MARKETING AUTOMATION VALUE MATRIX 1H2017

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THE BOTTOM LINE

With its process automation capabilities and low total cost of ownership (TCO), more companies are recognizing the ROI potential of marketing automation software and considering it a key component to their overall growth strategy. Marketing automation is one of the fastest growing markets in the enterprise software space, and competition is becoming increasingly steep as vendors expand usability and functionality to deliver increasing return on investment (ROI) to customers. In this inaugural Marketing Automation Value Matrix, Nucleus Research evaluates marketing automation solutions that most frequently make customers' short lists, based on their current breadth and depth of functionality, degree of usability, and growth potential.

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Marketing automation has become a staple of the enterprise software toolset, automating processes to make marketers more efficient, orchestrating marketing campaigns that target customers with personalized messaging across channels, and equipping marketers with the intelligence to make more data-driven decisions. This leads to direct and indirect benefits that affect ROI, including avoided costs, increased revenue, and productivity gains (Nucleus Research, *r49 – Two main factors affecting marketing ROI,* March 2017). Marketing automation software tends to be more cost effective than other software investments, with an average TCO which is 55 percent lower than that of enterprise content management (ECM) deployments, 47 percent lower than that of enterprise resource planning (ERP) deployments, and 28 percent lower than that of human capital management (HCM) deployments evaluated by Nucleus Research in 2016.

As marketing automation software evolves – increasing in terms of both functionality and usability – returns are getting even greater. In evaluating case study data from the past three years, Nucleus found that the average ROI of cloud-based marketing automation deployments was over 3.6 times that of the previous three-year period, and customers got an average of $6.66 back for every dollar they spend on their investment – up 163 percent (Nucleus Research, *r20 – Marketing delivers $6.66 for every dollar spent*, January 2017). As vendors expand usability and functionality to deliver increasing ROI to customers, differentiating themselves from the competition is becoming even more imperative.

METHODOLOGY

This Matrix evaluates marketing automation solutions that cater to small to medium size businesses (SMBs), enterprises, business to business (B2B), business to consumer (B2C), and across industry verticals. The Value Matrix is based on functionality and usability, the two core measures that Nucleus has found indicate an application's ability to deliver initial ROI and ultimately win maximum value over time. The Value Matrix evaluates these two criteria and categorizes vendors as Leaders, Experts, Facilitators, or Core Providers, each of which has a different target audience. As the marketing automation market evolves, the center point of the Matrix, which represents the weighted average of the usability and functionality of vendors' marketing automation solutions, moves up and to the right.

Based on our conversations with customers, the top priority when selecting a marketing automation solution is its ability to meet functionality needs as companies scale. We found that the market is responding to their needs and expectations. Over the next six months – until the next release of the Marketing Automation Value Matrix – Nucleus expects that the market will trend slightly upward in usability, and more over to the right in functionality. While vendors continue to improve ease of use through enhancements to their solutions' user interface (UI) and user experience (UX), training and support services, and system integrations, Nucleus has found that vendors are putting more dollars toward increasing functional capabilities. The key functional areas in which Nucleus sees vendors investing include:

- Marketing intelligence. Providing net-new analytics capabilities, marketing automation helps marketers make more informed, data-driven decisions, and automatically predict customer behaviors and derive insights that would otherwise require extensive manual research or third-party analytics applications. Nucleus analyzed nearly 30 case studies from the past seven years and found that, on average, advanced analytics deployments deliver 2.2 times

more ROI than basic analytic capabilities. In the hands of marketers, advanced analytics increase productivity and positively impact a company's bottom line (Nucleus Research, *p226 – Advanced analytics delivers 2.2 times more ROI*, December 2015).

- Unified view of the customer. Marketing automation can aggregate customer data from across channels and clouds to provide a more unified view of the customer. More marketing software providers are investing in advanced identity (ID) matching capabilities, enabling marketers to identify anonymous visitors, and link interactions across devices and channels to a single individual. The ability to deliver a unified view of the customer across disparate systems has been instrumental to marketers' ability to adapt to the modern customer, and deliver the personalized messaging they have come to expect (Nucleus Research, *r20 – Marketing delivers $6.66 for every dollar spent,* January 2017).

- Out-of-the-box integrations and extensibility. While growing their own product stacks, vendors are also expanding out of box integrations. Marketing automation solutions are often used in conjunction with other enterprise software – such as customer relationship management (CRM) solutions, e-mail service providers (ESPs), web content management (WCM) tools, and e-commerce solutions. Integration capabilities are, therefore, critical to marketing automation's success. Customers recognize the degree to which ease of integration and extensibility speeds up implementations, increases adoption, and leads to cost savings, as it reduces the need for implementation partners (Nucleus Research, *r49 – Two main factors affecting marketing ROI,* March 2017).

- Micro-marketing and account-based marketing (ABM) toolsets. Marketing automation vendors are equipping their customers with the tools they need to implement emerging marketing strategies like micro-marketing, and ABM. Micro-marketing takes the tactical aspects of marketing and puts them in the hands of salespeople, enabling marketers to focus on more strategic initiatives. This increases their productivity by 45 to 50 percent and leads to cost savings of up to 25 percent (Nucleus Research, *r7 – Quantifying the benefits of micro-marketing*, January 2017).

- Business expansion. More B2B vendors are expanding into the B2C space, improving functional capabilities necessary for customers that care more about consistent omni-channel messaging and conversions than developing one-to-one relationships with customers. Vendors are also incorporating new industry-specific capabilities as they recognize verticals in which they excel.

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The arrows on the Value Matrix indicate a solution's growth over the next six months relative to the growth of the market. The length of the arrow indicates the degree to which a solution will outpace or fall behind the market. A solution with no arrow is on track to keep pace with the market. A solution with an arrow extended right or left indicates it will outpace or fall behind in terms of functionality, and an arrow extended up or down indicates it will outpace or fall behind in terms of usability. An arrow at 45 degrees indicates the solution will outpace the market both in terms of usability and functionality growth, while 225 degrees indicates it is slated to fall behind in both areas.

LEADERS

Vendors in the Leaders' Quadrant have invested in both functionality and usability features that are likely to deliver the greatest potential returns and have both diverse and comprehensive product offerings which maximize ROI. Leaders are recognized for relatively advanced capabilities and are continually developing and investing in new functionality to respond to market and user expectations (Nucleus Research, *m106 – Understanding the Value Matrix,* October 2012). Leaders in the

Matrix include Adobe Campaign, IBM Marketing Cloud, Marketo, Oracle Eloqua, Oracle Responsys, and Salesforce Journey Builder.

ADOBE CAMPAIGN

Adobe Campaign is a set of solutions that enable marketers to deliver personalized campaigns across channels. Adobe Campaign's functionality includes integrated customer profiling, cross-channel campaign orchestration, contextual e-mail marketing, and real-time interaction management. Integrated customer profiling enables users to gather disparate customer data into integrated customer profiles. Cross-channel campaign orchestration equips marketers with drag-and-drop, visual campaign mapping capabilities and the ability to manage marketing content, channels, scheduling, budgeting, and resources. Contextual e-mail marketing enables marketers to run relevant, integrated e-mail campaigns. Real-time interaction management automates personalized offers and delivers recommendations to marketers as to how to best connect with their customers through promotions.

Adobe Campaign is part of Adobe Marketing Cloud, an integrated digital marketing platform with a set of nine marketing tools, including Analytics, Audience Manager, Campaign, Experience Manager, Media Optimizer, Primetime, Social, Target, and TubeMogul. The majority of Adobe Marketing Cloud customers purchase more than one solution, often starting with Analytics to start gathering data, Experience Manager to create Web and digital content, Campaign to develop personalized campaigns across channels and devices, and Target to test and optimize marketing strategy. No matter which solution or set of solutions customers use, they also benefit from five core services – People, Places, Assets, Mobile, and Activation. These core services provide the connective tissue between solutions, and make segments and assets, for example, available across solutions. Adobe also offers industry vertical solutions, including financial services, high tech, retail, and more. Underlying Adobe Campaign – and serving as a key component to the foundation of Adobe Marketing Cloud – is Adobe Sensei, Adobe's artificial intelligence and machine learning framework which leverages Adobe's extensive content and data assets to do things like imaging matching, sentiment analysis, and audience targeting and segmentation. This year, Adobe plans to add new functionality that leverages Adobe Sensei across the platform, including new optimization capabilities in Adobe Campaign, as well as release Adobe Campaign Standard, Adobe Campaign 7, and Adobe Campaign Prime. Since September 2016, the vendor has made the following marketing-related announcements:

▪ Acquisition of TubeMogul. In December 2016, Adobe acquired TubeMogul, a video advertising company that enables customers to plan and buy video

advertising across devices. TubeMogul will strengthen Adobe's digital marketing and advertising capabilities, and the planned integration with Adobe Audience Manager gives marketers the ability to unify audience planning and media buying for video advertising.

Strengths

Adobe's creative software background makes Adobe Campaign one of the most intuitive, highly capable campaign management solutions on the market. Marketers are likely to find Adobe Campaign's UI highly visual, with a modern design and intuitive workflow. For example, with a single sign on, users can jump from one solution to another by clicking a drop-down menu, where the icons of the Adobe Solutions which have been purchased appear in color, the others in gray. Customers with whom Nucleus spoke felt Adobe Marketing Cloud overall strikes a good balance between usability and functionality. Customers gave it an average score of 4.4 out of 5 for functionality, due to its breadth of functionality and intelligence underpinning the solution. Customers also spoke highly of Adobe Campaign's support and training, which include client services support teams, customer service teams, Managed Services, and Digital Learning Services. Managed Services can help customers set up Adobe Campaign and give them an account manager to provide constant monitoring and support, and Adobe's Digital Learning Services can provide onsite, private training sessions or digital, instructor-led training sessions on topics such as e-mail deliverability (Nucleus Research, *r38 – Assessing Adobe Marketing Cloud*, February 2017).

Weaknesses

Adobe's Creative Cloud solutions still overshadow its Marketing Cloud ones, largely due to its success in the creative space and relatively recent emergence in the marketing space. However, Adobe Marketing Cloud has grown at a faster pace than any other Adobe Cloud, and Adobe Campaign has been one of the fastest growing of Adobe Marketing Cloud's nine solutions. In terms of usability, customers with whom Nucleus spoke gave Adobe Marketing Cloud overall an average score of 3.5 out of 5, but with the caveat that with proper training, there is a much less steep learning curve. Adobe Campaign tends to be one of the more intuitive, visual, easy to use solutions in the cloud. While some of Adobe Campaign's functionality is infused with intelligence from Adobe Sensei, customers must purchase Adobe Analytics to take advantage of the full range of advanced analytics, predictive intelligence, cross-channel attribution, advanced segmentation, and the machine learning capabilities of Adobe. This can be frustrating to customers who have already made a big investment in Adobe Campaign. Adobe prices its Marketing Cloud Solutions on a per server call basis, so for companies that expect a significant

number of transactions, Adobe may end up being less cost effective than some of its competitors. Adobe Campaign customers may experience long implementations that require the assistance of Adobe Consulting Services or implementation partners, especially if they integrate a significant number of third-party applications, which can also get expensive.

The take-away

Adobe Campaign is a Leader because it continues to invest in both functionality and usability, and has advanced, comprehensive product offerings. While Adobe Campaign is not a good fit for companies looking for a plug-and-play solution, it suits companies with advanced marketing needs looking for an intuitive solution that renders significant returns over time. With its rapid growth and focus on intelligence and intuitive design, Nucleus predicts Adobe Campaign will outpace the market in terms of its growth in usability and functionality, continuing to move up and to the right on the Value Matrix.

IBM MARKETING CLOUD

IBM Marketing Cloud is a cloud-based digital marketing platform that is part of Watson Marketing, one of IBM's Watson-powered Solutions. IBM Marketing Cloud aims to take the advanced machine learning capabilities of IBM Watson and apply them to marketing tools, enabling marketers to do their jobs more intelligently. IBM Marketing Cloud has e-mail marketing, lead management, mobile marketing, journey design, and social engagement functionality. While IBM Marketing Cloud is younger than some of its competitors – starting under 3 years ago, when IBM acquired Silverpop – the solution has since grown through additional acquisitions and organic growth to serve the B2B and B2C markets. Customers can purchase one of three IBM Marketing Cloud editions, as well as additional modules, including Journey Designer and Universal Behavior Exchange. IBM Marketing Cloud typically announces 4 major releases every year. IBM Marketing Cloud benefitted from significant updates to its UI/UX last year, and since September 2016, has made the following IBM Marketing Cloud announcements:

- Watson Real Time Personalization. In November 2016, IBM launched Watson Real Time Personalization, which equips marketers with more personalization capabilities, such as rules-based content targeting, to better target customers. Watson Real Time Personalization includes a Personalization Rules Advisor, which automatically recommends targeting rules for content.

- IBM Marketing Cloud Performance Insights. Also in November 2016, IBM Marketing Cloud released Performance Insights, a new reporting capability for marketers to better understand key performance indicators (KPIs).

Strengths

IBM Marketing Cloud suits customers looking for a digital marketing solution that is easy to use, with the cognitive capabilities of Watson. With its machine learning, deep learning, sentiment analysis, natural language processing, and advanced analytics, Watson can do things like improve campaign performance by manipulating campaigns that are already in progress based on changing customer responses, improve targeting and personalization by better understanding customer behavior, and drive conversion by increasing engagement and improving customer experiences. Despite IBM's infusion of Watson into its entire enterprise suite, IBM Marketing Cloud maintains focus on the tactical as well as the visionary. Watson Marketing has been influential in driving the transformation within IBM to cater to the business user, not just IT.

Weaknesses

With IBM's history of gaining functionality through acquisition, customers may be confused by its marketing product offerings. Watson's recent infusion across the IBM portfolio has not exactly brought clarity, either. The company has undergone significant re-branding, and is using this opportunity to phase out older product names, such as Silverpop, which is now a key component of the technical architecture of IBM Marketing Cloud. Sifting through IBM Marketing Cloud is not necessarily for the faint of heart, but IBM is working on consolidating its offerings and cleaning up its marketing message in 2017.

The take-away

IBM Marketing Cloud is a Leader because it has invested in both functionality and usability features that are likely to deliver the greatest potential returns and has both diverse and comprehensive product offerings which maximize ROI. With continuous investment in maintaining ease of use, Nucleus expects IBM Marketing Cloud will keep pace with the market in terms of usability, and outpace the market in terms of functionality growth due to the rapid pace of innovation surrounding Watson.

MARKETO

Marketo is a provider of digital marketing solutions with marketing automation, account-based marketing, e-mail, mobile, social, advertising, Web, marketing analytics, and predictive content applications. The marketing automation application enables customers to attract, nurture, leverage sales, and measure and optimize marketing campaigns across channels. Marketo's stand-alone, natively integrated account-based marketing application enables users to identify and target decision makers within accounts with the greatest revenue potential, and enable a

multi-step, multi-player division of responsibility throughout the lead management process. Marketo's e-mail application is used by nearly all of Marketo's customers, and was enhanced with a new UI/UX and predictive capabilities last year, so users can deliver relevant e-mail content. Mobile, social, advertising and Web applications enable users to run marketing campaigns across channels, measure their effectiveness, and improve customer targeting. Marketing analytics enables users to understand campaign performance and create visual reports and dashboards using drag and drop tools, and the predictive content application helps users deliver the right content to their customers at the right time.

Customers can purchase individual applications, customize their own Solution by bundling applications, or purchase one of Marketo's preconfigured Solutions, which include lead management, e-mail marketing, consumer marketing, customer base marketing, and mobile marketing. These solutions run natively on the Engagement Marketing Platform, which is supported by multiple engines, including engines which enable orchestration, integration, personalization, and predictive capabilities. Marketo serves both the B2B and B2C markets, and while it comes from SMB roots, the vendor is expanding rapidly expanding into the enterprise segment. Marketo is also investing more heavily in its vertical expansion beyond the technology vertical, delivering solutions for financial services, manufacturing, healthcare, education, and media. Marketo is natively integrated with Netsuite, Oracle, SugarCRM, and integrates with Microsoft Dynamics CRM and Salesforce. Last year was a big year for Marketo. It was acquired by Vista Equity Partners, announced its stand-alone account based marketing (ABM) solution, re-architected its platform, and welcomed a new CEO, Steve Lucas, among other things. This year, Marketo plans to continue investing in the Engagement Platform, expand ABM capabilities, especially to sales teams, and release a new UI/UX, making the platform more visually modern, appealing, and easier to navigate. Since September 2016, Marketo made the following marketing-related announcements:

- Enhanced cross-channel communications. In October 2016, Marketo released personalized and targeted SMS message capabilities for cross-channel campaigns.

- Increased customizability. Also in October 2016, Marketo enabled web personalization delays, which enables users to deliver messages at just the right time. For businesses with multiple domains, Marketo now allows users to choose the appropriate domain for the links in their e-mails. Users can also make changes from an external system more efficiently by reducing the number of application program interface (API) calls.

- Engagement Platform. In March 2017, Marketo announced the public availability of its Engagement platform, which brings together customer behavioral and profile data, cross-channel personalization, and performance analytics to advanced marketers as they manage marketing initiatives. Engagement Platform includes a Marketing Hub, natively built-in applications, and an ecosystem of partner applications.

Strengths

Marketo consistently competes in deals against the biggest names in the market, meeting relatively complex functionality needs, while accommodating the non-technical user. The vendor has a rapid release cadence – investing in both functionality and usability – and a clear vision for 2017. Marketo has predictive analytic capabilities across Web and e-mail, advanced lead scoring that allows multiple scores to be set, and advanced personalization and retargeting capabilities, with the ability to detect firmographic data with reverse IP lookups. Considering its breadth, Marketo is relatively intuitive, with extensive drag and drop and visual components, as well as time savers like campaign cloning. Marketo continues to improve in this area, with plans to update the UI/UX this year. Vista Equity has invested heavily in Marketo's sales, marketing, customer success, and product development teams. Customers will likely continue to see frequent product enhancements, improving functionality and usability. Marketo's solutions product structure enables customers to pay for only the functionality they need, which can save a significant amount of money compared to its former pricing model, and makes Marketo a more cost-effective alternative to some of its big-name competitors.

Weaknesses

Less-skilled marketers may experience a steeper learning curve with Marketo than they would with a slimmer solution. Despite Marketo's breadth and depth in terms of functionality and predictive analytic capabilities, it is not as advanced in machine learning as some of the other Leaders in the Value Matrix, and does not have a vast ecosystem of other enterprise applications like some of the solutions with whom it competes. Marketo is more cost effective than some of the highest functionality solutions on the market, but is still a big investment for SMBs. Historically, Marketo has not provided the most hands-on, accessible customer support. With Vista's recent investments in the vendor's customer service department, however, Nucleus expects this will improve. With such rapid growth, Marketo is juggling a lot of balls and will need to maintain a balance between broader corporate initiatives and product development.

The take-away

Marketo suits B2B and B2C SMBs and enterprises looking for a solution that balances breadth and depth of functional offerings with intuitiveness. Marketo is a Leader because it invests in both functionality and usability features that deliver the greatest ROI to its customers, and delivers diverse, comprehensive product offerings. Marketo is slated for rapid growth, and Nucleus predicts the vendor will exceed market trends for growth in terms of both usability and functionality.

ORACLE ELOQUA

Eloqua is Oracle's B2B marketing automation product, with campaign management, lead management, marketing measurement, sales and marketing alignment, and targeting and segmentation capabilities. Campaign management enables marketers to build cross-channel marketing campaigns that adapt according to a prospect's behavior. Lead management capabilities enable marketers to leverage profile and behavioral data to run multiple lead scoring models on a single contact, re-route cold leads to nurture programs, and automatically re-score leads based on designated behavior triggers. Marketing measurement capabilities enable marketers to measure campaign success with customizable dashboards and visual, interactive reports backed by Oracle Business Intelligence. Targeting and segmentation capabilities enable marketers to identify which campaigns and audiences are driving the most revenue, creating customer profiles from on and offline, omni-channel data, and creating refined segments. Eloqua is part of Oracle Marketing Cloud, a cloud-based, data-driven marketing platform in the Oracle Customer Experience (CX) Suite. Oracle Marketing Cloud includes Oracle Eloqua, Oracle Responsys, Oracle BlueKai, Oracle Maxymiser, Content Marketing, Social Marketing, and Industry Solutions. Customers can purchase Oracle Marketing Cloud in its entirety, or any of its products individually. Eloqua is focused on delivering the insights necessary for marketers to stay ahead of their customers, automating the customer journey, and connecting to a broader audience ecosystem. Eloqua natively syncs with Salesforce, Microsoft Dynamics CRM, and Oracle Siebel, and integrates with all other CRM platforms. In early 2016, Eloqua made significant enhancements to its UI/UX, significantly improving the usability of the product. Eloqua also plans to improve the usability of its e-mail content editing functionality, making it more responsive and template-driven with the next release. Since September 2016, Oracle has made the following Eloqua announcements:

- Eloqua Engage enhancements. In February 2017, Eloqua released new personalization enhancements to its Engage application, an e-mail tool for sales. Enhancements enable users to add attachments to templates from

Eloqua's file storage library, insert field merges, underline text, or add a signature with images or hyperlinks that gets saved to the component library.

▪ Eloqua Insight. Also in February 2017, Eloqua added four new reports to the Insight analytics dashboard, including Sales E-mail Opens and Website Visits, Sales E-mail Template Usage, Sales E-mail Overview, and Website Visitors by Webpage. These reports enable high level marketers and salespeople to track e-mail and web page performance.

Strengths

Few vendors can compete with Oracle Marketing Cloud's functionality and analytic capabilities, as well as the resources it devotes to product innovation. Of the Oracle Marketing Cloud products, Eloqua receives the highest functionality scores, with both breadth and depth to its functional capabilities. While not always the case, Eloqua has made significant enhancements to the usability of the solution, appealing to those looking for a high functionality product that is part of Oracle's extensive product stack, while also being intuitive, with a clean, highly visual UI. Since its major UI/UX enhancements last year, Eloqua's campaign mapping functionality – the Campaign Canvas – has become one of the most visually appealing and flexible, enabling users to build more complex, adaptive campaigns through drag and drop functionality than they can with many competitors. Eloqua's Program Canvas enables users to map out data transformation and normalization processes and automate tasks like CRM integration, data cleansing, and security label management with a similar drag and drop canvas interface. Eloqua also emphasizes the importance of data quality and accessibility, and collects biographic, firmographic, and over 50 types of behavioral data with an internal contact washing machine within the campaign canvas interface. Eloqua also has strong Web marketing capabilities that integrate with Oracle WebCenter Sites, microsite capabilities, an ROI tool, and complex lead scoring technology. Eloqua has over 700 integrations available due to its partner network, making it easier for customers to integrate with their existing enterprise applications, even enabling users with two CRM systems to integrate both, reconciling data overlap. As a part of Oracle Marketing Cloud, Eloqua benefits from Oracle's ecosystem of products and data centers, which has contributed to Eloqua's speed to value, with shorter deployments than many of its competitors with similar functional capabilities. Customers can also integrate seamlessly with Oracle's portfolio of enterprise solutions, including ERP supply chain management (SCM), and HCM.

Weaknesses

Compared to the solutions with which Eloqua is most frequently short-listed, it tends to be the most expensive, though not as costly as its B2C counterpart –

Responsys – or as purchasing Oracle Marketing Cloud in its entirety. For companies looking for a solution which is easy for the average marketer to use right out-of-the-box, Eloqua is not the best choice, despite its investment in increasing usability. Like many of Oracle's products, Eloqua tends to require lengthier, more complex implementations than some of its less functionality-rich counterparts. While analytics were a focus for Eloqua since its inception, over recent years, it has focused less on marketing the strength of its analytic and reporting. This year, Eloqua plans to release the next generation of its analytic capabilities.

The take-away

Eloqua is a Leader because it continues to invest in both functionality and usability features that deliver the greatest ROI to its customers, and delivers diverse, comprehensive product offerings. Eloqua's campaign building capabilities are visual and intuitive, lead scoring is powerful, and editing, data management, e-mail and analytic capabilities are among the strongest. While its usability has increased, Eloqua does not compromise functionality to cater to the entry-level user, which narrows its user base. Nucleus expects Eloqua will set the pace for the market in terms of growth, continuing to increase in terms of usability, and slightly more so in terms of functionality.

ORACLE RESPONSYS

Oracle Responsys is Oracle Marketing Cloud's enterprise-scale B2C marketing automation product, which enables marketers to create customer profiles, build and test marketing campaigns, and orchestrate interactions with customers across e-mail, mobile, display, social and Web. Oracle Responsys has analytics, commerce marketing, e-mail marketing, e-mail campaign testing, mobile marketing, and program orchestration capabilities. Responsys' analytics enable marketers to better understand campaign performance though granular attribution, and testing and optimization capabilities like multivariate testing. Commerce marketing capabilities require that customers also purchase Oracle Commerce, but when integrated with Responsys, customers unite customer data and benefit from more informed marketing and commerce strategies – which are both commonly vital to B2C companies – improving personalization and cross-channel retargeting campaigns. E-mail marketing and e-mail campaign testing capabilities enable marketers to deliver personalized e-mail campaigns, and test their performance with multivariate and cross-channel testing. Program orchestration capabilities enable marketers to orchestrate campaigns with the Orchestration Canvas across channels. Responsys integrates with major CRM and analytics platforms. Since September 2016, Oracle has not made any Responsys announcements.

Strengths

Responsys is much like its B2B counterpart – Oracle Eloqua – yet it takes a B2C approach, focusing on enabling near real-time responsiveness to a vast customer base, and driving conversions. Responsys has extensive drag and drop functionality and a highly visual and intuitive Orchestration Canvas and Audience Designer, which enable users to orchestrate interactions with customers across channels and manage complex segments through visual segmentation. Because of the platform's intuitiveness, most marketers – despite their level of experience – can get complex marketing initiatives up and running quickly, especially if they utilize Oracle Responsys' training services. In keeping with Oracle's overall emphasis on integrated cloud services, Responsys prioritizes tight integrations with data sources – including known customer data as well as first, second, third party, and Oracle Datalogix data – and other Oracle Marketing Cloud products. In the under three years Oracle has owned Responsys, it has developed tight, productized integrations with Oracle's Commerce Cloud, ATG Web Commerce, Siebel, Content Marketing, Data Management Platform (formerly BlueKai), Push IO, Social, Service Cloud (formerly RightNow), WebCenter Sites, Maxymiser, and has developed field integrations with Oracle's Micros and Datalogix. For Responsys, this is a differentiator, as many competing solutions claim tight integration but lack the shared infrastructure that enables marketers to leverage data across products seamlessly.

Weaknesses

Responsys has less visibility than Oracle Eloqua, which may be because Responsys is a more recent addition to the Oracle Marketing Cloud. However, Responsys could benefit from clarifying messaging around its strengths and differentiators. For example, Responsys has underplayed the strength of its analytics backbone, but this year plans to highlight its capabilities. Responsys claims to release enhancements on a quarterly basis, but has had no major releases since September 2016. Oracle Responsys is more cost effective than it once was, but the solution is still a big investment. Oracle's new consulting packs, which offer implementation consulting for a fixed price, do bring transparency and consistency to the process.

The take-away

Responsys is a Leader because it has both functionality and usability features that deliver strong ROI to its customers. Responsys has relatively advanced capabilities, but its highly intuitive, drag and drop campaign management and segmentation capabilities make the solution easier to use than some of its competitors with a similar degree of functionality. The solution is suitable for companies with the budget to invest in a highly capable B2C marketing automation solution backed by a

top-tier vendor like Oracle. However, Responsys' slow release cadence indicates that it may struggle to keep up with the pace of the market in terms of growth over the next six months.

SALESFORCE JOURNEY BUILDER

Salesforce Journey Builder is Salesforce Marketing Cloud's consumer engagement solution, catering primarily to B2C customers. Journey Builder is part of the Corporate and Enterprise E-mail, Mobile and Web Marketing editions of Salesforce Marketing Cloud. Journey Builder enables marketing, sales and service departments to collaboratively manage interactions with customers across the customer lifecycle, using e-mail, SMS, push notifications, ads, Web, and apps. Using personalization capabilities and predictive intelligence, these interactions can adapt, engage with, or deliver content to customers based on behavior or any other data point. Customers can build customer journeys through a visual, drag and drop functionality similar to a campaign mapping tool, and analyze click-through-rates (CTRs), channel performance, and conversions. In 2016, Marketing Cloud was infused with Salesforce Einstein – the vendor's new platform capability providing artificial intelligence – which brought more advanced predictive capabilities and send-time optimization to Journey Builder. Salesforce sees Marketing Cloud as key to expanding into the B2C space, providing offerings which help B2C companies connect online and in-store, deliver consistent omni-channel messaging, and develop marketing campaigns easily out-of-the-box (Nucleus Research, *r5 – Salesforce Marketing Cloud rings in a new year,* January 2017). Journey Builder, with its B2C focus, is key to that vision, as are Salesforce's Service Cloud and Commerce Cloud offerings. Since September 2016, the vendor has made the following marketing-related announcements:

- Einstein. In October 2016, Salesforce unveiled Einstein, its artificial intelligence (AI) platform for CRM, at Dreamforce, its annual user conference. Einstein enhanced Marketing Cloud's predictive content and recommendation capabilities, and impacted Journey Builder as well (Nucleus Research, *q193 – Salesforce trailblazes Dreamforce 2016*, October 2016).

- Acquisition of Krux. In November 2016, Salesforce announced its acquisition of Krux, a data management platform (DMP), extending Marketing Cloud's audience segmentation, targeting and cross-device identity management capabilities. Providing a data layer with real-time customer data will also be key in furthering the vendor's B2C initiative.

Strengths

Journey Builder provides a high usability, relatively high functionality solution for B2C marketers that benefits from Salesforce's continued investments in functionality and usability across the suite, including Einstein and Lightning. Journey Builder, like Salesforce's entire portfolio of enterprise applications, is designed for the business user, which makes it easier to wade through functionality-wise than some of its competitors. Most Journey Builder customers do not find a need to integrate it with a CRM, as they care less about leads than they do reaching millions of consumers. Journey Builder, therefore, is a B2C company's bread and butter. As per customers, Journey Builder is able to meet their needs as a standalone solution, which is not always the case with marketing automation tools. In fact, Nucleus found that Salesforce customers experience increasingly positive returns on their Salesforce Marketing Cloud investments, with the average ROI of Salesforce deployments increasing more than twofold in the past two years (Nucleus Research, *q211 – Salesforce delivers increasing ROI,* November 2016).

Weaknesses

Journey Builder came to Salesforce through the acquisition of ExactTarget, generally available at the end of 2013. Journey Builder is still developing, but as its customer base grows, so too does its functionality, as it expands to meet increasingly complex needs of its users. Journey Builder could do better at highlighting the usability and functionality enhancements made to the product.

The take-away

Salesforce Journey Builder is a Leader because it continues to invest in and develop new functionality that responds to the needs of its customers, and is a driver of general market trends. With Salesforce's pace of innovation, Nucleus expects to see Journey Builder trend up and to the right in the Value Matrix as it continues to mature.

EXPERTS

Vendors in the Experts quadrant have invested in deep functional and industry-specific capabilities to provide best-of-breed functionality in specific application areas for unique market verticals. They offer robust and complex functionalities that may require more training, consulting, or expertise than that of Leaders. Because functionality can be more advanced than is commonly available in the general market, there may be fewer analysts and developers able to support these applications (Nucleus Research, *m106 – Understanding the Value Matrix,* October

2012). Experts in the Matrix include IBM Campaign, Infor Omni-Channel Campaign Management, Real Magnet, and SAP Hybris Marketing Cloud.

IBM CAMPAIGN

IBM Campaign is IBM's on-premise or hosted omni-channel marketing automation solution that enables sophisticated marketers to design, run and analyze complex marketing campaigns, and perform deep segmentation over multiple data sources to deliver personalized marketing messages across channels. Formerly Unica Campaign, IBM Campaign falls under IBM Watson Marketing and is part of IBM Marketing Software, along with IBM Interact, Contact Optimization, Distributed Marketing, and Marketing Operation solutions. Customers can purchase IBM Campaign, or any of the other solutions, individually, or they can purchase IBM Marketing Software in its entirety. Among IBM Campaign's capabilities are the ability to track interactions with customers, keep a repository of all campaign building blocks for future use, enable e-mail, mobile push and SMS campaign execution and scheduling, use IBM Universal Data Interconnect (UDI) to access data from multiple sources without the need to create proprietary data models, and leverage advanced attribution and campaign reporting capabilities. IBM Campaign integrates with multiple other IBM products, including IBM Interact, IBM Marketing Operations, Watson Customer Experience Analytics, and IBM Marketing Cloud. In June 2016, IBM Campaign released version 10, which incorporated the new Watson Marketing UI, improvements to the UX, and a strong focus on integration between IBM Campaign's marketing automation and the IBM Marketing Cloud's digital messaging execution. Version 10 was the most significant update made to IBM Campaign in several years. Since September 2016, the vendor has not made any IBM Campaign related announcements.

Strengths

IBM Campaign is one of the few solutions on the market with enough functionality to suit customers with complex marketing requirements and advanced marketing teams, and is also an attractive choice for customers seeking an on-premise marketing automation solution, as most competing solutions are cloud only. IBM Campaign provides advanced marketers with deep segmentation and targeting capabilities, as well as advanced campaign management capabilities that enable them to do things like delve deep into a campaign's logic, create thousands of segments, and develop parameterized offers. IBM Campaign benefits from the advanced cognitive capabilities of Watson, and strong back-end data integrations which enable marketers to draw data from many data sources. IBM's recent investment in its UI/UX has made IBM Campaign much more intuitive and visually

appealing than it once was, with a permanent team of designers committed to catering to the needs and preferences of marketers.

Weaknesses

While IBM Campaign has invested in increasing its usability, it will never compromise its complex marketing functionality and advanced analytics to reach the same degree of usability as slimmer, less advanced marketing solutions. Customers report that the most successful implementations take place with the assistance of an implementation partner, or at the very least, extensive training. IBM Campaign can be used individually, but performs best when used in concert with other IBM Marketing Software solutions, or integrated with IBM Marketing Cloud. IBM Campaign's release cadence is slower than that of cloud deployments, without any significant announcements being made since Version 10.

The take-away

IBM Campaign is an Expert because it has invested in deep functional capabilities to provide best-of-breed functionality. Its robust and complex functionalities may require that customers devote significant resources to implementation and training. Customers with sophisticated marketing departments and high functionality needs benefit most from IBM Campaign. IBM Campaign recently made a significant investment in improving usability, so Nucleus does not expect to see the vendor focusing additional resources toward UI/UX improvements over the next six months. However, in terms of functional growth, Nucleus expects IBM Campaign will continue to benefit from IBM's continued investment in driving innovation in artificial intelligence with its Watson-powered solutions, slightly outpacing the growth of the market.

INFOR OMNI-CHANNEL CAMPAIGN MANAGEMENT

Infor Omni-channel Campaign Management is part of the Infor CX Suite, and enables marketers to plan, execute and monitor outbound, direct marketing campaigns across channels. Infor Omni-channel Campaign Management's capabilities include campaign management, e-mail marketing, customer targeting and segmentation, and database management. The solution also has Online Analytical Processing (OLAP) and predictive analytic capabilities, and built-in closed-loop reporting. In late 2015, Infor Omni-Channel Campaign Management version 10.1 was released. The release included an improved campaign workflow, enhanced external list management with a new UI, new campaign segmentation abilities, a new campaign home page with drill-down functionality, and new e-mail content editing, personalization and reporting capabilities. Since September 2016, the vendor has made the following marketing-related announcements:

- Version 10.1 Service Pack 3. In November 2016, Infor Omni-Channel Campaign Management released Service Pack 3 for version 10.1. The release included platform updates, usability improvements, and new campaign management features that removed time delay restrictions and added capabilities like date field comparison.

Strengths

Infor Omni-channel Campaign Management is well suited for enterprises with advanced marketing needs. The solution equips marketers with relatively sophisticated marketing campaign and audience segmentation capabilities supported by predictive analytics, machine learning, integrated, drill-down reports, and advanced data mining. Marketers can build segmentation schemes to target customers based on demographics, transactional behavior, campaign history, model scores, and date-relative filters, building lists with an unlimited number of segments. Infor Omni-channel Campaign Management is also highly configurable and compliance-oriented, with the ability to be customized to meet the needs of the individual user with its open application program interface (API) and end-user-developed custom calculations, and offering system-wide opt-in/opt-out capabilities to enforce regulatory policies. Customers will benefit from Infor's investment in improving integration with back office systems, with its Intelligent Open Network middleware, Infor ION, and its continued investment in improving its UI/UX with more drag and drop visual capabilities.

Weaknesses

Infor has strong marketing offerings, but does not have as much visibility in the marketing space as some of the other, similar sized vendors. Infor is better known for its strengths in the supply chain and ERP spaces, as well as for its industry solutions. Infor recently re-aligned its CX Suite assets, and could use this opportunity to develop clearer messaging around its marketing offerings and increase visibility. Certain aspects of the solution – like its configurability – are beneficial to the more advanced, but may make the solution less user friendly to the average marketer.

The take-away

Infor's Omni-channel Campaign Management solution fits the needs of more advanced marketing departments, while remaining intuitive. Infor is an Expert because it has invested in deep functional and industry-specific capabilities to provide best-of-breed functionality that may require more training, consulting, or expertise than that of Leaders. Based on Infor's investments in improving Omni-channel Campaign Management's UI/UX, increasing integrations, and the usability

and functionality developments introduced in version 10.1, Nucleus expects Infor Omni-channel Campaign Management to continue to outpace the market both in terms of functionality and usability growth, increasing its visibility in the marketing automation space.

REAL MAGNET

Real Magnet is a marketing platform with marketing automation, e-mail marketing, inbound marketing, social media marketing, event management, survey management, agency services, and webinar marketing solutions. Real Magnet's Marketing Automation solution consists of e-mail, analytics, lead management, social, and landing page capabilities. Real Magnet got its start as an ESP, but transitioned into marketing automation several years ago, primarily serving the mid-market, association space, though the vendor is currently working on expanding into other industries. Real Magnet integrates with leading association management systems (AMS) and CRMs. Last year, Real Magnet launched Real Association Marketing, a resource center for association marketers, added functionality such as an ROI calculator, and focused on expansion into other verticals. This year, Real Magnet plans to focus its attention on advancing analytics, adding more predictive capabilities across its platform, and adding more visual reporting capabilities. Since September 2016, the vendor has made the following marketing-related announcements:

- iMessage. In December 2016, Real Magnet released an iMessage-email integration which enables users to send e-mail content via text message.

Strengths

Real Magnet is still most competitive in the association space, where it offers one of the easiest to use, association functionality specific solutions on the market. However, Real Magnet is expanding its reach. Its marketing automation solution is one of the easiest to use on the market, and has a strong e-mail marketing focus which is appealing to many marketers. Real Magnet takes a step-by-step approach to marketing automation, taking marketers through the process of creating marketing campaigns by asking them one question at a time. This step by step approach to campaign creation helps customers get marketing campaigns up and running without a learning curve. Real Magnet is also a cost-effective choice, charging based on the number of active contacts, not total contacts.

Weaknesses

Real Magnet struggles to increase its visibility in the marketing automation space, due to its ESP roots and association focus. Last year, Real Magnet gained several

big-name clients in new verticals. To become better known in the marketing automation space as a vertical agnostic solution, Real Magnet will either need to invest more in marketing, or leverage those partnerships to showcase its capabilities.

The take-away

Real Magnet is an Expert because it has invested in deep functional and industry-specific capabilities to provide best-of-breed functionality for the association vertical. Nucleus expects Real Magnet to increase functionality in the next six months at the pace of the market. However, Nucleus also expects Real Magnet to devote its resources to increasing visibility over further increasing usability, as the solution is already one of the easiest to use on the market. Therefore, it is unlikely to grow at the same pace as the market in terms of usability.

SAP HYBRIS MARKETING CLOUD

SAP Hybris Marketing Cloud is a suite of marketing solutions that includes Commerce Marketing, Dynamic Customer Profiling, Loyalty Management, Marketing Resource Management, Marketing Lead Management, Marketing Analytics, and Segmentation and Campaign Management. Commerce Marketing connects e-commerce data – such as customer, transaction, social, clickstream and point-of-sale data – within SAP Hybris Marketing Cloud to inform customer profiles, deliver recommendations, and enable targeted campaigns when customers abandon shopping carts, for example. Dynamic Customer Profiling enables marketers to create customer profiles with omni-channel data and monitor customer activity and interest at every stage of the customer lifecycle from a visual dashboard. Loyalty Management enables companies to create loyalty programs, rewarding customers and providing insight into their behavior. Marketing Resource Management helps marketers manage all of their campaigns from one dashboard, track performance, automate campaign creation, and foster collaboration among teams. Marketing Lead Management generates, nurtures and transfers leads to sales, enhancing leads with customer intelligence. Marketing Analytics gives high-level marketers the reports and analytics they need to track spends and key performance indicators (KPIs), with a CMO Dashboard and the ability to create custom dashboards and storyboards through its embedded use of SAP BusinessObjects Cloud. Segmentation and Campaign Management leverages segmentation and predictive capabilities to target the right audience and create dynamic customer profiles that enable marketers to deliver personalized messaging across channels in real-time, and set up multi-step, multi-channel and trigger-based marketing campaigns.

SAP Hybris Marketing Cloud runs on the SAP S/4 HANA Cloud architecture, which combines SAP HANA's in-memory computing, the SAP Fiori version 2.0 UX, and SAP Cloud Platform, which enables customers to integrate with third party applications. SAP Hybris Marketing Cloud is sold in three versions – Standard, Professional, and Enterprise – with increasing scope of the entire solution suite. Consistent with the overall direction of SAP, SAP Hybris Marketing has, by and large, shifted to the Cloud, but can still be purchased as an on-premise solution. The most recent release of SAP Hybris Marketing Cloud improved upon additional marketing performance and predictive analytics capabilities. Since September 2016, the vendor has made the following marketing-related announcements:

- Release 1611. In November 2016, SAP Hybris 1611 was released. The release included a major update to the campaign design UI, and e-mail related enhancements. The release was in line with SAP's overall product direction, focused on allowing marketers to leverage real-time customer data and run "in-moment" marketing campaigns.

- Acquisition of Abakus. In December 2016, SAP Hybris announced its most recent acquisition, Abakus. Abakus is a marketing optimization and performance management solution, improving SAP Hybris Marketing Cloud's attribution, advanced analytics, and customer profiling capabilities.

- Release 1702. In February 2017, SAP Hybris 1702 was released. The release included enhancements in personalization and predictive marketing, a new global suppression rules application, and an expanded integration with SAP CRM. This release was also in line with SAP's overall, in-moment marketing product direction.

Strengths

SAP Hybris Marketing Cloud is a good fit for companies with advanced marketing needs, looking for a marketing solution with a broad set of capabilities. Few vendors include native integrations with commerce and loyalty management capabilities in their marketing automation offering, nor do they necessarily provide tight integrations between their marketing clouds and enterprise resource planning (ERP) and CRM solutions. SAP has a reputation for keeping customers within the SAP family, addressing gaps in its product offerings through acquisition and organic growth so that all of its customers' needs can be met within SAP. SAP Hybris Marketing Cloud also benefits from SAP S/4 HANA Cloud architecture, which provides advanced analytics, real-time, high granularity customer profiling, and intuitive, visual campaign management and performance monitoring tools. SAP is

also known for its focus on security and privacy, which may comfort some companies reticent to transition to the cloud.

Weaknesses

Officially launched in February, 2015, SAP Hybris Marketing Cloud is one of SAP's newer cloud solutions. It does not have the same degree of visibility as other marketing solutions and comes up in deals less frequently for customers who are not already in the SAP family. Despite the vendor's clear marketing message, it is still struggling to prove value to non-SAP customers, perhaps because most marketing automation customers are Cloud first, and SAP's transition to the Cloud came significantly later than its competitors. Although less costly than the on-premise version, SAP Hybris Marketing Cloud is still a big investment. Customers commonly rely on implementation services to assist with what can be relatively complex deployments, especially for those with a significant number of third-party integrations. However, SAP does provide a rapid deployment solution (RDS) package that provides a fixed-price, templatized approach to implementation, of which clients with common business processes can take advantage. SAP Hybris Marketing Cloud is highly visual and intuitive given its high degree of functionality, but companies without complex marketing requirements and advanced marketing teams may be better suited with a slimmer solution.

The take-away

SAP Hybris Marketing Cloud is an Expert because it continues to invest in expanding its offerings and driving innovation through acquisition and organic growth to provide robust, best-of-breed functionality. Because functionality can be more advanced than is commonly available in the general market, it may require more training, consulting, or expertise than that of Leaders and there may be fewer developers who can support it. With advancements in analytics, Nucleus expects SAP Hybris Marketing Cloud will slightly outpace the market in functionality growth, and stay consistent with the market in usability.

FACILITATORS

Facilitators provide solutions that are easy to use, quick to implement, and are often designed for a specific niche. Their applications are intuitive, driving rapid adoption with limited training requirements, and improving end-user productivity. However, these applications may also lack the deeper functionality required by more sophisticated users (Nucleus Research, *m106 – Understanding the Value Matrix*, October 2012). Facilitators in the Matrix include Act-On, HubSpot Marketing, Infusionsoft, Salesforce Pardot, and Salesfusion.

ACT-ON

Act-On Software is an open-architecture marketing automation and e-mail marketing solution that consists of inbound and outbound marketing tools, automation, reports and analytics, CRM, app integration, account-based marketing (ABM), and data capabilities. Act-On caters to B2B, mid-market companies, building brand awareness, driving demand, and improving customer relationships. Act-On Anywhere allows users to access Act-On from various applications including enterprise software, ESPs and social platforms. Outbound marketing functionality includes e-mail marketing, events, ABM, and webinar management, enabling users to engage at the contact or account level. Inbound and content marketing functionality includes search engine optimization, social media, website prospecting, forms and landing pages. Automation functionality includes lead nurturing and scoring, list management and A/B testing. Reports and analytics include campaign reports, website visitor tracking, and funnel reports. Act-On integrates with multiple CRMs out of box. Act-On typically announces one major product launch every quarter. Over the past year, Act-On has focused its attention on modernizing content creation capabilities, and releasing new e-mail, landing page, and forms composers. Since September 2016, the vendor has made the following marketing-related announcements:

- Act-On for Microsoft Solutions. In October 2016, Act-On announced applications for Microsoft Solutions, including native integration with Microsoft Dynamics CRM, Act-On Data Studio integration with Power BI, and Act-On Anywhere integration with Microsoft Outlook. This also enables Act-On to provision joint customers to Azure.

- New program templates. In November 2016, Act-On released new marketing campaign program templates to make multi-step campaign creation easier, responding to customer feedback.

- Adaptive Journeys. In March 2017, Act-On introduced a new platform that will enable marketers to leverage behavioral and preference data to adapt messaging, timing, and the channel of delivery. These Adaptive Journeys take Act-On's personalization capabilities beyond personalized content and messaging. Act-On will use Adaptive Segmentation to adapt segments automatically based on changing data, Adaptive Forms to support conditional follow-up based on customer responses, Adaptive Sending to automatically send messages at the optimal time, Adaptive Scoring to automate scoring beyond conditional scoring rules, and Adaptive Channels to select the best channel upon which to send messages.

Strengths

Act-On provides significant breadth in terms of functionality, at a reasonable cost. When asked to score Act-On in terms of functionality – one being the lowest score and 5 being the highest – customers with whom Nucleus spoke gave it an average score of 4.5. Act-On delivers a solution which tends to be more cost-effective than enterprise-grade solutions, and enables companies to calculate their price, based on customizations, directly from the website. Act-On also offers discounts to non-profits. Act-On has a strong customer support network and library of resources to help customers maximize the potential of the platform. (Nucleus Research, *q204 – Assessing Act-On software,* November 2016).

Weaknesses

Customers with whom Nucleus spoke say Act-On excels in delivering an intuitive UI/UX, is easy to deploy, and requires little to no maintenance. However, when asked to score Act-On in terms of usability, customers gave it an average score of 3.5. Customers cited the vendor's lack of campaign syncing with CRM, and the difficulty of building more complex, multi-touch campaigns as primary reasons. However, Act-On recently released a new program template to make multi-step campaign creation easier.

The take-away

Act-On is a Facilitator because it is quick to implement, intuitive, and drives rapid adoption with limited training requirements. Act-On suits companies with broad functionality needs that are looking for something relatively cost effective. Act-On's recent investment in expanding machine learning and increasing functionality position it to keep pace with the market in terms of functionality growth. Act-On has made minor improvements to the usability of its solution, but Nucleus expects it will fall slightly behind the market in terms of usability growth over the next six months.

HUBSPOT MARKETING

HubSpot Marketing is an all-in-one, inbound marketing solution catering to the SMB sector. The solution consists of marketing automation, e-mail marketing, campaign, content and lead management, Web development and hosting, search engine optimization, and social capabilities. HubSpot Marketing integrates natively with HubSpot's own CRM platform, as well as most other CRM systems and content management systems (CMS). In July 2016, HubSpot announced its first play in the machine learning space, with its new chatbot called Growthbot. Users can ask Growthbot to perform tasks such as drafting an e-mail, or adding a prospect to CRM. Growthbot can also initiate a conversation with the user, bringing pressing

information about the status of an account to his/her attention. At its INBOUND event in November 2016, HubSpot announced a new free version of HubSpot Marketing, democratizing HubSpot's entire portfolio. Since September 2016, the vendor has made the following marketing-related announcements:

- Visual Workflows Editor. In November 2016, HubSpot announced that its campaign-building functionality, Workflows, has been completely rebuilt to be simpler and more visual, with drag and drop campaign mapping functionality and a rebuilt visualization layer.

- New content strategy tool. Also in November 2016, HubSpot released a new content strategy tool that uses machine learning and natural language processing to improve content performance, allowing users to write more naturally and focus less on keywords.

- HubSpot Marketing Free. In November 2016, HubSpot took the last step in democratizing the entire HubSpot product stack. HubSpot announced HubSpot Marketing Free, a slightly slimmer version of its paid product. Now, HubSpot offers a free CRM, sales and marketing solution.

- Shutterstock partnership. In February 2017, HubSpot partnered with Shutterstock to deliver its customers over 50,000 stock images, downloadable directly from the HubSpot File Manager.

Strengths

HubSpot offers all of the core marketing capabilities of its competitors, but distinguishes itself with its inbound marketing methodology, its easy to use Web, landing page, e-mail and blog post designers, and a free version of every product in its portfolio. Unlike many competitors, HubSpot offers Web hosting capabilities as an add-on, enabling customers to run their website on HubSpot's platform and manage it from a dashboard. This content creation focus is central to HubSpot's inbound marketing methodology, which professes that the best way to gain lifelong customers is through attracting them with informative, relevant content across channels, which naturally draws them to your product. HubSpot is also one of the few vendors offering a completely free version of its solution, which is a perfect example of the company practicing what it preaches, executing an inbound marketing strategy. HubSpot used to have a less visual and user friendly campaign builder, but now has a drag and drop, visual campaign mapping tool like most of its competitors.

Weaknesses

HubSpot's analytics and machine learning capabilities are not as advanced as many of its competitors, and despite its new chatbot and incorporation of intelligence into functionality like the content strategy tool, HubSpot's progress in the machine learning space is still in its early stages. HubSpot has decided to limit itself to the SMB sector, and its functionality and usability appeals to a certain type of user. For SMBs which plan to scale relatively rapidly, HubSpot may not provide the most long-term solution. Very price conscious customers drawn to HubSpot Marketing Free should be aware that its functionality is admittedly less robust than the paid version.

The take-away

HubSpot Marketing is a Facilitator because it offers a solution which is easy to use and implement, and designed for the SMB niche. HubSpot Marketing is intuitive, and, due to its extensive training and support, customers experience some of the fastest implementation and adoption times. However, the solution is not designed for enterprises, and more advanced users may find HubSpot lacks the deep functionality they require. With HubSpot Marketing's rapid release cadence and enhancements to the usability and functionality of the solution, Nucleus expects it to outpace the market in terms of growth on both fronts.

INFUSIONSOFT

Infusionsoft is an all-in-one marketing automation, CRM, and e-commerce solution for small businesses and entrepreneurs. Infusionsoft's marketing automation capabilities include campaign building, e-mail marketing, lead management, marketing and sales alignment, and reporting capabilities. While Infusionsoft has its own CRM, it can also be integrated with third-party CRM systems. In August 2016, Infusionsoft became fully HIPAA and HITECH Act compliant, enabling Medical and HIPAA covered entities to use the software freely. Since September 2016, the vendor has made the following marketing-related announcements:

- Configure Price Quote (CPQ) enhancements. In October 2016, Infusionsoft announced a series of product updates at its PartnerCon event. Among them are new invoice and quote features that allow users to save default fields, terms and conditions, e-mail subject lines and body content for quotes and invoices, reducing the time it takes to generate personalized e-mails. Direct online payment via credit card is another recent feature, and CPQ capabilities have been built into the Campaign Builder. This adds the ability to trigger automation based on a lead's interaction with a quote.

- Automated e-mail enhancements. Also in October 2016, Infusionsoft announced new time zone capabilities that enable users to send automated e-mails at a time relevant to the recipient's time zone, directly from within Campaign Builder or Infusionsoft's e-mail tool.

- New Campaign Dashboard Widget. In October 2016, Infusionsoft also announced a new widget – an element of the graphical user interface (GUI) – which enables users to track campaign performance in real-time, and share insight with teammates.

- New Partner Program. In December 2016, Infusionsoft advanced its partner-first strategy, supporting value-added reseller partners, services partners, and app developers with benefits ranging from commissions and dedicated partner support, to marketing development fund access, marketing listings, and assets.

- Mobile App enhancements. In January 2017, Infusionsoft announced several product updates, including new mobile app capabilities. Mobile app enhancements include the ability to edit contacts from any mobile device, an easier subscription setup process, and character recognition capabilities that enable users to take a picture of a business card from a mobile device to upload customer information.

Strengths

Infusionsoft's breadth of functionality makes it an attractive solution for any small business looking for a one-stop-shop. Infusionsoft eliminates the complexity of enterprise-grade solutions, offering the core marketing automation capabilities on an intuitive, easy to use, configurable platform. Unlike competitors that offer sales, service, marketing and e-commerce capabilities as separate licenses, Infusionsoft's marketing, CRM and e-commerce capabilities are all included out-of-the-box, on the same platform. This eliminates the cross-platform integration challenges many small businesses face. For businesses that need more breadth or depth as they scale, Infusionsoft provides an open API and app marketplace.

Weaknesses

Infusionsoft caters to small, micro-businesses by design, and does not aim to serve larger companies. Therefore, it does not provide the depth of functionality or machine learning capabilities larger companies might need. Infusionsoft has basic reporting but lacks out-of-the-box visual reporting capabilities. Its UI, while easy to use, is also less visual than some of its competitors. Also, several customers with whom Nucleus spoke experienced lengthier implementations than expected.

The take-away

Infusionsoft is a Facilitator because it is easy to use, quick to implement compared to enterprise implementation cycles, and is designed for the small business niche. Because it is intuitive, it drives rapid adoption with training and implementation support, but lacks the deeper functionality required by enterprise users, as it is designed for small businesses. Infusionsoft's rapid release cadence and extensive usability and functionality enhancements position it to outpace the market in terms of growth on both fronts.

SALESFORCE PARDOT

Pardot, Salesforce's B2B Marketing Automation solution, helps marketing and sales teams collaborate to drive personalized marketing campaigns, generating and nurturing more high-quality leads, streamlining lead management, empowering sales teams, and maximizing marketing efforts. The solution consists of e-mail marketing, lead generation and management, ROI reporting, and sales alignment. Pardot serves B2B organizations of all sizes. While Pardot was historically a stand-alone marketing automation product that integrated with third-party CRM integrations, Pardot now exclusively integrates with Salesforce and has been consolidated under Marketing Cloud, sold as one of five Marketing Cloud products, including Email, Mobile and Web; Social; Advertising; Data Management (Krux); and B2B Marketing (Pardot). Pardot can be paired with Salesforce Engage, an add-on which further empowers sales to run marketing-approved mini campaigns from a library of pre-approved email templates and nurturing tracks, to carry out micro-marketing. Pardot can also be paired with an add-on solution called Wave for B2B Marketing, which provides more advanced analytics and a visual, customizable dashboard with which marketers can analyze data from multiple sources. Since September 2016, Pardot has made the following marketing-related announcements:

- Engagement Studio enhancements. In October 2016, Salesforce released enhancements to Pardot's campaign builder, Engagement Studio. Users will now be able to lock Engagement Programs, preventing multiple users from editing the same Program at the same time. Versioning has also been added, allowing users to edit steps within Programs, recording edits as part of a new program version.

- Wave for B2B Marketing. Also in October 2016, Salesforce launched Wave for B2B Marketing, an add-on to Pardot that provides advanced analytics and a way to consolidate marketing and sales data in one place. The app comes with three dashboards from which users can view and report on metrics, collaborate with teams, and make more data-driven decisions.

- AMPSEA feature. In November 2016, Salesforce announced a new feature – "Allow Multiple Prospects with the Same Email Address" (AMPSEA) – which removes the need for prospects in Pardot to have unique e-mail addresses. This will be especially useful for customers selling multiple products or services that want to maintain separate records depending on which product interests their prospects.

- Engagement History Lightning component. Also in November 2016, Salesforce announced several Lightning enhancements for Pardot and Engage, including an Engagement History lightning component that makes it possible to view Pardot and Engage prospect activities from within Salesforce. Salesforce recommends that customers transitioning to Lightning who are currently using VisualForce transition to the Engagement History lightning component.

- Salesforce Engage in Lightning. In November 2016, Salesforce announced an updated UI for Engage Campaigns and reports, and increased template and e-mail usability, and custom date ranges in Engage reports.

- Editable template regions in Engage Campaigns. In November 2016, Salesforce also added editable regions to Engage Campaigns, giving marketers the ability to designate which regions within templates can be edited by sales. This adds to the features and functionality that make Pardot and Engage optimal tools for implementing micro-marketing, enabling sales to carry out ground-level marketing activities within parameters designated by marketing.

- Engage Alerts Enhancements. In February 2017, Salesforce announced enhancements to Engage Alerts that will make the add-in more intuitive for salespeople. Enhancements include a new Engage Alerts user interface with a column-like design, a customizable, quick view window that shows sales the most recent alerts, and an engagement activity board. New criteria will be available in filters, including activity criteria such as paid search clicks, event registrations, file downloads and geographic criteria.

Strengths

Pardot is one of the most accommodating solutions to non-technical users, with a high degree of usability due to extensive drag and drop, visual features like the campaign builder and template editor. For companies that wish to give sales more marketing responsibilities, in turn letting marketers focus on strategic initiatives, Pardot is a strong choice. In fact, Nucleus found Pardot to be the solution with the greatest potential to influence micro-marketing (Nucleus Research, *q192 – Leaders in marketing automation,* October 2016). Pardot customers benefit from Salesforce's

strong customer support and frequent platform-wide product releases as well. Most updates are supported in Salesforce Classic and Salesforce Lightning Experience, so all customers can benefit.

Weaknesses

Pardot delivers a solution that fosters collaboration between sales and marketing, but for experienced marketers looking for a solution with a high degree of functionality and advanced analytics out of box, Pardot may seem limited. For a more complete marketing solution, customers should consider purchasing several of the Marketing Cloud offerings – perhaps pairing Pardot with Email, Mobile and Web, as well as Social – or purchasing the Wave for B2B Marketing add-on, which provides more advanced analytics.

The take-away

Pardot is a Facilitator because it provides a solution that is easy to use, quick to implement and adopt, and is designed for a specific niche. Limited training time is required; however, it may lack the deeper functionality required by more sophisticated users. Salesforce customers seeking a tool that aligns marketing and sales, backed by strong customer support and native integrations, would benefit from Pardot. Pardot frequently enhances its solution, and benefits from Salesforce platform-wide updates. Nucleus expects that Pardot, like other Salesforce products, will continue to outpace the market in functionality growth. However, Pardot is already one of the easiest solutions to use on the market, so Nucleus expects Pardot will keep pace with the market in terms of usability.

SALESFUSION

Salesfusion is a marketing automation platform with campaign management, ABM, lead and account management, Web and social media marketing, search engine optimization (SEO), landing pages and forms development, and CRM. Salesfusion also has a managed service offering for customers who want Salesfusion to help them manage and execute marketing strategy. Salesfusion caters primarily to the SMB sector, and natively integrates with all major CRM systems. In 2016, Salesfusion launched its ABM solution, and in 2017, the vendor plans to focus on improving its business intelligence (BI) and analytic capabilities, as well as its forms and landing page builders. Since September 2016, the vendor has made the following marketing-related announcements:

- New Managed Service offering. In October 2016, Salesfusion announced its new Marketing Concierge Program, which allows customers to take advantage of Salesfusion's expertise in areas such as template design or campaign

management. Customers can also choose to have Salesfusion drive their marketing strategy.

- E-mail Campaign Nurture Flow Designer. In November 2016, Salesfusion announced its newest release, which included a series of enhancements to its e-mail, integration, and marketing automation capabilities. Salesfusion's enhancements included a new email campaign builder called the E-mail Campaign Nurture Flow Designer, which makes creating complex nurture campaigns more intuitive.

- New landing page designer and dashboard. Also in November 2016, Salesfusion launched a new landing page designer with improved drag and drop capabilities which make it easier for users to build landing pages, and a redesigned marketing dashboard user interface with improved data visualization capabilities, improving marketers' ability to measure campaign performance.

- Task-driven navigation. In November 2016, Salesfusion also announced new task-driven navigation which better aligns the user experience with marketing tasks and notifies users to take certain actions, and improves CRM integration functionality so that marketing automation metrics are automatically pushed to the integrated CRM, allowing salespeople to stay on top of account activity without leaving CRM. Salesfusion also improved its Microsoft Outlook plug-in so users can seamlessly send e-mails through Outlook.

- Native integration with Bullhorn CRM. In December 2016, Salesfusion added Bullhorn CRM to the list of CRMs with which it natively integrates, including Salesforce, Infor, Microsoft Dynamics CRM, Netsuite, SugarCRM, and Sage.

Strengths

Salesfusion's intuitive, no strings attached approach to marketing automation software make it a good fit for SMBs looking for a cost-effective solution with a wide range of functionality available right out of the box, including an internal CRM system and ABM capabilities. Salesfusion prices its solution based on the number of contacts, and whether users have one thousand or one million, all functionality is included for an unlimited number of users. For customers that wish to go beyond the free support that is included, Salesfusion's new Concierge Service is a unique option. Due to Salesfusion's low TCO and its recent release focusing on further increasing usability and productivity, Salesfusion is likely to deliver strong ROI for its customers.

Weaknesses

Salesfusion's fast release cadence is an indicator of positive growth and expansion, but the vendor will need to expand on functionality and analytic capabilities, not just on usability, if it is to gain a competitive edge against more well-known vendors in the space. With a more aggressive analytics strategy on the agenda for 2017, Salesfusion seems to recognize this need, but its ability to deliver on that promise will be critical, as more customers demand advanced analytic capabilities even of high usability, cost sensitive solutions.

The take-away

Salesfusion is a Facilitator because it is focused on providing SMBs with an easy to use, intuitive solution. Salesfusion is easy to implement and adopt, and is very cost effective. Salesfusion is well suited for SMB's looking for an all-in-one, high usability marketing solution at an attractive price point, but enterprises and sophisticated users may find it lacks depth of functionality. Salesfusion can be used as a micro-marketing solution, with unlimited users enabling companies to equip salespeople with more marketing responsibilities at no additional cost, and has an internal CRM system with new capabilities which push marketing metrics to CRM. Recent enhancements highlight the vendor's commitment to increasing the usability of the product, and plans for this year indicate positive growth in terms of functionality as well. Nucleus expects it will slightly outpace market growth in terms of both usability and functionality, with slightly more emphasis on functionality.

CORE PROVIDERS

Vendors in the Core Providers' quadrant are point solutions, or those that provide limited functionality at a relatively low cost. These vendors are often a good starting point for companies seeking core capabilities with a limited budget because they enable faster and less expensive adoption when a high degree of functionality is not needed. Core Providers may be challenged to win customers and fund research and development (R&D) to keep them from being overtaken by vendors with higher budgets (Nucleus Research, *m106 – Understanding the Value Matrix,* October 2012). Core Providers in the Matrix include ActiveCampaign, Bridgeline iAPPS Marketier, CallidusCloud LeadRocket, Engagio, GetResponse, and Mautic.

ACTIVECAMPAIGN

ActiveCampaign is an all-in-one marketing platform with e-mail marketing, marketing automation, sales automation, and CRM functionality. Marketing automation capabilities include campaign management, lead management, social, mobile, reporting. While ActiveCampaign got its start as an e-mail marketing

solution, marketing automation is now the focus of most of its R&D efforts. ActiveCampaign caters to the SMB sector across all industry verticals, primarily serving companies with 20 or fewer employees. The vendor's lowest offering includes marketing automation functionality, mid-tier includes marketing automation, sales automation, and CRM, and the enterprise package includes all features. ActiveCampaign can be integrated with most CRMs, but has no out-of-the-box integrations at this time. In 2017, ActiveCampaign plans to focus on business intelligence, deep data integrations, automated insights, and enhanced messaging capabilities. Since September 2016, the vendor has made the following marketing-related announcements:

- Goals Reporting. In October 2016, ActiveCampaign added a new Goal Reporting Dashboard, making it easier for users to measure the success of specific goals – like their percent completion – and overall marketing campaign performance.

- Free migration services. In November 2016, ActiveCampaign announced free migration services, making it easier to transition to ActiveCampaign.

- Split Test Automations. Also in November 2016, ActiveCampaign announced the ability to create A/B split tests from inside the campaign builder to determine the most effective strategy.

- Shopify integration. In December 2016, ActiveCampaign announced a deep data integration with Shopify, making e-commerce data, like customer purchase history, readily available from within ActiveCampaign.

Strengths

ActiveCampaign is an easy to use, highly cost effective alternative to competing SMB solutions. Due to its low TCO, lack of setup fees, and ease of implementation, its customers tend to experience short payback periods. As its recent product updates show, ActiveCampaign frequently enhances its offerings and has a clear roadmap for growth, including out-of-the-box CRM integrations.

Weaknesses

ActiveCampaign struggles to gain the visibility it needs to compete with the big-name SMB players. The vendor will have to improve visibility in order to win customers and fund research and development to keep them from being overtaken by vendors with larger budgets.

The take-away

ActiveCampaign is a Core Provider because it provides a good starting point for companies seeking core capabilities with a limited budget, when a high degree of functionality is not needed. The vendor enables inexpensive and expedient implementation and adoption. Nucleus expects ActiveCampaign will keep pace with the market in terms of functionality growth, but it will likely fall behind in terms of usability, as its recent releases and roadmap for this year focus on functionality.

BRIDGELINE IAPPS MARKETIER

Bridgeline's marketing automation solution integrates Web content management and marketing automation capabilities. Bridgeline enables marketers to capture and nurture leads, and develop personalized, targeted campaigns. Bridgeline began as a WCM provider with commerce, social and analytics capabilities, and marketing automation capabilities that were a subset of WCM. Under its new CEO, Ari Kahn, Bridgeline has undergone many changes, including launching marketing automation as a stand-alone product offering and consolidating under the Bridgeline brand, rebranding iAPPS Marketier as Unbound Marketing this month. Bridgeline provides tight integration between marketing automation, WCM, commerce, and social media management. Marketing functionality includes a drag and drop builder for landing pages and blogs, lead form creation with CRM integration, e-mail management, automation flows, audience segmentation, contact management, and personalization. Content management includes both website and micro-site support, and functionality such as in-line content editing, SEO, enterprise search, and flexible content templates. Bridgeline has a franchise management platform, as well, that enables franchisees to manage their local website, SEO, and marketing campaigns while leveraging common branding assets and approved content. Bridgeline serves B2B and B2C SMBs and enterprises alike, and offers cloud-based and on-premise deployments that integrate with leading CRM platforms. Customers can purchase the Bridgeline Experience Manager Pro series, which bundles Marketing Automation with WCM and Commerce. All of these products are offered on one, unified platform with a single sign-on. Bridgeline releases new features and functionality on a quarterly basis. Since September 2016, the vendor has made the following marketing-related announcements:

- Version 5.4 January 2017 Release. In January 2017, Bridgeline announced its most recent release, which focused on improving one-to-one relationships with end-users though providing more targeted, relevant content. The release incorporated additional personalization features with built-in geographic and referral-based targeting, and an extended contact profile with end-user activity.

Bridgeline also integrated Amazon Elasticsearch into its enterprise search offering.

Strengths

With its background in WCM, Bridgeline holds a unique position in the market as one of the few providers with strong marketing automation, WCM, and commerce capabilities on one platform. Bridgeline also offers a unique degree of security to its customers – PCI Level 1 compliance – which, with its on-premise offering, makes it attractive to organizations with high-security needs. Bridgeline's upcoming release will announce SOC2 certification, as well. Bridgeline has gained some of its largest clients through these unique capabilities, especially in market verticals such as financial services, insurance, and manufacturing. Bridgeline's WCM capabilities enable companies to build websites rapidly out of the box with pre-built components, but can also scale to be more complex and enterprise-level. In terms of cost, Bridgeline allows an unlimited number of contacts and charges based on the number of e-mails sent. When compared to the big-name marketing automation solutions on the market, Bridgeline tends to be more cost effective for this reason.

Weaknesses

Bridgeline struggles to build brand awareness, partly due to the fact it has been promoting two brands – Bridgeline and iAPPS – and historically invested more in product development than in getting its name out there. The vendor's current product structure and messaging is confusing, and the company will need to devote resources to additional marketing efforts before it has more influence over the market. However, under Bridgeline's new leadership, Nucleus expects the vendor's visibility and ability to simplify their branding, messaging, and value proposition will improve.

The take-away

Bridgeline Digital iApps Marketier is a Core Provider because its high degree of usability provides a good starting point for companies seeking core capabilities with a limited budget. It serves customers looking for a highly secure, on-premise marketing automation solution, as well as those looking for a scalable cloud based solution with sufficient breadth of functionality, on a unified platform. Nucleus expects that the vendor will slightly outpace the market in terms of functionality development, and keep pace with the market in terms of usability.

CALLIDUSCLOUD LEADROCKET

LeadRocket is CallidusCloud's marketing automation solution focused on marketing and sales alignment, automating marketing processes, and accelerating sales. While

much of CallidusCloud is focused on tools for salespeople, LeadRocket is primarily used by marketers. LeadRocket has e-mail marketing functionality that enables marketers to develop personalized e-mail campaigns with segmentation, analytics and reporting capabilities. LeadRocket also has lead generation functionality with a landing page builder and tracking. The solution's lead management functionality enables marketers to track and manage leads in real-time, with lead scoring, nurturing, and alerts. Sales acceleration functionality enables sales and marketing teams to automate personalized outreach. CallidusCloud recently changed the name of its marketing automation solution to LeadRocket, in order to increase visibility for the solution, and establish it as its own unique solution within CallidusCloud's integrated suite. LeadRocket can be purchased as a standalone product, or can be bundled with other CallidusCloud applications like DataHug and Clicktools. LeadRocket caters to businesses of all sizes and integrates with most CRM systems. Since September 2016, the vendor has made the following marketing-related announcements:

- Acquisition of Datahug. In November 2016, CallidusCloud acquired Datahug Limited, improving the predictive forecasting, pipeline management and analytic capabilities of LeadRocket.

Strengths

In terms of usability, LeadRocket's UI is intuitive, its features and functionality are user friendly, and its campaign mapping feature is drag and drop and visually on par with some of the most expensive marketing automation solutions. Considering the breadth of its offerings, LeadRocket is reasonably priced, and easy to implement. Marketers benefit from sales enablement functionality on top of marketing automation capabilities out of the box. Sales enablement functionality includes role-based access to information, a mobile sales advisor, playbooks, collaboration tools, cross-channel analytics, and portals to share content with customers – all capabilities that would help sales run ground-level marketing campaigns. This equips marketers with the tools they need to implement micro-marketing right out of the box, which brings significant benefits in terms of improving ROI. CallidusCloud's breadth also enables marketers to integrate with an array of applications in the CallidusCloud suite that other marketing automation vendors do not offer, such as CPQ and CLM. Since August 2016 the vendor's release cadence has increased relative to past years, and the vendor's recent renaming of its marketing automation solution to LeadRocket shows its commitment to increasing visibility.

Weaknesses

Catering to marketers and salespeople, LeadRocket is designed for business users. Advanced marketers and more technical users may find that it lacks depth in terms of functionality and analytic capabilities, however CallidusCloud is making investments in this area through acquisitions like Datahug which have expanded predictive analytics and ABM capabilities. Like other vendors with a broad set of product offerings, customers may have difficulty navigating through CallidusCloud's product suite, but the recent rebranding shows the vendor's efforts to bring clarity to their offerings and increase visibility.

The take-away

CallidusCloud LeadRocket is a Core Provider because it is a good starting point when budgets are limited, and usability is a higher priority than depth of functionality. Implementations tend to be quick and easy, and there are low barriers to adoption. LeadRocket can also scale to meet customers' growing needs. The vendor's attention to expanding upon its current feature set and increasing functionality indicates that over the next six months, it will slightly outpace the market in terms of functionality, and keep pace in terms of usability.

ENGAGIO

Engagio is an account-based marketing (ABM) analytics and sales automation solution that integrates with CRM and marketing automation solutions to provide account-centric analytics and campaign management capabilities. Features include PlayMaker, which enables customers to orchestrate multi-step, cross-departmental strategies to target accounts, e-mail marketing, lead to account matching, which automatically attaches unconverted leads to accounts, and account-based reporting and analytics, which help customers understand which accounts have the greatest opportunity for growth. Engagio was launched in April 2015 by Marketo co-founder Jon Miller, and in many ways aspires to be like Marketo, but with a different approach to targeting leads – specifically, an approach the vendor coined, called "account based everything" (ABE). Instead of targeting leads that respond to a campaign, ABE targets specific accounts, utilizing marketing, sales and service to build relationships with a network of decision makers. Engagio enables its customers to do that by providing them with tools to orchestrate multi-step plays with its PlayMaker functionality, collaboratively targeting accounts. Customers can purchase Engagio in its entirety, or Engagio's Account Based Platform, Account Based Analytics, or PlayMaker individually. Engagio integrates with most major CRMs. In 2016, the vendor primarily focused on allocating series B funding to build out its core functional capabilities. This year, Engagio welcomed a former Marketo

CFO to its Board of Directors. Since September 2016, the vendor has made the following marketing-related announcements:

- PlayMaker. In November 2016, Engagio released PlayMaker, enabling companies to orchestrate multi-step, multi-player strategies to target accounts. Using Engagio's PlayMaker, a marketer might send a personalized e-mail to the CEO of the target account, then an account executive might send the management team a bottle of wine, then a salesperson might give the Director of Marketing a phone call. Engagio automates this strategy, with users creating steps with drag and drop functionality and checklists within those steps which require completion before the campaign can progress.

Strengths

Engagio is a new solution, but it launched with an impressive UI right off the bat. In fact, it is one of the most intuitive, contemporary solutions on the market. Companies considering implementing account based marketing (ABM) should first consider Engagio, as it is similar to ABM but cross-departmental, and is designed around what naturally happens within organizations to land accounts. Engagio's analytic capabilities are still developing, but currently utilize the same business intelligence that runs through Marketo. Engagio prices based on the number of unique account owners – not on a per-seat basis – allowing an unlimited number of users. This enables customers to loop in anyone within their organization who would add value to landing an account without having to buy them a seat.

Weaknesses

Engagio is still working out the kinks in terms of functionality and product positioning. Like any new solution, Engagio will need to focus on differentiating itself in the market and increasing visibility. Since Engagio has a strong ABM emphasis, it may have trouble gaining visibility in a broader marketing automation context.

The take-away

Engagio is a Core Provider because it delivers more limited functionality than solutions in other quadrants on the Value Matrix at a low cost. It provides a good starting point for companies seeking core capabilities with a limited budget, and enables fast and less expensive adoption. Engagio is still too new to have truly proven itself in the market, but has been steadily gaining new, big-name customers and developing the product. Nucleus expects Engagio will continue to grow,

especially in terms of functionality, where it will outpace the market over the next six months.

GETRESPONSE

GetResponse is an online marketing platform with e-mail marketing, webinar marketing, landing page, and marketing automation products. E-mail marketing has customization and personalization, advanced segmentation, optimization, tracking, and testing capabilities. Webinar services enable users to create their own webinars from templates. Landing page capabilities enable users to create, customize, test and publish templated landing pages. Marketing Automation capabilities include workflow building, scoring and tagging, Web event tracking, cart abandonment, and automation segmentation. GetResponse primarily serves entrepreneurs and small businesses, but also offers enterprise and industry solutions. GetResponse integrates with Salesforce, Zoho CRM, and Zendesk. Since September 2016, the vendor has not made any announcements.

Strengths

GetResponse provides an easy-to-use, cost-effective solution that even marketers new to marketing automation will be able to manage. GetResponse has significant breadth from a functionality standpoint for its price point, including a complete webinar marketing solution that differentiates it from other solutions serving small businesses. GetResponse's e-mail marketing analytics are also one of its strong suits, both comprehensive enough to derive actionable insights, and comprehensible for the entry-level marketer to understand. Customers can check e-mail performance metrics nearer to real-time than many of its competitors, and perform A/B testing and optimization from within the platform.

Weaknesses

Despite its breadth in terms of functionality, GetResponse lacks the depth required by more advanced marketers. GetResponse got its start as an e-mail marketing tool, and though it positions itself as a marketing platform relatively well, it is still known by many as an e-mail marketing tool. Before we see it appearing in deals against higher profile marketing automation solutions, GetResponse will need to acquire more customers that use its non-e-mail marketing solutions.

The take-away

GetResponse is a Core Provider because it offers a good starting point for companies seeking core capabilities with a limited budget, when a high degree of functionality is not needed. GetResponse may move upward and to the right as it improves not only the breadth but also the depth of its entire product stack and

encourages deployments beyond its e-mail marketing product. GetResponse would also benefit, in terms of placement on the Value Matrix, from more frequent product enhancements and releases. Within the next six months, Nucleus does not see it keeping pace with the market in terms of growth in usability and functionality.

MAUTIC

Mautic is a marketing automation provider with contact management, customer lifecycle management, multi-channel marketing, reporting, lead scoring, nurturing and conversion capabilities. Mautic has a free, open source product created and supported by the open source community, and a hosted product known as the Mautic Cloud, catering to marketing agencies and enterprises. Mautic Cloud supports up to millions of records, offers access to a customer success agent who provides onboarding services including setting up campaigns, sharing best practices, and assisting with Mautic's optional 8 stage onboarding process, and includes live e-mail and phone support from Mautic's customer service centers in Boston and Raleigh. Mautic has built-in and downloadable integrations with ESP, social tools, screen sharing and video tools, and CRMs. In early 2016, Mautic Cloud Version 2.0 was released, with new dashboard features, a new e-mail and landing page builder, advanced segmentation and campaign attribution reporting, Salesforce integration, and dynamic content capabilities. Mautic also announced touch management capabilities, which enable users to set limits on the number of times a contact can receive a message. In September 2016, Mautic received $5 million in series A funding from G20 Ventures and Underscore VC, and announced a new CEO, Matt Johnston, who joined Mautic's Board of Directors in July. Funding will be put toward hiring, developing its product suite, and expansion into the enterprise sector. Since then, the vendor has rolled out five new versions, that include the following key enhancements:

- Integration improvements. In November 2016, Mautic improved Salesforce integration, and added integration with GoToMeeting, GoToWebinar, GoToAssist and GoToTraining.

- API Optimization. Also in November 2016, Mautic optimized API calling, to minimize the number of API calls it makes. Also, Mautic added the ability to add points to a lead score via API.

- Multi-channel Marketing Messages. In February 2017, Mautic released version 2.6. The release included Multi-channel Marketing Messages, which enables messages to automatically be sent based on the preferences of a contact.

- ▪ Version 2.7. In March 2017, Mautic released version 2.7 which focuses on improving usability, simplifying content creation, Salesforce contact mapping, and e-mail and landing page editing. It is available to all Mautic Cloud users.

Strengths

Mautic focuses on delivering a solution that is easy to use right out-of-the-box, easy to deploy, and cost effective. One of Mautic's primary differentiators is its ability to innovate at a rapid pace due to its open source roots, bringing it up to speed in terms of its core marketing automation functionality rather quickly, despite its relatively recent emergence. Mautic's open source version is written and owned by the community, but Mautic tests, refactors and rewrites that code for its commercial product, Mautic Cloud. This ensures Mautic Cloud meets security and performance standards, but still benefits from the speed of innovation that comes with open source software, where developers are adding and improving upon functionality every day. Also, when Mautic Cloud was launched, the company already had over 100,000 users, which benefitted it from a data standpoint. Mautic offers a free version of Mautic Cloud that looks identical from a UI perspective, and has the same functionality as the paid version aside from limitations on the number of contacts and email sends. In terms of functionality, Mautic's lead and company scoring capabilities are relatively advanced, using demographic, firmographic, and activity data to derive scores and allowing actions to be triggered once a certain number of points are reached. Mautic's campaign builder is visual and easy to use.

Weaknesses

Mautic Cloud's UI is clean and easy to use, but does not have the visual appeal of many of its competitors because it is so basic. Mautic is geared toward SMBs and enterprises alike, but has yet to reach the level of functional maturity required by large enterprises with complex marketing requirements. Despite the strengths of open source, Mautic has not fully crystallized messaging around its solutions, nor how Mautic Cloud can meet high security and functionality standards. The vendor is focused on improving messaging, however, and has already made major improvements, including a revised website with clearer product marketing.

The take-away

Mautic is a Core Provider with core marketing automation functionality at a low cost. Mautic's products might suit companies seeking core capabilities with a lower TCO, because they enable faster and less expensive adoption. Due to Mautic's pace of innovation and recent functionality enhancements, Nucleus expects Mautic will significantly outpace the market's rate of growth in terms of functionality over the

next six months. With its recent release which focuses on usability, Nucleus expects it to slightly outpace the market in that area, as well.

CONCLUSION

Customers can expect to see the market trending toward increased usability and functionality over the next six months, delivering increasing ROI. As companies develop a marketing automation short list, they can use this Value Matrix to determine which solutions are likely drive the greatest ROI based on their needs. Companies can also use this Matrix to re-evaluate their current marketing automation solution.