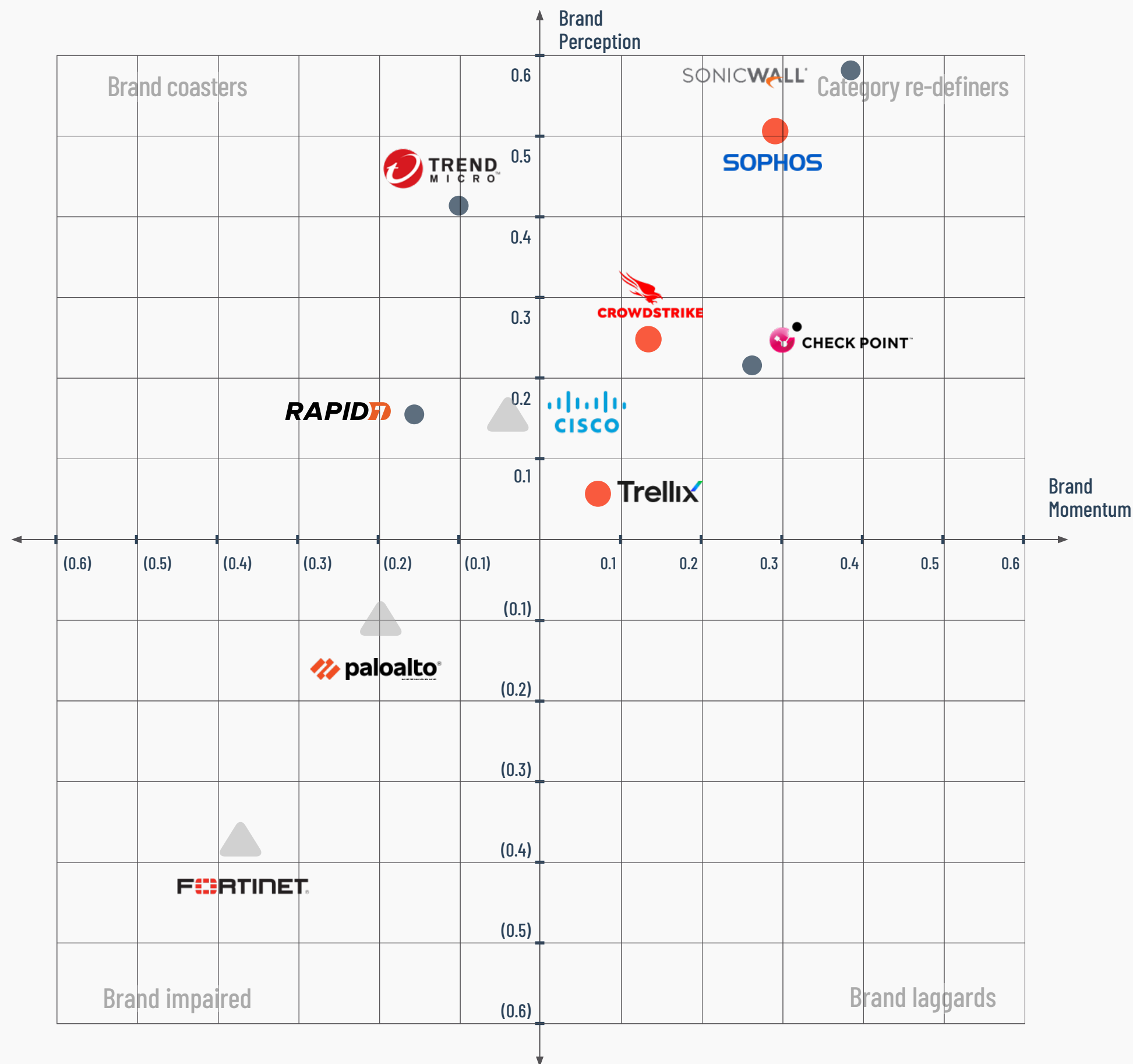
**Risk:** As a smaller niche provider, SonicWall's test is encouraging switches from established cybersecurity incumbents in a maturing market.



**Opportunity:** With a 35-year history, Trend Micro has the chance to revitalize itself in the market, riding high on innovation and value-for-money scores, poised to capitalize on its rebranding efforts.

**Risk:** The brand faces the challenge of diversifying its product range as the very definition of cybersecurity expands.





**Category re-definers**  
Long term will win share: the brand and market demand are in sync; brand is supporting purchase intent.

**Brand coasters**  
Long term has permission to correct for shortfalls in drivers of category demand: the brand has a positive reputation but declining share of future demand.

**Brand impaired**  
Long term will lose share: brand is declining in reputation and company is increasingly declining in growth and retention.

**Brand laggards**  
Long term will miss out on maximum potential share: the brand is not effective at conveying the competitive advantages that meet future demand.

Incumbent

Challenger

Honorable Mentions

▲

●

●





# Category: Database Management



# Database Management: A forward-looking analysis

## The dynamic database management landscape

The database management landscape is rapidly evolving, with established incumbents and agile challengers vying for dominance. This is not just a battle of technologies but also of strategic brand positioning and customer experience, which have become pivotal in the industry's growth. The industry is witnessing a shift from traditional models to more flexible, cloud-based solutions, with a clear focus on AI integration and data security.

## Adapting to changing tides

Microsoft, Oracle and SAP represent the traditional powerhouses of the database management sector. Microsoft's resilience is noteworthy, with its diversified portfolio and a holistic brand perception that transcends basic metrics. Oracle's legacy is being tested as it strives to realign with customer value, while SAP's challenge lies in staying relevant amid declining brand momentum and the shifting preferences of emerging enterprises.

## Disrupting the status quo

The challengers, led by AWS, Google Cloud and IBM, are reshaping the industry. AWS's dominance in cloud database management is marked by strategic acquisitions and a focus on user-friendly services, despite facing competition from new NoSQL databases. Google Cloud's commitment to innovation is evident in its offerings like AlloyDB AI and Cloud Spanner Data Boost, aiming to simplify complex database operations. IBM Cloud, with its secure and diverse offerings, is maneuvering through the market as a safe challenger, focusing on hybrid cloud solutions to regain lost ground.

## The future: Competition, innovation and brand dynamics

As the database management category advances, the competition intensifies, and innovation becomes a critical differentiator. Cloud computing and AI are primary drivers of change, and companies that can integrate these technologies into secure, user-friendly and brand-aligned offerings will lead the industry. The future will likely see a blend of consolidation and diversification. Incumbents will need to streamline their services and focus on cloud integration and customer flexibility. Challengers must continue to push the boundaries of innovation while solidifying their brand presence.

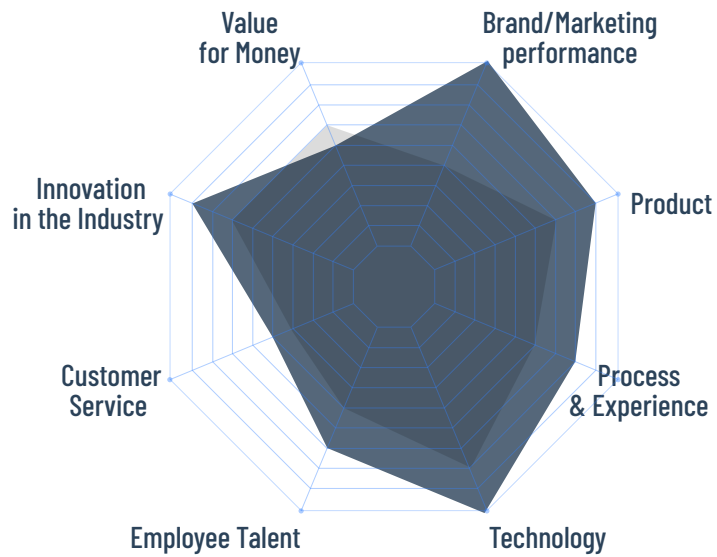
## Honorable mentions and the quest for differentiation

Emerging brands like MongoDB, Improvado, Quickbase, Salesforce and Teradata are carving out their niches. MongoDB's product value and brand momentum are notable, although brand recognition remains a challenge. Improvado's innovative approach to database management signals its potential, despite its low brand score. Quickbase is recovering from past perceptions, Salesforce is integrating database management into its broader ecosystem, and Teradata is attempting to pivot from its historical brand reputation.

## Shaping the database future

The database management sector is evolving rapidly, with incumbents adapting and challengers innovating, especially in cloud computing and AI. Success hinges on balancing advanced technology with strong, customer-centric branding. The future belongs to those who can merge these elements effectively in an increasingly competitive landscape.

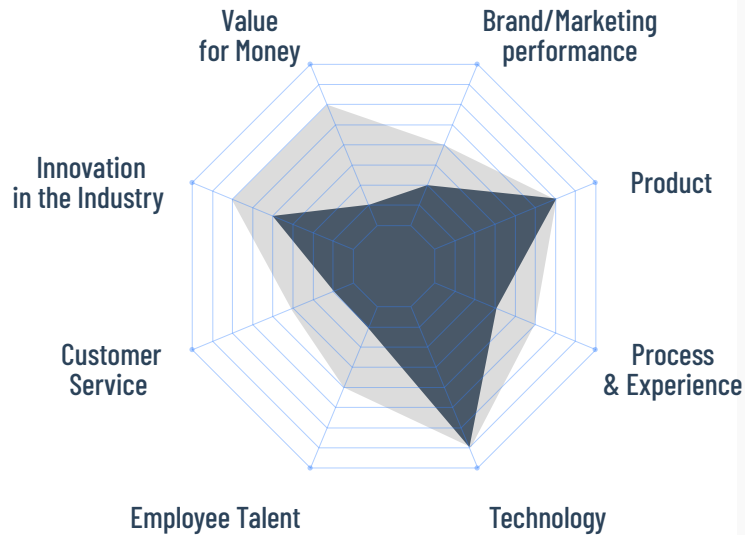
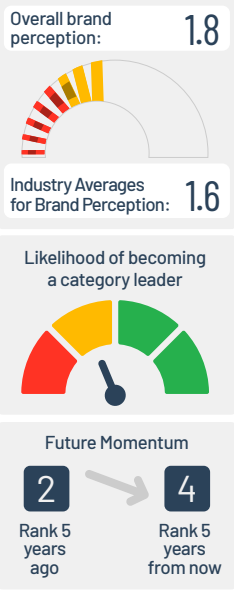
# Database Management: incumbents leading the category



## Microsoft: Resilience redefines market presence

Microsoft, surpassing Oracle, demonstrates remarkable resilience in database management despite having less market share. Its positive brand momentum—a rarity for incumbents—and a brand score exceeding individual metrics like talent, innovation and technology, underscore a uniquely crafted holistic perception. This standout performance is embodied in its DBMS products like Microsoft Access, SQL Server and Azure SQL Database, reflecting Microsoft’s comprehensive and innovative approach in the industry.

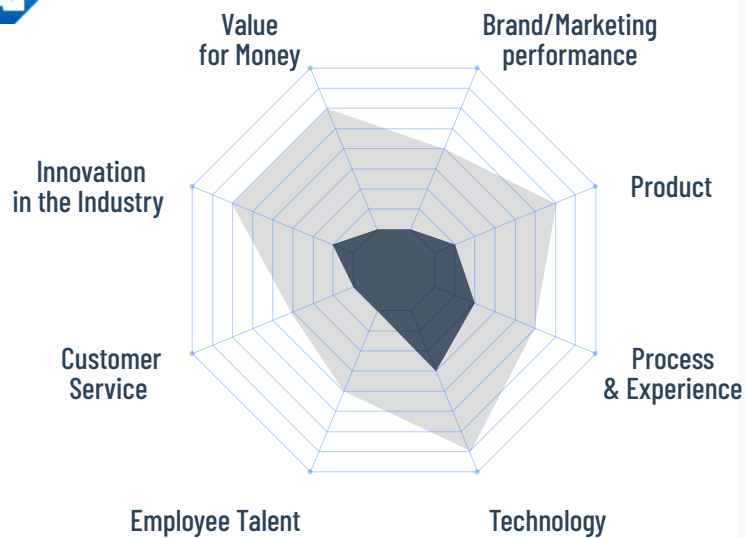
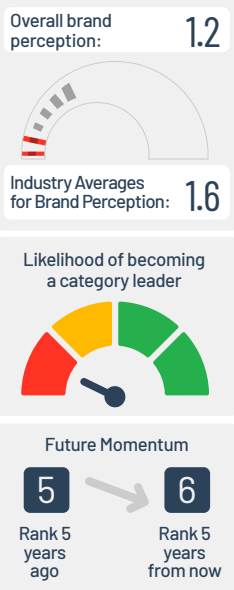
TTM Total Revenue	<b>\$218.31B</b> (+7.50% YoY)
Market Cap	<b>\$2.81Tn</b> (+52.52% YoY)
Target Price	<b>413.00</b>
Entity Type	<b>Public</b>
Employee Size	<b>221,000</b>
HQ	<b>Redmond, WA, USA</b>



## Oracle: Evolving legacy challenged

Despite a 40-year legacy, Oracle faces notable challenges, with three-quarters of respondents perceiving vulnerability to competition. Known for its multi-model Oracle Database, commonly used in diverse workloads, the company is transitioning to be more client-centric. Historically known for tough negotiations and complex vendor relations, Oracle is now realigning to create greater customer value, signaling an important shift in its market approach.

TTM Total Revenue	<b>\$50.96B</b> (+15.41% YoY)
Market Cap	<b>\$319.06B</b> (+43.06% YoY)
Target Price	<b>135.00</b>
Entity Type	<b>Public</b>
Employee Size	<b>210,322</b>
HQ	<b>Austin, TX, USA</b>

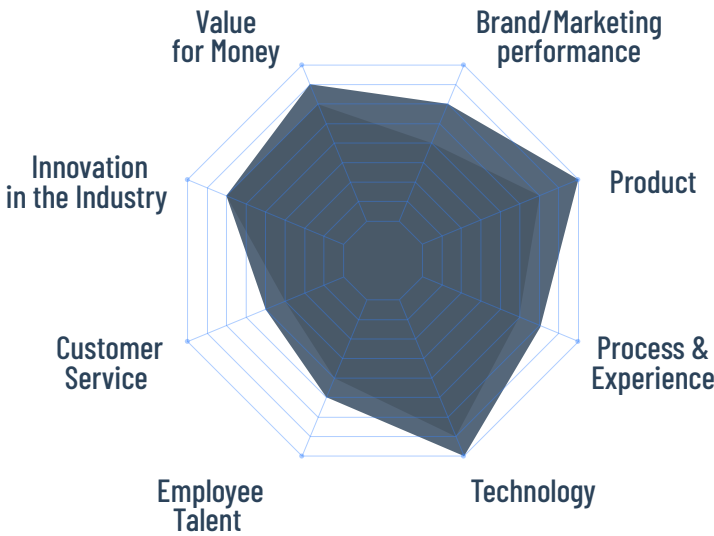


## SAP: Risk of dwindling relevance

SAP HANA faces a significant threat in database management, with one in four respondents predicting its exit from its position as one of the top three database management companies within five years. Despite its inherent market stickiness, SAP HANA’s poor brand momentum and low scores across key metrics indicate a pressing need for reinvention. Concerns are amplified as early-stage and growing companies are less likely to adopt SAP, signaling potential challenges in maintaining its competitive position.

TTM Total Revenue	<b>€34.31B</b> (+7.72% YoY)
Market Cap	<b>\$181.19B</b> (+40.40% YoY)
Target Price	<b>€145.00</b>
Entity Type	<b>Public</b>
Employee Size	<b>105,380</b>
HQ	<b>Walldorf, Germany</b>

# Database Management Challenger Profile: AWS



### Summary:

AWS is a web hosting and cloud computing subsidiary of Amazon. Launched in 2002, the brand supports millions of websites with server, computing, networking, storage and other forms of now AI-driven support. AWS accounted for \$80B in revenue in 2022 and is regularly among the most profitable segments of Amazon.

TTM Total Revenue Est.	\$92.7B (2023)
Entity Type	Public (Amazon)
Employee Size	135,893
HQ	Seattle, WA, USA

## Cloud computing’s dynamic challenger

### Dominating cloud database management

Amazon Web Services (AWS) has distinguished itself as a dynamic force in cloud database management, according to Gartner’s “Magic Quadrant” report. Dominating the sector with impressive revenue and a vast user base, AWS has consistently been a “leader” for eight years. This prominence signifies a maturing cloud DBMS space, driven predominantly by cloud platforms as a service.

### Revolutionizing IT infrastructure

Originating in 2003 to enhance Amazon’s internal IT, AWS transformed into a comprehensive cloud service by 2006. It revolutionized IT, shifting from cumbersome physical servers to scalable cloud solutions, thus allowing businesses to focus on core operations. AWS now supports major players like Netflix and Dropbox, offering over 200 services and showing significant annual growth.

### Strategic acquisitions and strengths

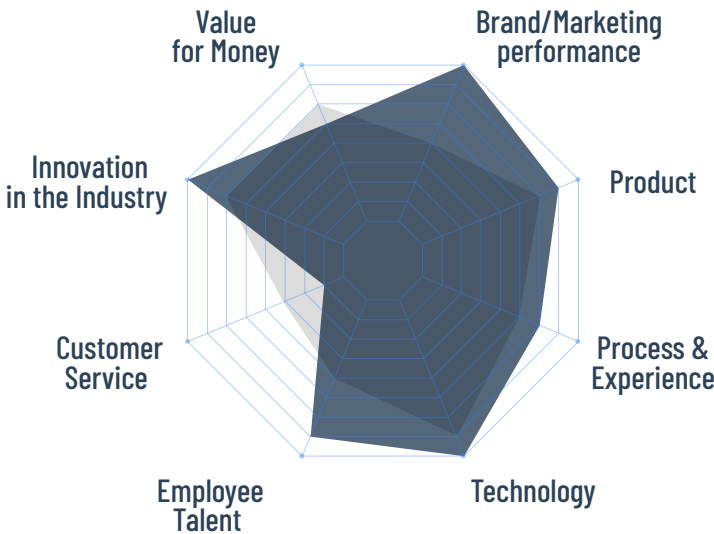
AWS’s ascent as a challenger is bolstered by strategic acquisitions and its computing prowess. Amazon RDS exemplifies AWS’s ease in managing complex databases with strong support and efficient backup systems. However, challenges like multi-zone setup costs and emerging NoSQL database competition present hurdles.

### Brand challenges

While AWS offers user-friendly database management, it faces issues like complex setup in certain scenarios and security concerns. It competes with rising NoSQL databases, making it a less favorable option for some users.

### Conclusion: AWS’s influential role in technology

In summary, AWS has established itself as a crucial provider in cloud computing through innovative services and a strategic brand evolution. Simplifying technological processes and focusing on customer-centric solutions, AWS stands as a visionary in the cloud computing arena. As the industry evolves, AWS’s dedication to innovation and adaptability positions it as a key player in the technological landscape, poised for continued impact and growth.



**Summary:**

Google is another of the largest and most recognizable brands in the world, irrespective of industry. Founded in 1998, the technology company is best known for its infamous search engine—and the ad revenue it generates. But Google’s Workspace also powers millions of businesses, including 60% of SMBs. It also provides a suite of AI-based enterprise software solutions, including chatbots and data analysis, which expands daily.

TTM Total Revenue	\$297.13B (+5.32% YoY)
Market Cap	\$1.72Tn (+36.00% YoY)
Target Price	153.00
Entity Type	Public (Alphabet)
Employee Size	181,798
HQ	Mountain View, CA, USA

Innovative cloud computing ascendancy

**Google Cloud’s competitive landscape**

Similar to AWS, Google Cloud is leveraging the heft of its cloud computing and overall Google name to put up a strong challenge to incumbents. Google has some of the better innovation scores in our study but is impaired by less-than-ideal customer service, a challenge it shares with SAP HANA and Oracle.

**Google Cloud’s database innovations**

Google Cloud is enhancing its database services with user-centric features. Recent innovations such as AlloyDB AI and Duet AI have been introduced to improve database management and AI-driven development. Additionally, Cloud Spanner Data Boost, which merges transactional and analytical data processes, showcases Google Cloud’s commitment to innovative and integrated solutions.

**Google Cloud Platform’s broadening horizon**

Since its inception in 2008, Google Cloud Platform (GCP) has expanded from a simple web application framework to a multifaceted cloud services provider. Initially supporting Python web applications through App Engine, it now encompasses a broad spectrum of offerings, including cloud storage, data analytics and machine learning tools. Continuous improvements, such as support for Kubernetes and Docker, and the addition of machine learning APIs, demonstrate GCP’s focus on progressive and accessible cloud technologies. User reviews often praise its user-friendly nature, though some cite complexities in setup and customer support.

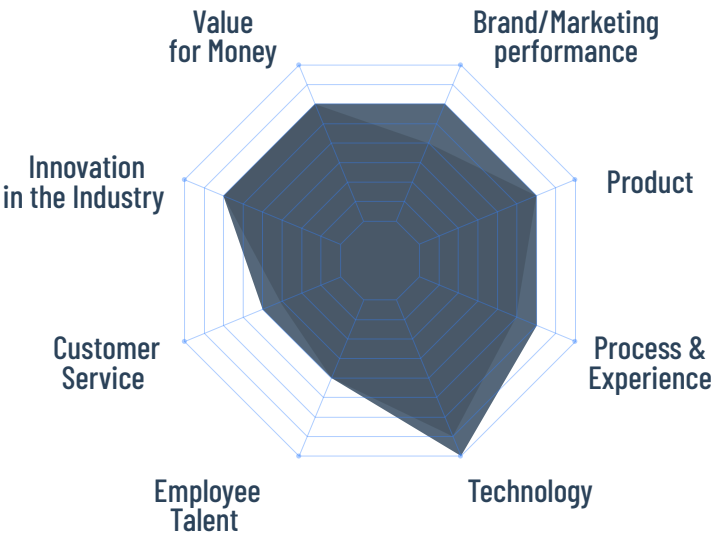
**Brand identity: Logo and evolution**

Google Cloud’s branding is consistent with the Google corporate identity system, with its logo representing its cloud services’ dynamic and versatile nature. The logo has transitioned from a more intricate design to a modern, minimalist emblem, mirroring Google Cloud’s growth and prominence in cloud computing.

**Conclusion: Google Cloud’s steady ascent**

Despite customer service challenges, Google Cloud’s solid platform, continuous innovation in database services and strategic evolution of its products affirm its strong position in the cloud computing industry. Its unwavering commitment to technological advancement and a robust brand identity cements Google Cloud’s status as a robust industry challenger.





Summary:

IBM is one of the largest companies in the world, sporting over \$60B in revenue and over 288,000 employees. It’s also one of the oldest technology companies, founded in 1911. Today, IBM is best known for its hardware and software products, but its reach and influence across B2C and B2B industries are tremendous. Over 95% of Fortune 500 companies rely on IBM or one of its many subsidiaries to handle their information.

TTM Total Revenue	\$61.17B (+1.05% YoY)
Market Cap	\$142.05B (+5.90% YoY)
Target Price	144.5
Entity Type	Public
Employee Size	311,300
HQ	Armonk, NY, USA

A safe challenger in the cloud database arena

IBM’s default challenger status

IBM Cloud, recognized as a challenger in the cloud database domain, may owe its challenger position due to the fact that its brand is not as impaired as Oracle and SAP HANA. This perceived safety could be IBM’s strength, providing a platform to potentially overtake these incumbents. However, IBM must be wary, as its peak status could be threatened by agile, next-generation companies rising in the market.

Secure, diverse cloud database offerings

IBM’s managed cloud databases come fortified with IBM Cloud Security, ensuring robust protection for data, both in transit and at rest. With a broad spectrum of support for various data forms—structured to unstructured, SQL to NoSQL, and beyond—IBM Cloud stands out for its versatility and integration capabilities.

IBM Cloud’s strategic pivot

IBM Cloud’s reported failure in 2021 is a tale of strategic blunders and missed opportunities. Caught between catering to existing customers’ bespoke needs and adapting to the burgeoning cloud market, IBM lost critical ground to competitors. IBM’s acquisition of SoftLayer lacked the vision to compete with giants like AWS, and internal conflicts further eroded its position. IBM pivoted toward hybrid cloud via Red Hat, a move designed to salvage relevance.

Consistent brand identity and ethos

IBM Cloud’s brand identity is meticulously crafted, aligning with IBM’s overarching design philosophy that emphasizes user guidance and emotional resonance. As a hero brand, IBM Cloud embodies a design that’s both intelligent and integrative, supporting the master brand narrative.

Conclusion: IBM Cloud’s strategic trajectory

IBM’s current trajectory in the cloud market is characterized by its solid reputation and innovative security offerings. While it navigates the challenges of remaining relevant in a field of nimble competitors, IBM Cloud’s focus on hybrid solutions and customer-centric services positions it for potential growth. Its prudent financial management and strong brand identity further fortify IBM’s status in the competitive cloud landscape.



## Database Management Challengers: Honorable mentions



**Opportunity:** MongoDB is gaining traction with impressive product value and strong brand momentum. It's carving out a compelling niche against both incumbents and larger tech giants.

**Risk:** Subpar brand recognition may hinder MongoDB's progress.



**Opportunity:** Improvado is garnering a potential cult following with its innovative approach, especially in next-generation database management, making it a company to watch.

**Risk:** The lowest brand score among peers could jeopardize its positive momentum.



**Opportunity:** Quickbase is reversing past negative perceptions, though it's not yet poised to challenge industry leaders.

**Risk:** A weak brand score must improve for Quickbase to sustain its momentum.



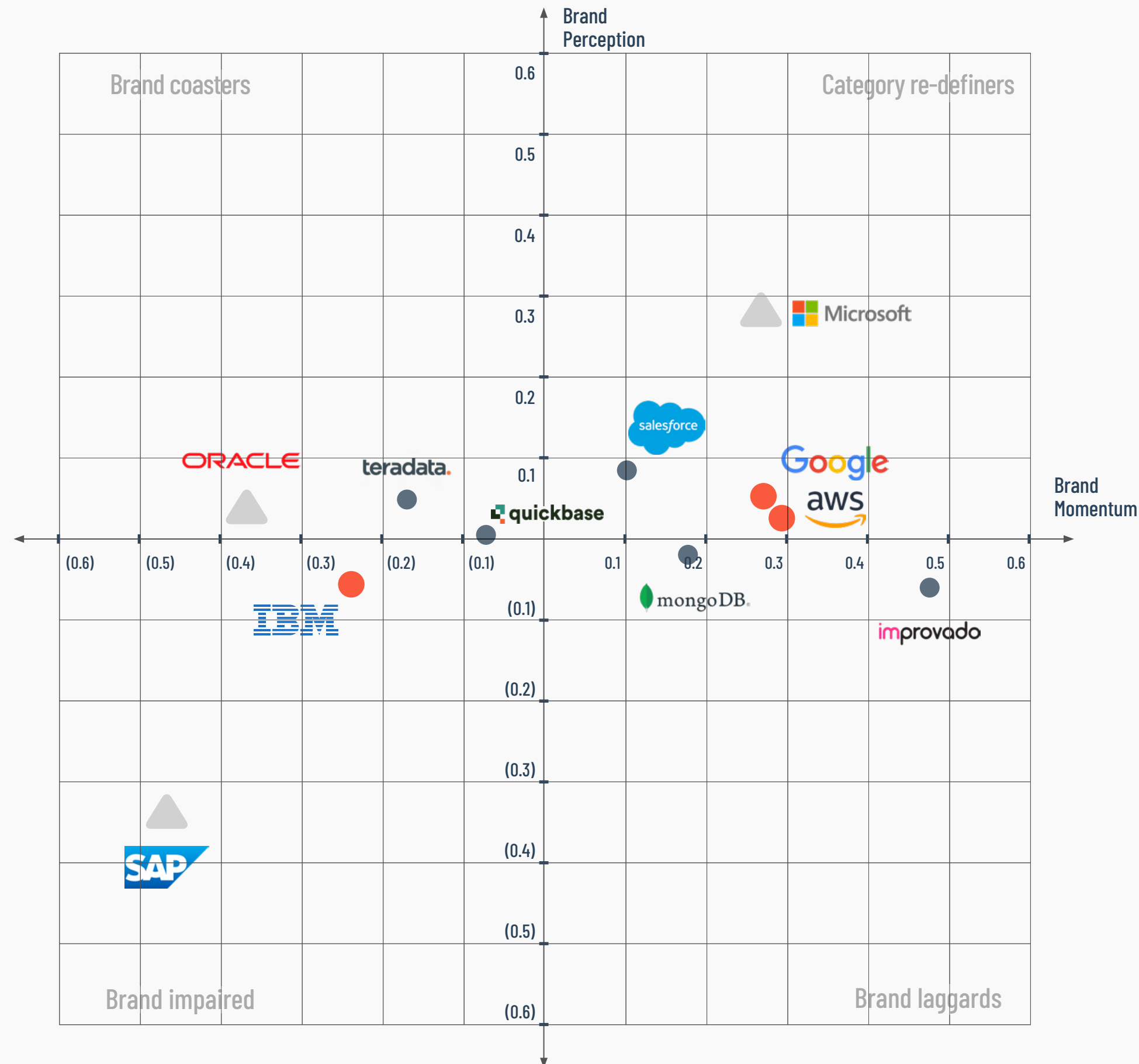
**Opportunity:** Salesforce is leveraging its ecosystem to integrate database management, potentially increasing its market share against incumbents.

**Risk:** Despite strong overall brand scores, Salesforce's database segment underperforms, reflecting a need for more focus.



**Opportunity:** Teradata is making a comeback, with a chance to pivot from irrelevance to leadership by boosting its innovation reputation.

**Risk:** The challenge lies in overcoming a historically weak brand reputation.



## Category re-definers

Long term will win share: the brand and market demand are in sync; brand is supporting purchase intent.

## Brand coasters

Long term has permission to correct for shortfalls in drivers of category demand: the brand has a positive reputation but declining share of future demand.

## Brand impaired

Long term will lose share: brand is declining in reputation and company is increasingly declining in growth and retention.

## Brand laggards

Long term will miss out on maximum potential share: the brand is not effective at conveying the competitive advantages that meet future demand.

Incumbent

Challenger

Honorable Mentions





# Category: Marketing Automation

# Marketing Automation: A forward-looking analysis

## CRM integration and expanding horizons

Marketing automation, traditionally a separate domain, is now increasingly integrated with Customer Relationship Management (CRM), creating a dynamic ecosystem. This convergence reshapes marketing strategies, transforming how businesses interact with customers across various channels. This trend is not just about automating marketing tasks but also redefining how businesses interact with their customers across various channels. It is also one of the most invested-in categories through M&A, with Salesforce and Oracle acquiring and scaling Pardot and Eloqua, respectively.

## Navigating market shifts and challenges

Adobe, Intuit Mailchimp and HubSpot, as incumbent leaders, confront rapidly changing market dynamics. Adobe juggles maintaining its market share with Adobe Experience Cloud and Marketo Engage. Intuit Mailchimp, an early market entrant prior to its acquisition by Intuit, faces challenges in innovation and brand performance. Meanwhile, HubSpot is threatened by more agile competitors. These incumbents share the common challenge of needing to continuously innovate and adapt their strategies. As the industry shifts towards more integrated and customer-centric solutions, these established players must evolve their offerings to meet new market demands and maintain their leadership positions.

## Poised to disrupt the established order

ActiveCampaign and Keap are disrupting the traditional marketing automation landscape. With innovative product strategies and a strong focus on niche markets, these challengers are compelling incumbents to adapt and prioritize agility and customer responsiveness. They exemplify a broader trend among challengers: leveraging technological advancements and targeted marketing solutions to carve out unique spaces in the market. These challengers are also redefining customer engagement. By focusing on user-friendly interfaces, seamless integration of tools and personalized marketing solutions, they are raising the bar for customer experience. This trend signifies a shift in the industry, where technological prowess is balanced with a deep understanding of customer journeys and experiences. As these challengers continue to grow, they are likely to play a significant role in setting new standards and expectations in marketing automation.

## Competition and evolving trends

The marketing automation landscape is marked by intense competition and evolving trends. Brands are differentiating themselves with integrated solutions that combine marketing automation, CRM and analytics, aiming for deeper customer insights and streamlined processes. Innovations in AI and machine learning are becoming standard, facilitating personalized experiences and predictive analytics. Cloud-based solutions are predominant, while mobile solutions reflect the growing demand for accessibility. These trends point to a shift towards holistic, technologically advanced and customer-centric approaches in marketing automation.

## Brand perception and market momentum

Brand perception is increasingly critical, especially in a category that's marketing to marketers. It's worth noting that most marketing automation brands lack emotional appeal—the category is ripe with rational approaches. Brands that successfully incorporate emotional elements could gain a significant advantage. The market is shifting towards brands that offer personalized, efficient and technologically advanced solutions.

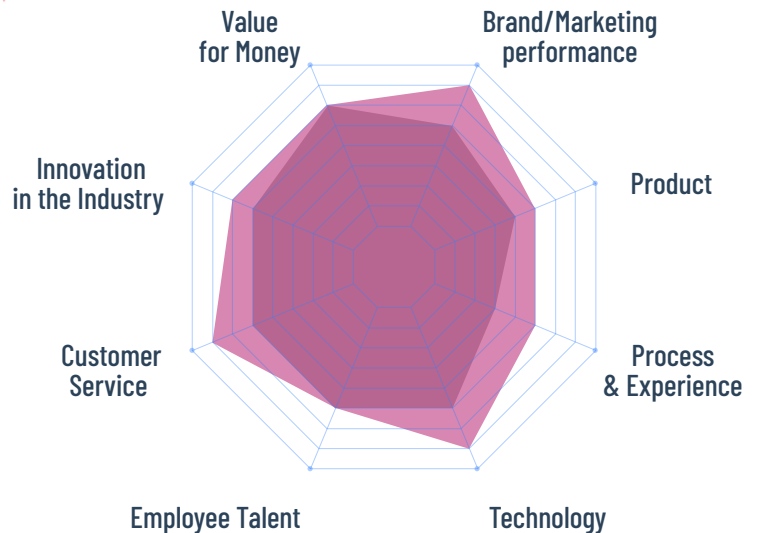
## Future prospects: Integration and personalization

The future of marketing automation is likely to witness more integration with CRM and advanced analytics, further blurring the lines between different business functions. This is foreshadowed by the deeper integration of the space into their ecosystems by Salesforce and Oracle. Further strategic acquisitions and partnerships are likely, as companies strive for comprehensive and integrated solutions. The growing importance of data privacy and security will also shape the development of marketing automation tools.

## A transformative phase for marketing automation

The marketing automation industry is undergoing significant transformation, driven by technological advancements and market dynamics. The future will likely feature more personalized, data-driven customer experiences with integrated analytics powered by AI and machine learning. Companies that adapt, focus on customer-centricity and leverage new technologies will likely emerge as leaders in the reshaped landscape of marketing automation.

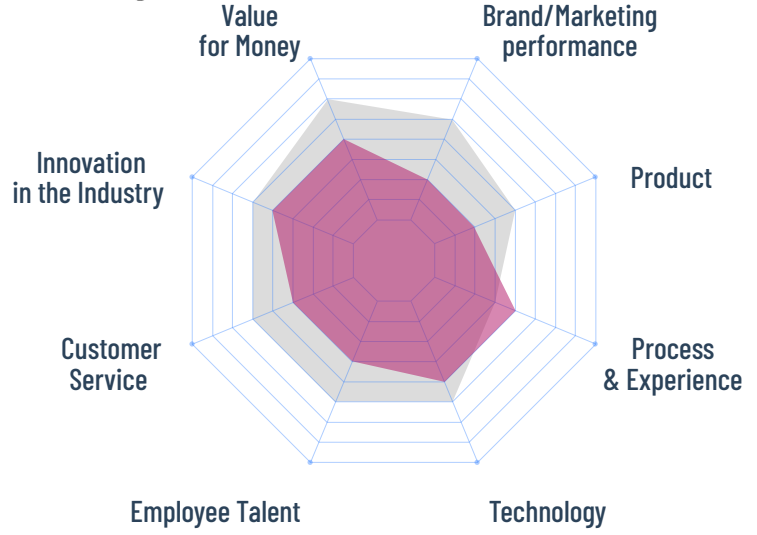
# Marketing Automation: incumbents leading the category



## Adobe: GTM strategy crucial to maintain status

Adobe, a leader in marketing automation, offers two distinct solutions: Adobe Experience Cloud for large B2C enterprises and Adobe Marketo Engage for B2B. Marketo Engage is already perceived differently by the customer and user base. Given that Adobe doesn't have a commanding market share lead, a segment of respondents believes Adobe might be usurped as a top three player within the next 5-10 years, making brand migration and market strategy critical.

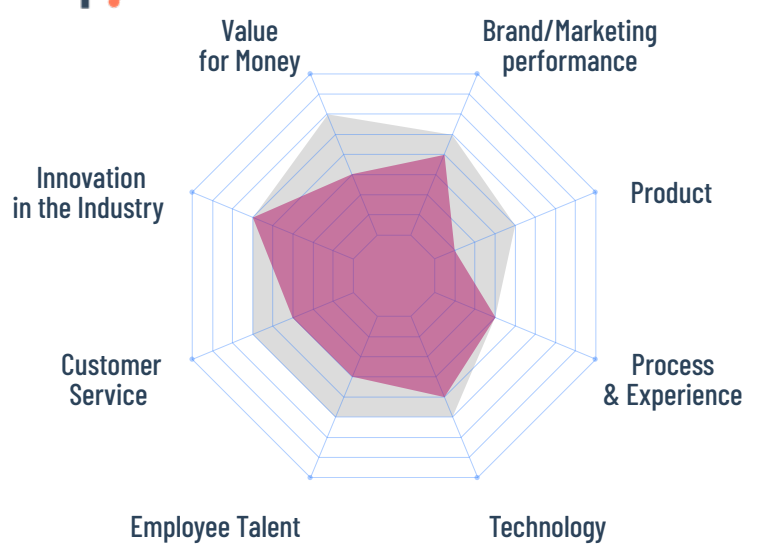
TTM Total Revenue	<b>\$18.89B</b> (+9.86% YoY)
Market Cap	<b>\$281.95B</b> (+81.42% YoY)
Target Price	<b>625.00</b>
Entity Type	<b>Public</b>
Employee Size	<b>29,239</b>
HQ	<b>San Jose, CA, USA</b>



## Intuit Mailchimp: Stable yet challenged

Despite being an early market entrant with user loyalty and a competitive pricing structure, Intuit Mailchimp faces a unique challenge. It's the least likely incumbent to be ousted, yet it shows declining purchase intent and low brand and marketing performance scores. Lacking perceived innovation leadership, Mailchimp's new global campaign, "Turn Customers Into Customers," aims to bolster its brand and address these shortcomings.

TTM Total Revenue	<b>\$700M</b> (2022)
Entity Type	<b>Public (Intuit)</b>
Employee Size	<b>1,709</b>
HQ	<b>Atlanta, GA, USA</b>

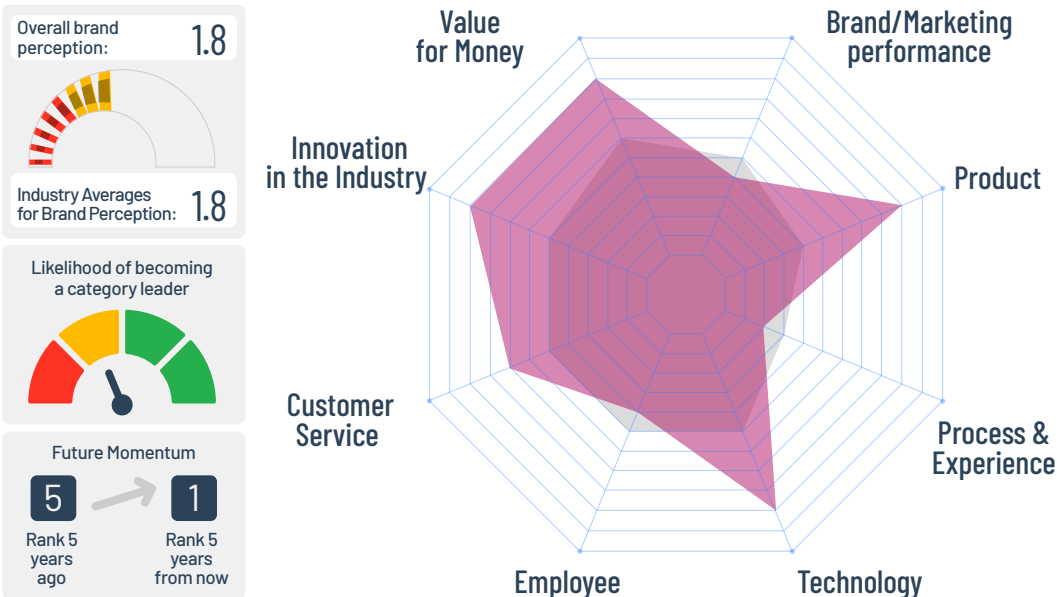


## Hubspot: Defending from all sides

HubSpot, a pioneer in marketing automation, faces increasing competition. Despite its early market presence and growth, HubSpot's brand and performance scores lag behind the challengers and honorable mentions in this category. While its top three status seems secure for now, its growth pace may not match that of dynamic competitors posing a potential squeeze for this incumbent.

TTM Total Revenue	<b>\$2.06B</b> (+26.21% YoY)
Market Cap	<b>\$23.42B</b> (+66.18% YoY)
Target Price	<b>550.00</b>
Entity Type	<b>Public</b>
Employee Size	<b>7,136</b>
HQ	<b>Cambridge, MA, USA</b>

ActiveCampaign >



Summary:

Founded in 2003, ActiveCampaign is a SaaS provider that focuses on email marketing and sales automation services primarily but not exclusively for small SMBs. ActiveCampaign’s solutions span every customer touchpoint, from outreach through conversion and growth, and have benefited over 185,000 businesses.

TTM Total Revenue	\$300M-500M (2023)
Entity Type	Private Company
Employee Size	1,000
HQ	Chicago, IL, USA

Shaking up the MarTech landscape

Crossing the chasm to challenge established players

ActiveCampaign, a marketing automation challenger, is on the brink of disrupting the established order. With a strong brand momentum score second only to Klaviyo, ActiveCampaign demonstrates that a focus on product quality and value can significantly enhance reputation. Despite needing improvements in brand and marketing performance, the company’s strategy of differentiating through product innovation and cost-effectiveness is proving effective in building a positive brand image.

Customer-centric product strategy

Central to ActiveCampaign’s roadmap is its customer-centric approach, highlighted by the inception of its Customer Advisory Board (CAB). This board, representing a diverse user base, is pivotal in shaping product strategy and responding to market trends. ActiveCampaign’s commitment to evolving alongside customer needs and industry shifts is key to its ability to deliver leading products in marketing and sales automation.

Strategic growth and expansion

Since its founding in 2003, ActiveCampaign has undergone significant evolution, transitioning from a consulting firm to a SaaS model focused on marketing and sales automation. This shift catalyzed notable growth, evidenced by substantial funding rounds and the acquisition of Postmark in 2022. ActiveCampaign’s valuation as a unicorn company at over \$1 billion underscores its successful strategic pivot and expansion.

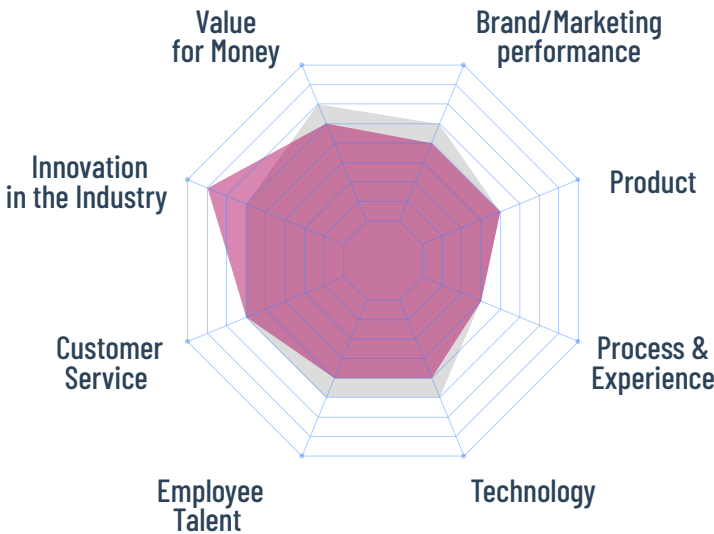
Balanced customer feedback

Customer reviews of ActiveCampaign show a balance of praise and criticism. Users commend its user-friendly interface and robust automation capabilities, while criticisms focus on technical aspects like email builder performance and customer service issues. The pricing model also emerges as a concern, particularly for businesses with growing contact lists.

Conclusion: ActiveCampaign’s path forward

ActiveCampaign’s journey from a modest beginning to a major marketing automation platform is marked by a sharp focus on small and growing businesses and customer-driven innovation. Its strategy of maintaining close ties with its customer base, coupled with a dynamic approach to product development and market adaptation, positions it as a formidable challenger in the marketing automation landscape.





Summary:

Keap is a private software company founded in 2001. Remaining true to its entrepreneurial spirit, Keap focuses on email marketing, CRM and automation services exclusively for SMBs. Keap’s workforce of 323 employees has published over 1,000 updates and 50,000 automations for its 31,500 customers and 205,600 unique users.

TTM Total Revenue	\$100M-\$300M (2022)
Entity Type	Private Company
Employee Size	390
HQ	Chandler, AZ, USA

Niche, yet evolving

Niche focus with limited momentum

Keap has been a steady presence in marketing automation and CRM since 2001. Catering primarily to small businesses in various service industries, it offers a comprehensive solution for customer interactions. However, Keap’s brand momentum and competitive edge lag behind similar challengers like ActiveCampaign, raising questions about its ability to expand its market share or entice customers from other platforms.

User-centric product enhancements

Keap’s recent strategy has concentrated on enhancing user experience and marketing automation efficiency. Notable updates include digital wallet integration for streamlined payments, improved segmentation and automation tools for targeted marketing efforts, a user-friendly onboarding experience through the Playbook checklist, and enhancements in email marketing and contact management. These improvements showcase Keap’s dedication to simplifying operations for small businesses.

Rebranding reflecting simplicity and growth

The 2019 rebranding, transitioning from Infusionsoft to Keap, symbolizes a commitment to simplicity and growth support for small businesses. The new brand identity, emphasizing ease and connectivity, aligns with Keap’s focus on functional and approachable solutions. In support of the new brand idea, Keap recently reimagined its ikon conference as the *Let’s Grow Summit* to empower small business entrepreneurs with growth and leadership skills.

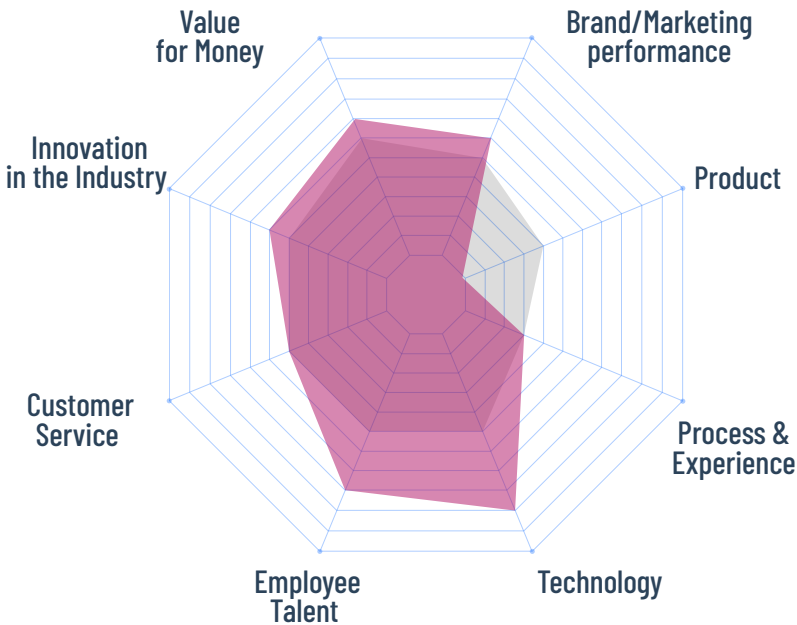
Customer reviews: A mixed bag

Recent customer reviews shed light on Keap’s marketing automation strengths and weaknesses. Users laud its campaign automation, efficiency in managing diverse business processes and the ability to deliver personalized content effectively. However, criticisms center around its complexity and pricing, suggesting room for improvement in user accessibility and cost-effectiveness.

Conclusion: Keap’s path in marketing automation

In conclusion, Keap maintains a specific focus on the small business sector, balancing innovation with its niche market’s needs. While facing challenges in brand momentum and market expansion, Keap’s commitment to user-friendly and efficient marketing automation solutions underscores its role as a dependable, though somewhat constrained, player in the marketing automation arena.

# Marketing Automation Challenger Profile: Zoho



### Summary:

Zoho is a multinational information technology company founded in 1996 and dual-headquartered in India and the US. Among the 55 unique products it's launched since its inception are several widely-used enterprise management products and services, most notably the Zoho Office Suite. Zoho has over 100M active users worldwide.

TTM Total Revenue	\$1B+ (2023)
Entity Type	Private Company
Employee Size	15,000
HQ	Chennai, India, USA

## Emerging force in marketing automation

### Expanding beyond CRM

Originally recognized for its CRM solutions, Zoho has made significant strides into the marketing automation arena with Zoho Marketing Automation. This expansion complements its CRM offerings, showcasing Zoho's commitment to providing a comprehensive, multi-channel approach to marketing automation. This strategic move demonstrates Zoho's ambition to extend its influence beyond CRM and solidify its position in the broader SaaS landscape.

### Technology as an underutilized strength

Despite positive user feedback and frequently winning against incumbents, Zoho faces the challenge of relatively weak brand performance compared to industry giants. However, its strong technological foundation presents an opportunity for brand enhancement and market penetration.

### Customer-centric updates

The launch of Zoho Marketing Automation 2.0 marks a significant upgrade with features like intuitive interfaces, a drag-and-drop landing page builder, and advanced contact management. It enhances lead generation, qualification, and journey orchestration, supported by tools for cross-channel engagement, social media, web analytics and ecommerce management. Integration with Zoho CRM further streamlines marketing strategies.








### Positive customer reception and challenges ahead

User reviews reflect appreciation for its efficiency in streamlining marketing operations, particularly for small and medium-sized businesses. However, Zoho grapples with challenges in customer support and ease of use. Its evolution from AdventNet to a prominent SaaS player highlights a focus on innovation and user-centric solutions.

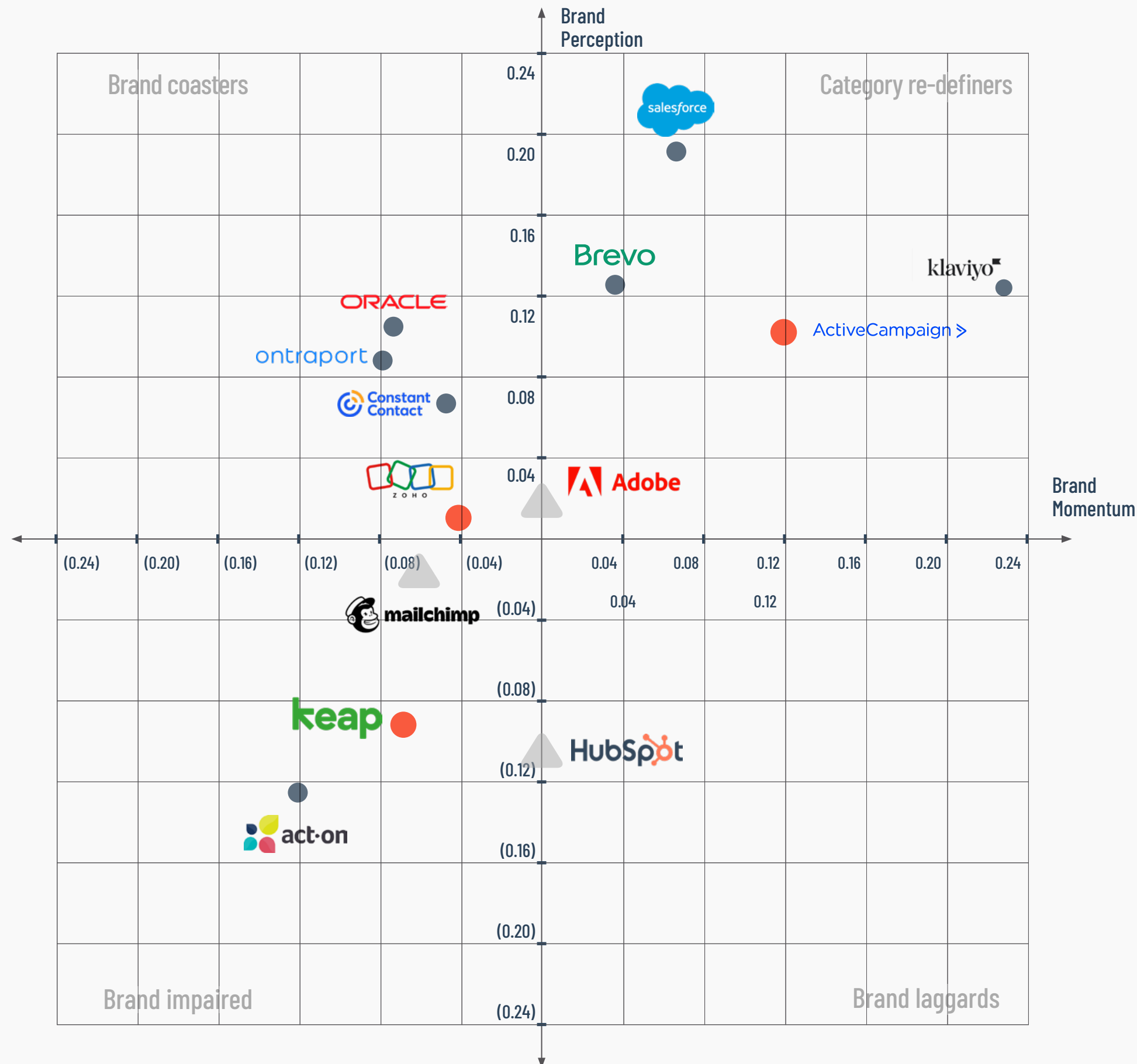
### Conclusion: Zoho's trajectory in marketing automation

Zoho's journey in marketing automation, characterized by innovative updates and a user-focused approach, positions it as a strong contender in the field. Its ongoing challenge lies in leveraging its technological strengths to enhance brand recognition and customer satisfaction, crucial for competing in a dynamic market.

## Marketing Automation Challengers: Honorable mentions

	<b>Opportunity:</b> Klaviyo has the potential to grow rapidly, leveraging its next-generation marketing automation capabilities and near cult-like brand following.	<b>Risk:</b> The pressure to justify its high valuation and generate significant profits may challenge its ascent as an industry challenger.
	<b>Opportunity:</b> Act-On Software has carved a niche with a strong user base, recognizing its advantages over incumbents.	<b>Risk:</b> Low brand scores could impede its next growth phase and ability to challenge established players.
	<b>Opportunity:</b> Constant Contact has the opportunity to leverage its niche market presence.	<b>Risk:</b> Low scores may limit its momentum and capacity to challenge industry leaders.
	<b>Opportunity:</b> Ontraport's strong talent and innovation could drive growth beyond its current niche.	<b>Risk:</b> Stalled momentum and low value-for-money scores could hinder its competitive edge.
	<b>Opportunity:</b> Oracle can redefine its ecosystem through the successful convergence of its diverse product categories, building on Eloqua's acquisition.	<b>Risk:</b> Negative brand equity for Oracle among B2B marketers poses a significant challenge.
	<b>Opportunity:</b> Salesforce can leverage Pardot's integration for cross-selling but needs to address product weaknesses to threaten incumbents.	<b>Risk:</b> Weak product and technology could impair Salesforce's ability to successfully grow Pardot organically.
	<b>Opportunity:</b> Strong brand momentum (for Sendinblue) and high scores for product and technology.	<b>Risk:</b> Slow and ineffective brand migration since rebranding to Brevo in 2020—customers still strongly attached to Sendinblue brand name.

# Marketing Automation Future performance



## Category re-definers

Long term will win share: the brand and market demand are in sync; brand is supporting purchase intent.

## Brand coasters

Long term has permission to correct for shortfalls in drivers of category demand: the brand has a positive reputation but declining share of future demand.

## Brand impaired

Long term will lose share: brand is declining in reputation and company is increasingly declining in growth and retention.

## Brand laggards

Long term will miss out on maximum potential share: the brand is not effective at conveying the competitive advantages that meet future demand.

Incumbent

Challenger

Honorable Mentions



## Liquid x Avasta Challenger Index: Assessing brand dynamics

The Challenger Index stands as an essential instrument for both B2B and B2C sectors, offering a strategic perspective to evaluate brand strength, market alignment and potential for growth. With its neutral, outside-in assessment approach, the Challenger Index highlights the multi-dimensional nature of brand dynamics—financial, technological and behavioral—to inform and shape robust business strategies.

## About the study authors

### Liquid Agency

[www.liquidagency.com](http://www.liquidagency.com)

Liquid Agency is a brand consulting and activation company that orchestrates brand, employee and customer experiences to fuel a company's growth. For over 21 years, Liquid Agency has shaped powerful B2B and B2C brands such as: GE, Hitachi, HP, Intel, Nike, Nordstrom and Walmart. Liquid Agency helps organizations build belief in who they are, what they do and where they're going. The results are lasting bonds with employees and customers that power organizational performance, create value and capture ROI.

### Avasta

[www.avasta.co](http://www.avasta.co)

Avasta is the Profitable Growth Company. We work at the intersection of management consulting, end-customer insights, and financial data analytics. We provide an impartial, outside-in market understanding that enables executives and boards to have robust, financially validated strategies that are applied concurrently across their internal functions in strategy, sales, marketing and product. Portfolio companies from half the 10 largest PE firms have benefitted from our expertise as numerous public and privately held companies.

### For further information

Nick Childress is the Director of Growth and Marketing at Liquid Agency  
[nick.childress@liquidagency.com](mailto:nick.childress@liquidagency.com)

Nicole Bethell is a former public company executive and Senior Client Advisor at Avasta  
[nicole.bethell@avasta.co](mailto:nicole.bethell@avasta.co)

Interested in learning more? Book a call [here](#).



**Avasta**

Sponsored by

