Magic Quadrant for Digital Marketing Hubs

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Marketers need integration and coordination among systems to manage and optimize individual dialogues in real time, across channels, devices and contexts, on a continuous basis. Vendors from advertising, marketing automation and analytics disciplines are converging on this opportunity.

Market Definition/Description

Target Audience

This Magic Quadrant is intended for chief marketing officers (CMOs), chief marketing technologists and other digital marketing leaders involved in the selection of core systems to support digital marketing business requirements.

A digital marketing hub is foundational for many mission-critical priorities of marketers. Hub vendors can help the following key roles:

- **Digital Commerce Marketer:** Access data to understand what your customers want, create personalized offers, advertising and experiences, and improve your ability to drive revenue through commerce experiences and optimize based on results.

- **Customer Experience Leader:** Combine audience analytics with content workflows to understand customer needs, and design, deliver and measure the impact of digital experiences.

- **Multichannel Marketing Leader:** Use unified cross-channel data and analytics to orchestrate and optimize multichannel customer journeys across silos and touchpoints.

- **Marketing Analytics Leader:** Harvest real-time and historical data from multiple sources into a common format for analysis and distribute analytic insights and programs to multiple applications and collaborative tools.

- **Marketing Technology Leader:** Accelerate agility and reduce risk by standardizing access to common resources such as audience profile data, content and workflow elements across marketing applications.

Definition

Gartner defines "digital marketing hub" as follows:

A digital marketing hub provides marketers and applications with standardized access to audience profile data, content, workflow elements, messaging and common analytic functions for orchestrating and optimizing multichannel campaigns, conversations, experiences, and data collection across online and offline channels, both manually and programmatically.

It typically includes a bundle of native marketing applications and capabilities, but it is extensible through published services with which certified partners can integrate.

The digital marketing hub addresses four key areas. These areas are the most crucial aspects of digital marketing to integrate in order to eliminate barriers to interacting consistently and personally with customers across channels:

- **Master audience profile —** Combine first-, second-, and third-party data across known and anonymous domains for precision targeting and tracking of offers and experiences. A consistent view of customers (including anonymous ones) across marketing programs and processes is the baseline for effective communication. This criterion is weighted most heavily in this evaluation, and accounts for the strong showing of vendors with data management platform (DMP) capabilities.

- **Workflow and collaboration —** Support marketing programs with core services through ideation, planning, and monitoring of customer journeys and experience designs, internally and with partners. Uniform collaboration and workflow are keys to breaking down operational silos that result in disjointed, incoherent customer experiences.

- **Intelligent orchestration** — Drive the sequencing and coordination of engagement across channels. Specialized channel-specific execution is sometimes prudent, but consumers are engaging on their own terms, freely switching among channels and devices. Multichannel marketing programs need shared intelligence and automation to optimize each interaction in real time.

- **Unified measurement and optimization —** Tie investments to outcomes to enable marketers to optimize investments to the highest yield. Unless marketing programs are measured by a common set of rules, marketers will squander resources and lose out to more-efficient competitors.

Gartner advises marketers to deploy solutions that cut across organizational and operational boundaries in these four areas. These solutions must share common resources and data, making them natural candidates to source from a single vendor, even if other providers and partners

contribute valuable specialized capabilities, both creative and technical. This extensibility is central to the hub concept. For more details, see the Inclusion and Exclusion Criteria section.

Magic Quadrant

Figure 1. Magic Quadrant for Digital Marketing Hubs

Source: Gartner (January 2016)

Vendor Strengths and Cautions

Adobe

San Francisco, California
www.adobe.com

Adobe is perhaps best-known for its creative tools, but it's a pioneer in establishing the integrated "marketing cloud" category with analytics and experience management at its core. Many marketers have adopted Adobe as their standard for digital marketing applications, incorporating other providers only in areas where Adobe lacks offerings, such as e-commerce. While Adobe supports open integration with outside applications, its core service layer, including profiles and audiences, administration, and collaboration tools, creates incentives to stay within its suite. Consider Adobe if you are a midsize-to-large B2C enterprise looking to compete on quality of customer experience and personalization.

Strengths

- **Vision and innovation.** Adobe continues to impress users with new capabilities and the breadth of its vision. Its shift to cloud-based software delivery has enabled it to accelerate update cycles and fixes, and it continues to lead with innovation that sets it apart from competitors. Adobe also fosters active user and developer communities that guide and complement its innovation efforts.

- **Built for marketers.** Adobe's creative and analytics legacy positions it well to understand the needs of marketers, especially in the brand space, along with agencies that serve them. Its solutions uniquely emphasize collaborative workflow and a strong operational focus.

- **Marketplace momentum.** As a leader in the space, Adobe has succeeded in forging partnerships and alliances around its product set that reinforce availability of expertise and viability of investments. Financial strength, diversity and commitment to marketing solutions position it for long-term market viability.

Cautions

- **Integration.** Adobe has made progress integrating its acquired cloud components, but some users report challenges integrating products, sometimes in contrast to expectations set in sales cycles.

- **Complexity and support.** The modular nature of Adobe's marketing cloud, while lowering barriers to selective, customized adoption, also appears designed to optimize upsell and cross-sell opportunities, and some users complain of key features that require upgrades to higher-end versions or neighboring products. Adobe tends to attract implementations requiring high levels of customization and support, which, despite standard bundled consulting services and a growing community of professional services partnerships, can lead to difficulties planning budgets and forecasting ongoing support costs.

- **Pricing.** According to customer references and in line with Gartner client feedback, Adobe's relatively high (and unpublished) pricing is a deterrent for many would-be customers, who fear being locked into a pricey, complex platform that requires professional services support to be productive.

DataXu

Boston, Massachusetts
www.dataxu.com

DataXu is best-known as a planning and optimization platform for programmatic advertising. Its native applications include a highly scaled demand-side platform (DSP) that offers integrated campaign planning, forecasting, scheduling, management, analytics and measurement capabilities. Consider DataXu if you are an analytical marketer who needs to execute complex, high-volume media plans. Its key differentiators are its sophisticated decision support, tools to analyze and improve the allocation of marketing investments, and broad integration across the ad tech ecosystem.

Strengths

- **Programmatic advertising.** Multiple levels of decision support, from media planning to impression-level bidding, provide integrated control and optimization for advertisers.

- **Innovative analytics capabilities.** DataXu's Marketing Analytics product offers multichannel reporting and mix modeling, as well as an innovative "market pulsing" experimental design framework (turning tactics on and off in a complex pattern to detect impact) that enables more accurate in-market testing of a multichannel marketing mix.

- **Usability.** Reference customers give the platform high marks for having a user-friendly interface and integrated workflows.

Cautions

- **Executional advertising focus.** DataXu is firmly anchored in the ad tech ecosystem and functions primarily as a media buying and analytics product, with limited native capabilities in other orchestration areas.

- **Strategic support.** Although generally satisfied, some customers say DataXu could be more of a strategic business partner beyond ad support.

- **Ecosystem.** While DataXu has a large number of partners, it has been slower than some competitors to announce a high-profile technical integration with an enterprise marketing cloud. This decision further underlines its focus on ad tech.

Epsilon (Conversant)

Westlake Village, California
www.conversantmedia.com

Conversant, an advertising technology and service provider, was combined with Epsilon, a data and marketing services provider, in December 2014. Conversant's applications are often deployed alongside other products as part of an integrated hub, although it also offers them through a managed service. Consider Epsilon (Conversant) if you are a large B2C enterprise with significant digital performance requirements, including dynamic creative and programmatic media. Its key differentiators are its data provisioning, professional services and ad tech capabilities.

Strengths

- **Media targeting and reach.** Extensive proprietary consumer data and high reach and match rate accuracy are attractive to marketers invested in paid media for both branding and performance.

- **Marketing and creative services.** Extensive managed operational and analytic consulting services are well-suited to leaner marketing organizations.

- **Pricing model.** Customers report high satisfaction with Epsilon's performance-based pricing model, which may be implemented on a cost per impression or cost per action basis.

Cautions

- **Product integration.** Having merged with ad tech provider Conversant in 2014, Epsilon has done little to integrate it with Epsilon's core marketing services offering. As a result, reference users generally don't consider Epsilon their primary hub, and some explicitly distinguish Epsilon from Conversant, which provides the bulk of SaaS software capabilities evaluated for this report. Conversant, as well, is composed of acquired components that lack extensive common hub services.

- **Lagging pace of innovation.** In a market characterized by aggressive development of new features and functions, some of Epsilon's native capabilities, such as dynamic creative optimization (DCO), have not kept pace with competitors.

- **Strategic direction.** A longtime leader in market services, Epsilon and its parent company, Alliance Data, have not laid out a clear and compelling roadmap for the hub and its role in the portfolio.

Experian Marketing Services

Dublin, Ireland
www.experian.com/marketing-services/marketing-services.html

Experian is best-known as a data and marketing service provider. A relative newcomer to the space, its applications are usually deployed alongside other products as part of an integrated hub, though its native applications can cover a majority of hub use cases. Its offering is delivered in either self-

or managed-service models. Consider the Experian Marketing Suite if you are a global B2C marketer, agency or publisher (especially in the retail, banking or media industry). A key differentiator is its heritage in consumer identity data.

Strengths

- **Data foundation.** A history of consumer data expertise, including 2 billion records linking identity and 270 million households, underpins Experian's Identity Manager and allows marketers to target unique individuals.

- **Architected for flexibility.** Experian supports a broad range of execution channels today, including email, mobile, social, Web, addressable TV, display and print, and can easily expand as the marketing landscape changes.

- **Service and support.** Experian boasts a huge professional services team to support its hub solution, and customer references note its versatility and responsiveness.

Cautions

- **Functional gaps.** While Experian can support nearly all hub use cases natively, many clients (including references) use external partners for programmatic media, social media and attribution. Native feature usage focuses heavily on core competencies in audience data and email.

- **Maturity and market positioning.** Experian's hub offering is new and unproven as a full-stack solution. Somewhat overshadowed by Experian's association as a credit reporting and data broker, its marketing technology business needs to do more to overcome this perception and better articulate key differentiators.

- **Service focus.** Managed services legacy may deter marketers looking for a proven self-serve software solution.

IBM

Armonk, New York
www.ibm.com

IBM is best-known to marketers as a marketing automation provider. Its applications are usually deployed alongside other products as part of an integrated hub. Consider IBM if you are an enterprise business in any industry with a high-to-medium level of digital marketing expertise and unique requirements not met by other solutions. Its key differentiator is the modularity and flexibility of components that can be customized within the IBM Marketing Solutions hub to match a client's industry and specific needs.

Strengths

- **Premium components.** IBM emphasizes that its hub vision is driven by design thinking and a deep understanding of marketer needs. It has acquired a number of strong marketing technology solutions (Coremetrics, Unica, Silverpop, Xtify and Tealeaf) to round out its native capabilities.

- **Analytics.** IBM is one of only two hub contenders with a robust analytics offering, which natively fulfills basic measurement requirements as well as multitouch algorithmic attribution that pulls in data from any e-commerce platform or offline channel, and provides predictive analytics.

- **Complementary services.** The breadth and global scope of IBM's marketing service business give it a strong knowledge base for helping organizations create technology solutions that meet their unique business needs.

Cautions

- **Weak integration.** Despite investment in user experience (UX)/UI, References still cite integration, both among IBM's internal components and externally, as an area of frustration.

- **Inconsistent execution.** While its hub vision sells, references note concerns about IBM's ability to execute on marketing promises in a predictable and timely manner.

- **Deployment model.** IBM's portfolio of marketing assets makes for a highly customizable, but also highly complex, on-premises, hybrid or cloud offering, requiring professional services to navigate. Though these components should work in concert to meet most hub use cases, reference clients are using only bits and pieces of the IBM solution.

IgnitionOne

New York, New York
www.ignitionone.com

IgnitionOne offers a data-driven performance marketing platform that combines a foundation in search engine marketing with programmatic ad tech and a propensity scoring algorithm that unifies anonymous and known profiles in a system it calls "true data management." IgnitionOne supports targeting at the audience and profile level across paid and owned channels, including search, display, social, website and email. IgnitionOne is frequently integrated with other products, and often plays the role of hub within these solutions. Consider IgnitionOne if you are a specialty retailer or manufacturer within a high-consideration sector that targets customers on the individual level.

Strengths

- **Integrated system with intuitive visual interface.** In contrast to many modular cloud solutions, marketers using IgnitionOne can plan, deploy and measure campaigns across both paid and owned channels from a single platform and dataset. It supports what it calls

"tripwires" for trigger handling that also provide real-time visualization of customer journeys in a system that balances hands-on tuning with machine intelligence.

- **Algorithmic scoring and targeting.** IgnitionOne's proprietary engagement scoring algorithm enables all online marketing to be focused on the individual. Its analytic support for search engine marketing optimization, in particular, distinguishes it from solutions that tend to overlook this key acquisition channel. Audience segmentation occurs automatically in real time, based on scoring profiles in a predefined hierarchical taxonomy of interest or user-defined rule-based audience definitions.

- **Results-based closed-loop optimization.** IgnitionOne's multitouch attribution system is central to its technology and supports real-time optimizations across search engine marketing (SEM) and display. IgnitionOne partitions its profile stores into known and anonymous segments, joined by a master profile ID that balances privacy compliance with personalized optimization techniques.

Cautions

- **Acquisition focus.** As with many ad-tech-based hubs, IgnitionOne is designed primarily with customer acquisition in mind, but integration with more general journey-mapping tools that address loyalty and retention is still in development.

- **Growing pains.** While generally positive, IgnitionOne reviews were notably more mixed this year, in contrast with last year's unanimous praise, suggesting possible difficulties maintaining high service levels in a marketplace noteworthy for its growing competition over a limited talent pool.

- **Capability gaps.** Lack of certain native capabilities for social listening and publishing may deter marketers that prioritize social channels.

Kitewheel

Boston, Massachusetts
kitewheel.com

Spun off from Provenir in late 2014, Kitewheel is a marketing technology provider best-known for personalization and CRM use cases. Branded as a customer engagement platform, Kitewheel is neither marketing automation nor campaign management tool — it's a real-time decisioning engine usually deployed alongside other products as part of an integrated hub. Consider Kitewheel if you are an agency or marketing service provider working with clients in any industry. Its key differentiator is its extensibility. Rather than try to provide a full stack, Kitewheel works through its agency partners as the connective tissue between existing marketing technology solutions.

Strengths

- **Extensibility.** Instead of competing with a client's existing marketing platforms, Kitewheel connects disparate pieces via 65 prebuilt two-way connectors to help the agency power customer journeys.

- **Rapid deployment.** Kitewheel's vision places real-time data sharing and decisioning and quick deployment at the core of its strategy.

- **Deployment model.** Customers value Kitewheel's ability to understand their needs and deliver a solution that meets their expectations without high professional services costs.

Cautions

- **Capability gaps.** Lack of native capabilities for email, programmatic media, and campaign execution could be a deterrent for marketers and agencies looking for a one-stop shop.

- **Agency sales and support channel.** Kitewheel sells indirectly through more than 25 partner agencies. Increased sophistication among brand marketers, combined with simpler tools and in-sourcing, could threaten its business model.

- **Incomplete APIs.** Kitewheel's integration with programmatic media partners is somewhat new, and it hasn't yet published any APIs.

Krux

San Francisco, California
www.krux.com

Best-known as a DMP, tagging, and data infrastructure solution for enterprise website operators, Krux has expanded its support for marketers and positioned itself well in line with Gartner's hub definition. It offers an integrated suite focused on ingesting, unifying and activating data across silos and channels. It can be deployed as a core hub or in concert with other products. Consider Krux if you are a midsize-to-large B2C enterprise focused on optimizing customer experience.

Strengths

- **Service and support.** Krux boasts a loyal customer base and gets high marks from customers for its sales and support processes. Its retention rate is high.

- **Balanced multichannel hub vision.** Krux has extended beyond its DMP origins into content and commerce applications. Its customer journey and funnel views provide channel-neutral attribution summaries and comparisons over time, including insights on exposure to campaigns, Web and app properties, and online or offline actions.

- **Broad partner ecosystem.** Krux maintains an extensive ecosystem of partners, within which it clearly positions itself as a marketing hub. It supplies an environment (Krux LinK) for secure, privacy-compliant data sharing, giving its clients an active role in the ecosystem.

Cautions

▪ **Search gap.** Krux doesn't currently support paid search or search engine optimization natively. Although it integrates with major SEM providers, its orientation toward search is more focused on profile enrichment and retargeting scenarios than optimizing contextual placement or bidding.

▪ **Content personalization.** While Krux supports near-real-time audience data activation in external execution systems, it doesn't support DCO or site-side personalization natively, making it somewhat less straightforward to visualize, understand and optimize the creative aspects of the customer journey.

▪ **Data focus.** Reference customers focused on Krux's data and analytics capabilities to the exclusion of its channel-based capabilities in social, mobile, email, search and offline integration.

Marin Software

San Francisco, California
www.marinsoftware.com

Marin is best-known as a search engine marketing platform. It acquired the programmatic display advertising company Perfect Audience in 2014 and European social advertising platform SocialMoov in February 2015. Marin positions itself as a company that enables performance marketers to detect "signals of intent" and execute unified campaigns across search, display and social advertising channels. Its native applications include complete support for search engine marketing, display retargeting with dynamic creative capabilities, and the ability to target advertising in social networks such as Facebook, Twitter and Instagram. Consider Marin if you are a performance-focused marketer with aggressive acquisition goals. Its key differentiator is its ability to use a unified customer profile to execute campaigns across search, social and display.

Strengths

▪ **Performance marketing.** Marin's combination of market-leading search capabilities, along with display and social ad targeting, enables transparent intent-based customer acquisition.

▪ **E-commerce enhancements.** The platform has a set of features particularly useful to e-commerce marketers, including product feed integration, display retargeting, and automated dynamic creative testing and optimization.

▪ **Practical usability.** The company continues to focus on practical performance marketing tools, and users praise its reporting and customer service.

Cautions

▪ **Orchestration gaps.** The company lacks native support for many orchestration elements outside of paid performance media.

- **Analytics and attribution.** Native analytics lack some competitive features such as look-alike modeling and algorithmic attribution (although Marin is developing a look-alike capability).

- **Unidirectional APIs.** Marin's published APIs offer support only for data extraction for search and social reporting.

Marketo

San Mateo, California
www.marketo.com

Marketo is best-known as a marketing automation provider. Its native applications cover most hub use cases, and it's frequently cited by references as their primary digital marketing hub. While Marketo was originally designed around the needs of the B2B marketer, the company has invested in B2C capabilities and reports substantial growth in this sector. Consider Marketo if you are a midsize-to-large B2B or B2C enterprise in the consumer products, high tech, financial services, healthcare or education industry with a moderate to high level of digital marketing expertise. Its key differentiator is its large, active ecosystem of partners and deep integration with third-party tools.

Strengths

- **Capabilities.** Marketo provides a well-integrated, comprehensive set of capabilities for most direct marketing use cases, including email and mobile, site personalization, and multichannel journey mapping.

- **Ecosystem.** Marketo's LaunchPoint features a large and active partner ecosystem offering a rich set of productized integrations and plug-ins.

- **Audience management.** Marketo's data-driven targeting and personalization tools and APIs support advanced automation use cases. Although it partners with many DMPs, native functions cover and complement a range of first-party DMP use cases.

Cautions

- **Incipient ad tech integration.** While Marketo Ad Bridge addresses a previous gap in ad tech, it still needs to be proven out in production and at scale

- **SEM and UX.** Some customers report dissatisfaction with Marketo's native search engine marketing tools and the relative complexity of the product's overall user experience.

- **Pricing and support.** Some customers report dissatisfaction with Marketo's pricing and support, especially as Marketo moves into new sectors where volumes scale up.

MediaMath

New York, New York
www.mediamath.com

MediaMath is best-known for its TerminalOne Marketing Operation System and a combined DMP and DSP that gives agencies and marketers tools to execute programmatic advertising. Its native capabilities include support for real-time and other programmatic campaigns, as well as broader marketing goals such as website and email personalization. Consider MediaMath if you are a brand or performance marketer with a need to manage marketing and advertising programs programmatically and to integrate vendors. Its key differentiators are its scale and reliability, and its prolific partnerships.

Strengths

- **Programmatic power.** MediaMath maintains momentum as a leading programmatic advertising platform with strong support for automated real-time bidding optimization, programmatic direct, and other media use cases.

- **Partner ecosystem.** Customers praise the breadth and depth of MediaMath's partner ecosystem. Its large number of meaningful partnerships includes Oracle for journey-based retargeting and IBM for behavioral data exchange.

- **Reliability and usability.** Customers give MediaMath high marks for reliability and usability.

Cautions

- **Advertising focus.** MediaMath is an advertising-centric hub, with little native support for execution channels such as email and social publishing.

- **New features.** Support for commerce, offered via a partnership with SAP, is still unproven, and customers mentioned content personalization as an area for improvement.

- **Consistency.** Customers cite higher satisfaction with the company's DSP compared to its DMP, including profile storage and anonymous user tracking.

Neustar

Sterling, Virginia
www.neustar.com

Neustar comes to marketing tech from a background as a data, technology and service provider for the telecommunication industry, and retains complementary enterprise offerings in areas of security and domain name registration. Neustar is best-known in marketing for its data onboarding, cross-device identity, data management and analytic capabilities, marketed under the PlatformOne brand, and is frequently deployed in concert with other execution-oriented products to form a marketing hub. Consider Neustar if you are a midsize-to-large B2C or B2B enterprise in a high-consideration sector focused on analytics and multichannel relationship marketing in the U.S.

Strengths

- **Unique identity management and analytic capabilities.** Neustar offers a comprehensive identity framework for building cross-channel master audience profiles. Its solution offers real-time validations of consumer identities against authoritative offline sources. Its advanced analytics support multiple marketing use cases including dynamic segmentation and audience and media performance and optimization. As of this evaluation, Neustar lacked native support for multitouch attribution, although its recent acquisition of MarketShare should address this definitively.

- **Partner ecosystem.** Neustar is well-integrated into the ecosystem of ad tech and data providers, including preferred access to data from Facebook and Amazon for improved targeting and analytics. It can export data to third-party environments for custom analysis using external tools.

- **Offline data integration.** Neustar operates its own data onboarding service, which allows direct ingesting and correlation of first-party data with Neustar's proprietary cross-device ID graph. Neustar also has offline integrations with major CRM data repositories such as Salesforce, Experian, Acxiom and Marketo. Its security credentials lend assurance to marketers concerned about privacy and data leakage when dealing with first-party data.

Cautions

- **Social and search.** Neustar does not currently support integration with social listening and publishing platforms. Neustar also lacks native support for SEM and SEO, although clients can integrate search data into its marketing hub.

- **Relatively narrow native orchestration capabilities.** Neustar relies on integration for content-related orchestration, such as DCO and site personalization. Although it supports customer-level real-time decisioning through APIs, like many ad-tech-based approaches it doesn't include visual journey mapping or experience design tools, leaving design and visualization of the creative aspects of user experience to partners.

- **Business environment.** Although unrelated to its marketing business, Neustar's U.S. number portability contract is expected to transition some time in 2017. As a result, some financial analysts continue to speculate about the company's midterm financial profile.

Nielsen (eXelate)

New York, New York
www.nielsen.com

Nielsen is best-known as a media data and analytics provider and, through its acquisition of eXelate in early 2015, an advertising technology platform and data marketplace. Its applications are usually deployed alongside other products as part of an integrated hub. Consider Nielsen (eXelate's) Enterprise Marketing Platform if you are a B2C enterprise or agency in the consumer products, retail, financial services, and media industries with a high-to-medium level of digital marketing expertise. Its key differentiator is its proprietary data and data services, including its ability to bring

together cross-device, online-to-offline and TV data in a unified consumer profile for targeting and closed-loop measurement.

Strengths

- **Data assets.** Nielsen's unique data assets include proprietary and exclusive datasets such as linear and connected TV viewership, Nielsen Catalina data, Nielsen Buyer Insights, JD Power (automotive sales), Prizm (movie and lifestyle data clusters), Nielsen/Kantar DirecTView (set-top box viewing), Nielsen Response Effect data and an impressive 5 billion unique device IDs.

- **Media measurement.** Marketing measurement is Nielsen's DNA and a key focus for its hub solution, which features native multitouch attribution for digital media measurement, and also integrates with its household panel and media mix models.

- **Connector library.** An extensive API and connector library supports an open, partner-agnostic platform that reference customers rated highly.

Cautions

- **Lack of orchestration.** Nielsen (eXelate) lacks key native marketing orchestration and workflow capabilities.

- **Limited range.** The solution combines Nielsen's panel-level data and purchase data with eXelate's data matching, validation and audience modeling capabilities — a strong DMP and data combination, but little more, as customer references reinforce.

- **Unclear strategy.** The (still somewhat recent) acquisition of eXelate gives Nielsen a wider footprint in the digital media and measurement space, and further integration of Nielsen's assets and measurement capabilities with the eXelate technology is underway. But beyond that, the roadmap for the platform is unclear.

Oracle

Redwood Shores, California
www.oracle.com

Oracle offers a Marketing Cloud and a Data Cloud, both of which emerged from a spree of acquisitions. Oracle Marketing Cloud's native applications include campaign management and email, social publishing and advertising, data onboarding and management, mobile marketing, and content marketing. Despite Oracle's wide breadth of marketing capabilities, many references use it as part of a multivendor hub solution. Consider Oracle if you are a sophisticated enterprise marketer with an appetite for data integration and enrichment. Its key differentiators are its data handling and audience building capabilities, and its wide suite of execution tools.

Strengths

- **Broad scope of capabilities.** A smart acquisition strategy has given Oracle an extensive suite of products that address most hub use cases across marketing and advertising domains.

- **Big data architecture.** As its complementary cloud offerings show, Oracle understands the data-centric requirements of enterprise marketers.

- **Integration and workflow.** Customers give Oracle high marks for product integration and workflow, which is particularly impressive given its relatively recent acquisitions.

Cautions

- **Portfolio approach.** The company's reliance on acquisition over in-house development may put pressure on its aspiration to provide a complete, integrated set of native solutions.

- **Pricing, sales and support.** Reference customers gave Oracle relatively lower overall satisfaction scores in the areas of pricing, sales and postsales engagement, although some praised its customer service.

- **Feature gaps.** Even with its range of market-leading acquisitions, Oracle is missing some key marketing functions, such as native multitouch attribution analytics and DSP functions, which drive customers to integrate with outside solutions.

RedPoint

Wellesley Hills, Massachusetts
www.redpoint.net

RedPoint is best-known as a marketing automation provider. Its applications are usually deployed alongside other products as part of an integrated hub. Consider RedPoint if you are a B2C midmarket or enterprise company in the consumer products, retail, finance, high tech, healthcare or media industry with a high-to-medium level of digital marketing expertise. RedPoint's key differentiator is a focus on transforming and unifying disparate sources of data to provide the central orchestration engine for marketing activities.

Strengths

- **Data integration.** Emphasizing its flexible big data architecture, RedPoint takes pride in its ability to take any data source in any format, structured or unstructured.

- **Hub focus.** RedPoint provides an open platform that allows marketers to centrally manage their data and orchestrate customer journeys through the email, social media, personalization, content management and ad tech providers of choice. Providing the hub but not the spokes enables RedPoint to concentrate its efforts on this critical juncture.

- **Strategic support.** Customer references describe RedPoint as an adaptive partner that understands their business objectives, with a top-notch team.

Cautions

- **Plug-ins required.** Marketers looking for a one-stop shop will need to source channel execution tools elsewhere; RedPoint is focused on solving the data management, audience profile storage and cross-channel message coordination pieces only.

- **IT-focused solution.** Strong emphasis on ETL and big data capabilities, while an obvious strength, will alienate some marketers who are less technical.

- **Maturity.** Some references cite growing pains and technical support as a concern for the (comparatively) small RedPoint team.

Rocket Fuel

Redwood City, California
www.rocketfuel.com

Rocket Fuel provides both managed and self-service options for advertisers through its programmatic platform and data management via its 2014 acquisition of [x+1]. It offers support for a wide range of programmatic advertising use cases, including real-time bid optimization, as well as content personalization on owned channels such as websites and call centers through its Predictive Optimization Engine (POE). Consider Rocket Fuel if you are an agency or enterprise advertiser with a need to optimize the performance of your cross-channel campaigns. Its key differentiators are its advanced real-time programmatic advertising support and its superior product usability.

Strengths

- **Advanced targeting.** Rocket Fuel's "moment scoring" technology enhances advertising targeting through the use of demographic, behavioral and contextual signals, giving advertisers truly machine-driven bid optimization.

- **Audience insights.** The platform offers flexible audience profile management. Its KeyChain product connects offline to online identities deterministically, through partnerships with Experian and others. The company also offers probabilistic cross-device identity matching.

- **Service and support.** Customers give Rocket Fuel high scores for its postimplementation service and support.

Cautions

- **Advertising focus.** Rocket Fuel offers limited extensibility and partnerships for marketing orchestration outside advertising technology.

- **Business environment.** Following its 2013 initial public offering (IPO), the company has fared unevenly on the public markets, and significant turnover at all levels raises questions about its stability. A new CEO was named in 4Q15.

- **Ecosystem.** Reference customers give Rocket Fuel relatively lower scores for its ability to work with the customers' existing partners and its integration with outside vendors.

Salesforce

San Francisco, California
www.salesforce.com

Salesforce Marketing Cloud is best-known as a marketing automation, campaign management and social marketing provider. Its Active Audiences hub feature connects CRM profile data available to marketing channels such as email and site personalization with social advertising on Twitter and Facebook (including Facebook Audience Network). Its native applications cover most hub use cases outside of nonsocial advertising. Consider Salesforce if you are a midsize-to-large B2C enterprise in the consumer products, retail, high tech or financial services industry with a moderate-to-high level of digital marketing expertise. (Salesforce's Pardot offering is designed for small-to-midsize B2B marketers, but is not considered part of its Marketing Cloud or this hub evaluation.) Salesforce's key differentiator is its complementary Sales and Service Clouds, which collectively span the entire life cycle of customer relationships. Integration among these clouds, however, is still a work in progress, and innovations in Salesforce's app development platform, Lightning, are currently exclusive to Sales Cloud; time frames for Marketing Cloud support have not been announced.

Strengths

- **Cross-cloud journeys.** Salesforce Marketing Cloud's Journey Builder integrates natively with Sales and Service Clouds, enabling marketers to design and optimize customer experience end to end.

- **User experience.** Customers report high satisfaction with its intuitive user experience and journey-modeling capabilities.

- **Customer-focused marketing.** Salesforce's acquisition of ExactTarget added strong email marketing capabilities, broad vision and active investments in product innovation. These are also supported by its active developer ecosystem.

Cautions

- **Inconsistent hub adoption.** Reference customers revealed uneven utilization of hub functions outside of email. Some capabilities, such as search engine marketing and third-party data matching, are mostly external by design, but even for core native offerings such as social marketing and workflow management, reported usage was sparse.

- **Data analytics.** Marketing analytics, while an area of active investment, is still relatively immature.

- **Changing culture.** While at the higher end of overall customer satisfaction among vendors in this research, some customers report concerns over pricing and diminished support quality.

Sitecore

Copenhagen, Denmark
www.sitecore.com

Sitecore is best-known as a Web content management provider, but in recent years it has expanded its product footprint to cover broader marketing automation use cases. Its native applications cover most hub use cases. Consider Sitecore if you are a midsize-to-large B2B or B2C enterprise in the consumer products, online retail, high tech or financial services industry with a moderate-to-high level of digital marketing expertise. Its key differentiators are its content management and site personalization capabilities.

Strengths

- **Web operations.** Sitecore features strong enterprise Web content management combined with advanced data-driven site personalization capabilities.

- **Licensing and deployment options.** On-premises deployment and perpetual licensing favor companies seeking a SaaS alternative.

- **Support.** Customers report satisfaction with postsales support and overall company responsiveness.

Cautions

- **Resource constraints.** References report concerns about Sitecore being spread thin by its broad digital marketing product ambitions.

- **Integration.** Sitecore's prebuilt integrations and limited vendor partner ecosystem may add cost and effort to fulfilling certain multivendor hub use cases.

- **Limited SaaS adoption.** Sitecore is architected for single-tenant on-premises deployments. While Sitecore offers a subscription-based cloud option, most customers opt for on-premises deployment using a perpetual license model.

Sizmek

Austin, Texas
www.sizmek.com

Sizmek has assembled an open ad tech stack that can be deployed monolithically or in concert with other vendors' products. It's best-known for its multichannel ad serving, programmatic media and DCO capabilities, and supports search, email and on-site personalization mostly through external integrations. The bulk of its customers are media agencies or large consumer brands with in-house agency capabilities; consider Sizmek if you're in one of these categories and looking for a highly customizable solution.

Strengths

- **Advertising workflow.** Sizmek is often employed by agency account teams to deliver and optimize campaigns with advanced analytics. Its DCO solution aligns creative messaging with media trafficking workflows. Its ad server has built-in auto-optimization for creative elements, and its verification suite protects brands from fraud and other hazards.

- **Open extensibility.** Sizmek is uniquely positioned as providing an open, extensible alternative to the proprietary advertising ecosystems of Google and Facebook. Its inclusion of an open ad server among its diverse collection of tools is an advantage.

- **Global presence.** Sizmek claims over 3,000 clients, the majority of which are in EMEA and Asia/Pacific. With significant presence in all four major world regions, Sizmek may appeal to marketers looking to penetrate new geographies with localized campaigns and marketing operations.

Cautions

- **Advertising focus.** Sizmek is primarily focused on digital advertising strategy and operations. Although it actively supports integration with other execution systems around its Data Hub, it lacks much native support for other marketing tactics, such as loyalty and advocacy programs that exploit owned and earned media channels.

- **Relatively manual, operational UX.** Sizmek dashboards are designed with media specialists in mind, and thus expose a detailed level of control. Less technical marketers will need to outsource or automate many decisions at this level.

- **Profile storage and analysis.** As opposed to its media measurement, Sizmek's customer analytics and profile storage were given relatively lower marks by reference clients.

Teradata

Dayton, Ohio
www.teradata.com

Teradata is best-known as an enterprise database, application and analytics provider with a global footprint. The company has a legacy of selling into enterprise IT divisions and has gained some support within enterprise marketing teams for its Integrated Marketing Cloud. Teradata's portfolio of marketing products provide solutions for marketing operations, campaign management, marketing analytics and customer data handling. In 4Q15, Teradata announced it was seeking a buyer for its marketing applications business to support its strategic focus on data warehousing and analytics. This move raises significant uncertainty about the offering's future.

Strengths

- **Campaign management.** Teradata's multichannel campaign management solution (one of the components to be sold) is well-regarded among marketers.

- **Data integration.** Teradata excels in enterprise-level data integration, and its marketing hub provides capabilities to ingest data from external sources and CRM platforms.

- **On-premises options.** Although repositioning itself as a cloud provider, Teradata has solutions to support marketers who require an on-premises implementation option.

Cautions

- **Viability.** Teradata's announced intention to sell its marketing application business raises barriers to acquiring new customers until a stable new ownership and management structure can be established.

- **Missing components.** Despite its announced acquisition of the Netherlands-based DMP FLXone in September 2015, Teradata lacks compelling support for advertisers, and it has limited search, commerce and other orchestration capabilities.

- **Customer satisfaction.** Reference customers generally gave the company lower than average marks for satisfaction with its strategic partnering, postsales support and engagement model.

Turn

Redwood City, California
www.turn.com

Turn is best-known as an ad tech vendor for marketers and agencies, offering integrated DMP and DSP capabilities. Although Turn is mostly associated with advertising, many end users report using Turn as their primary digital marketing hub. Its audience tools are designed with multichannel activation in mind, and Turn integrates with partners such as IBM, SAP and Marketo to enhance direct marketing capabilities. Consider Turn if you are a midsize-to-large B2C marketer looking to integrate programmatic media with real-time multichannel personalization and data-driven optimization.

Strengths

- **Support and reliability.** Turn's client base composition has shifted from primarily ad agencies to end users in marketing who cite the maturity and reliability of Turn's platform and its integrations. Users also praise Turn's responsiveness and attention to input.

- **Broad ecosystem of active partners.** Turn uniquely features event-level integration with 150 partners in its ecosystem, enabling it to present a comprehensive real-time picture of customer journeys across touchpoints. Its extensive publisher network allows it to offer advertisers direct buys from its private marketplace, bypassing the open market for privileged exposure.

- **Industry-specific onboarding and advanced targeting.** Turn's broad client experience enables it to customize its approach to offline integration with offerings tailored by industry.

Cautions

- **Assembly required for nonadvertising uses.** Turn relies on outside platforms to extend its capabilities into areas such as e-commerce and email. These integrations are reliably field-tested, but still complicate vendor relationships, particularly when support is required for troubleshooting.

- **Ease of use.** Although Turn has made major improvements here since our previous evaluation, users still cite this as an area for further progress.

- **Pricing flexibility and payment terms.** Customers expressed lower satisfaction with Turn than its peers in this category. Subsequent to this review, Turn has taken steps to simplify its pricing model and bring it more in line with industry norms.

Zeta Interactive

New York, New York
www.zetainteractive.com

Zeta Interactive is best-known as an analytics and marketing service provider. Its offering, ZetaHub, includes native applications that cover most hub use cases. It has grown in part through acquisitions. For example, Zeta's machine learning technology was acquired from Adchemy in 2013. Consider Zeta Interactive if you are a large enterprise in consumer products, retail, financial services, or the transportation and hospitality industry. Its managed services options will appeal to companies with a relatively low level of digital marketing expertise. Its key differentiator is its aggressively data-driven approach to marketing optimization, delivered with professional support.

Strengths

- **Professional support.** Managed services delivery options can ease the burden for understaffed and less sophisticated marketing organizations.

- **Strategic partnering.** Reference customers appreciated Zeta Interactive's ability to act as a strategic partner and its professionalism in working alongside existing vendors and other partners.

- **Value.** Some reference customers praised Zeta Interactive's price/performance value, citing high returns on relatively economical investments.

Cautions

- **Self-service challenges.** Customers report difficulties with deployment of self-service in-house operations.

- **UX and product gaps.** User experience and product design appear somewhat dated and reveal substantial gaps in social media marketing.

- **Rapid inorganic growth.** ZetaHub has been assembled in part through acquisitions over a relatively short period of time, leading to concerns about seamlessness of integration and continuity of support.

Vendors Added and Dropped

We review and adjust our inclusion criteria for Magic Quadrants and MarketScopes as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant or MarketScope may change over time. A vendor's appearance in a Magic Quadrant or MarketScope one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. It may be a reflection of a change in the market and, therefore, changed evaluation criteria, or of a change of focus by that vendor.

Added

- Epsilon (Conversant). Conversant was included in 2014; Epsilon's parent, Alliance Data, acquired Conversant in September 2014 and merged it with Epsilon.

- Experian Marketing Services.

- Kitewheel.

- Krux.

- Marin Software.

- Nielsen (eXelate). In March 2015, Nielsen acquired eXelate, a data platform that includes DMP functionality.

- RedPoint.

- Rocket Fuel. In 2014, Rocket Fuel was included as "Rocket Fuel [(x+1)]"; the text explained that the evaluation applied to (x+1) prior to its acquisition by Rocket Fuel in August 2014. This year's evaluation applies to Rocket Fuel holistically.

- Sizmek.

- Zeta Interactive.

Dropped

- Conversant (See Epsilon (Conversant) above.)

- Infor (See the Vendors to Watch section below.)

- HP (HP was excluded from the Magic Quadrant this year because it did not meet all of the inclusion requirements. Since appearing as a Niche Player in last year's analysis, HP announced a number of organizational changes that may impact its HP Digital Marketing Hub product and services. HP separated into two independent publicly traded companies as of 1 November 2015: Hewlett Packard Enterprise (HPE) and HP Inc. However, we evaluated HP before the

transition occurred and have maintained the company as HP here. This does not preclude HP's companies from appearing in this research in the future.)

Vendors to Watch

Several vendors demonstrated many of the qualities we associate with digital marketing hubs, but they didn't meet all of the Inclusion Criteria we established (see the Inclusion and Exclusion Criteria section below). However, given the volatility of the marketplace, they are worth watching as the market evolves.

Acxiom

Having acquired leading onboarding provider LiveRamp in 2014, Acxiom has retooled its digital marketing product strategy, dropping its Audience Operating System brand in favor of LiveRamp Connect. It still adheres to a principle of maximal neutrality within the digital marketing ecosystem, however, aiming to partner with as many providers as possible to create a dominant marketwide connectivity layer that would trade individual client penetration for ubiquitous utility and network effects. So, although Acxiom has capabilities and experience that might qualify for positioning as a digital marketing hub, its go-to-market strategy rules it out. Still, consider Acxiom LiveRamp Connect for onboarding services, and Acxiom's data and consulting products for assistance with digital marketing strategy and tactics.

AudienceScience

AudienceScience's Helios enterprise advertising management system combines DMP functionality, including audience profile storage, third-party data matching, and audience modeling and segmentation, with DSP functionality, programmatic media and optimization. Its advertising hub is designed to give advertisers more control over audience data and media buys by eliminating data leakage, advertising waste and fraud, and opaque transactional costs. AudienceScience differentiates itself from the typical DMP/DSP providers by offering flat fee pricing. While the platform lacks native marketing orchestration and workflow tools, its ad tech, customer data analysis and attribution capabilities are noteworthy hub qualities. While Audience Science's heavy emphasis on managed services precludes it from feature placement in this year's Magic Quadrant, the availability of strategic support will be seen as desirable for many brand advertisers looking to make the switch from agency-managed media to in-house.

Cake

Cake is best-known as a performance marketing automation platform with a strength in analytics and a focus on affiliate marketing optimization. It has hublike real-time multichannel data management and onboarding capabilities, including a native ad server, but lacks the scope of a full hub. Consider Cake if you're an enterprise performance marketer looking to optimize lead generation and customer acquisition through affiliate and direct marketing channels.

Ensighten

Building on its strength in enterprise tag management, Ensighten serves as a centralized platform for unifying disparate marketing technologies and first-party customer data sources. Based on evolving market demands, Ensighten is redefining its offering through differentiated capabilities for built-in data privacy, security and transparency, as well as patented mobile app data collection and optimization. Although it fell short of the revenue threshold set for this evaluation, the company supports many hub use cases. Cross-device identity matching, attribution capabilities, and capabilities for universal profile creation and management make Ensighten a potential hub candidate to watch.

HubSpot

As a company, HubSpot has clearly executed. It's a pioneer in the design of an all-in-one digital marketing offering that has inspired much of the innovation in the digital marketing hub space. An IPO in late 2014 raised capital and boosted visibility, but HubSpot remains focused on serving the small and midsize business (SMB) market without significant movement into the enterprise space. Whether HubSpot will move upmarket into the enterprise space remains a perennial question. For now, it remains a hub to watch.

Infor

Last year, Infor was featured as a Niche Player in this Magic Quadrant. This year, due to its predominant focus on first-party customer experience scenarios rooted in CRM and direct marketing campaign management, it did not meet our inclusion requirements, but we've declared Infor a hub to watch. Infor provides tools for marketing analytics, data-driven personalization, and multichannel campaign management, but it doesn't yet exhibit the convergence of integrated capabilities and ecosystem partners necessary to support the digital marketing hub designation.

Kenshoo

Best-known as a pioneering SEM platform, Kenshoo's investments in mobile display, paid social (including Facebook, Twitter and Instagram), attribution and prescriptive portfolio optimization broaden its use case to bona fide advertising SaaS platforms, if not yet marketing hubs. Innovative offerings such as Intent-Driven Audiences (IDA), which uses search taxonomies to create Facebook, Instagram and display custom audiences, combined with core search marketing capabilities, fill a gap not addressed even by some of this year's hub leaders. Kenshoo's Infinity Suite of products professes to maximize customer lifetime value and optimize the marketing journey — a laudable vision, but the product misses some functionality in audience profile management, third-party data matching, and journey design features to contend as a hub today.

Lotame

An independent DMP, Lotame emphasizes a strong first-party data foundation and governance strategy, with standard third-party data enrichment and a second-party data marketplace via the Syndicate offering. Lotame's open platform supports server-to-server connections with all of the

major DSPs, exchanges, ad servers and content management platforms. The acquisition of AdMobius in 2014 enabled Lotame to enhance its cross-device analytics and targeting capabilities. Lotame strategically takes a hands-on, consulting-first approach to onboarding and educating clients. To be considered a hub, Lotame will need to demonstrate broader native capabilities and a marketer-friendly platform that doesn't rely too heavily on services.

Pegasystems

With a long history in business process management (BPM) and real-time decisioning, Pegasystems has diversified beyond its IT-focused heritage. Today, Pega provides real-time, event-triggered decisioning tools for personalizing customer experiences. Using advanced predictive methods, Pega promises next-best offers and actions that drive lift in engagement, conversion, growth and retention. In selling to marketers, Pega's challenge is also its strength: It's an engineering-driven company that sells highly technical products to highly technical users. Pega isn't quite complete enough to be declared a hub, but the company provides a data-driven foundation that may appeal to technically sophisticated marketers.

SAP

SAP entered the e-commerce space in earnest in 2013 with its acquisition of hybris, and it has continued to build on the hybris foundation with a focus on delivering integrated tools and analytics for enterprise e-commerce marketers. Core to its vision is a set of analytics and operational products and services, including solutions for multichannel campaign management, marketing performance management, and customer loyalty management. SAP's 2014 acquisition of real-time event processing provider SeeWhy gave the company a head start on providing personalization and trigger-based remarketing particularly suited for digital retailers and others that need to orchestrate dynamic website and email engagement experiences. Partnerships with advertising and social marketing platforms such as Facebook and Turn signal SAP's commitment to serving marketers. SAP did not meet the hub capabilities criteria to participate in this year's report, but should definitely be considered a vendor to watch in this space.

SAS

Business intelligence standout SAS is one to watch for its digital marketing hub potential at the intersection of its advanced analytics, multichannel campaign management and marketing resource management capabilities. While SAS still needs to integrate, simplify, package and market these capabilities to compete effectively and win over the average marketer against more mature digital marketing hub offerings, its strength in advanced analytics, marketing resource management and long-standing relationships with enterprise marketing organizations make it one to watch.

Tealium

Tealium is positioning itself as the customer data layer that can function as essential real-time "middleware" in a vendor-agnostic marketing cloud. Best-known for its strength in enterprise tag management, it touts its open architecture and prebuilt integrations with hundreds of commonly used marketing applications, including analytics and automation solutions, united by

AudienceStream, its multichannel customer segmentation and action engine. Tealium's strategic goal is to organize and enrich the data layer that lies between applications and the customer experience, with an emphasis on first-party data. In this way, it aims to provide a set of core services essential to the hub — namely, data collection, master audience profile management and segmentation. Tealium fell short of the revenue criteria set for this report, but rapid growth and high retention make it a future hub contender to watch.

Inclusion and Exclusion Criteria

Providers needed to meet the following criteria to be included in this Magic Quadrant:

Corporate Qualifications

- Revenue: The company must have had a minimum revenue of $25 million in 2014.

- Global Reach and Staffing: Physical presence and active clients must be in at least two global regions (North America, Europe/Middle East/Africa, Asia/Pacific, Latin America).

- Product Model: Digital marketing hub must be available as a SaaS solution exposing dashboard controls directly to end users.

Customer Qualifications

- New Customers: At least 10 new customers must have been acquired in 2014 (including new engagements within a different business unit of an existing client).

- Enterprise Client Base: At least 50% of the client base must consist of organizations with a 2014 global revenue of at least $500 million.

- References: The company must have at least three enterprise-class reference clients.

Partner Qualifications

- Partner References: At least 10 acknowledged vendor partnerships must be public and active (live in a client environment).

Product Qualifications

- Integration and Extensibility: There must be provisioning of published APIs that support customer and third-party integration with shared services.

- Native Audience Profile Storage: The hub must provide storage and read/write access to live customer (or audience profile) records. The hub must have the ability to update and distribute customer data on demand to and from supported applications in real or near real time. Note that we do not require this be a definitive customer system of record for nonmarketing purposes such as customer service.

The remaining criteria must be supported but can be provided through integration with external partners. However, at least three must be available as native applications along with the hub.

Critical Capabilities

- Entity and workflow management for managing users and roles and collaborating in an active shared services environment (that is, where services are used by multiple groups in an organization).

- Customer data analysis and modeling, including segment discovery and propensity scoring.

- Content trafficking and personalization, including dynamic creative optimization (DCO), site optimization, and A/B and multivariate testing.

- Anonymous user tracking, including the ability to create and manage a unique identifier and profile for tracking and responding to audience behavior across channels and devices.

- Third-party data matching of first-party audience profiles with third parties, with privacy controls. Support for preintegrated data sources and cross-device identity management solutions.

- Social media marketing support for social listening and publishing.

- Programmatic media, including automation of bidding and trafficking of advertising in real-time markets.

- Email and mobile messaging and offers, supported across mobile devices and platforms.

- Multitouch attribution, including collection and analysis data for assigning credit to marketing touchpoints along the purchase path. Additional marketing analytics are also a plus.

- Search engine marketing, including search engine optimization, paid search advertising and search retargeting.

- Offline integration of data and triggering actions between online and offline channels, including point-of-sale data, call center analysis, direct mail campaigns, and outbound telemarketing programs.

Evaluation Criteria

Ability to Execute

Table 1. Ability to Execute Evaluation Criteria

Evaluation Criteria	Weighting
Product or Service	High
Overall Viability	Medium
Sales Execution/Pricing	Low
Market Responsiveness/Record	Medium
Marketing Execution	Low
Customer Experience	High
Operations	Medium

Source: Gartner (January 2016)

Completeness of Vision

Table 2. Completeness of Vision Evaluation Criteria

Evaluation Criteria	Weighting
Market Understanding	Medium
Marketing Strategy	Medium
Sales Strategy	Medium
Offering (Product) Strategy	High
Business Model	Medium
Vertical/Industry Strategy	Low
Innovation	High
Geographic Strategy	Low

Source: Gartner (January 2016)

Quadrant Descriptions

Leaders

Leaders have fully embraced the integration of martech, ad tech and analytics, and deployed many hub solutions at scale, although they still mostly rely on integrated portfolio solutions from acquisitions and partnerships. The rapid growth of the category has favored an accelerated first-mover approach, but we expect more organic solutions to become competitive in the coming years. Leaders will need to focus on innovation and integration to maintain their edge. As Leaders round out their native offerings, we can also expect them to cool toward wide-open partner networks and begin to urge customers toward their single-vendor solutions.

Challengers

Challengers share the Leaders' advantages of scale and market presence, but their solutions have thus far lacked the scope and coherence required for hub leadership. Although they score lower in vision, it's not that they lack the conceptual understanding to articulate the value proposition of a hub, but rather that they lag in organizational agility needed to turn their vision into a hub offering worthy of leadership designation. They share a common background in providing marketing services and have all made large investments in marketing software. Expect them to shore up offerings and push advantages in professional support.

Visionaries

Most of the Visionaries in this report come from ad tech. They have grasped the hub opportunity presented by extending real-time data management capabilities forged in programmatic ad markets into areas of marketing beyond advertising, but are often conflicted about how far and fast to advance from their base. Pressure to diversify is growing as the public markets devalue the ad tech sector and competition from Facebook, Google and the hub leaders that have acquired ad tech intensifies. Expect more consolidation and innovation as market forces compel them to choose between leader and niche positioning relative to hub opportunities.

Niche Players

Niche Players in this report come from diverse backgrounds, but share common qualities of agility and innovation. With six new entries since last year, we expect some of these companies to migrate quickly into other quadrants, either through rapid growth or, perhaps more likely, through assimilation. Others may opt to solidify claims on niche marketing capabilities or buyers as hub competition intensifies. Note that niche positioning in this report may reflect a company's focus on a subset of hub capabilities rather than an indication of the relative quality of any single capability, which in some cases may be market-leading.

Context

The digital marketing hub category is still new, although its adoption by marketers is growing rapidly. Gartner surveyed a panel of 96 users referenced by the vendors in this report; 82% of them described themselves as possessing a marketing hub consistent with Gartner's definition. Of these, 70% reported having gone live within the last three years.

The market remains divided on the question of whether to source hub capabilities from a single vendor or assemble it from two or three. Of respondents who said they had a hub, 46% identified it with a single provider's solution, while 54% described their hub as being composed of two or three products. However, reinforcing the view that hub solutions have gaps, even among those who opted for a single source hub, 91% reported integration with other vendors. Only 22% of all the respondents reported no integration with any other vendor.

Integrations are concentrated among the leading vendors, with 44% of all respondents citing integrations with Oracle, Adobe or Salesforce.

Audience profile storage and customer data analysis and modeling topped the list of capabilities customers were utilizing. Cloud-based SaaS deployment is most popular, and 69% reported paying for hub services on a subscription basis.

Market Overview

Evidence from the previous section makes it clear that the market for digital marketing hubs features a diverse collection of competitors and partners from different backgrounds that approach the problem and its solution in different, often complementary ways. It also seems that no single vendor yet offers a complete native solution. This reflects a diversity of approaches to marketing that have historically been isolated in silos. The dynamics of digital consumers and data compel marketers to take a more holistic approach, collapsing boundaries between disciplines such as advertising, direct marketing and analytics.

As a result, the past three years have produced a trend of eclectic consolidation among software and marketing service providers, which have taken varied approaches to assembling assets from ad tech and marketing tech sectors. We can segment the competitive landscape into three broad categories: diversified software providers, programmatic ad tech providers, and analytics and marketing operations providers. Although these are spread across the quadrants, there's some evident correlation between categories and positioning.

Diversified Software Providers

These include Adobe, IBM, Oracle and Salesforce, which have used acquisition strategies to accelerate their entry into the market. While these vendors support open integration with outside products, their solutions and support provide incentives to standardize on a single provider as much as possible. They will generally appeal to the upper end of the enterprise market that possesses the

IT skills to integrate with legacy solutions and prizes account relationships with service-level guarantees.

Programmatic Ad Tech Providers

These include DataXu, IgnitionOne, MediaMath, Neustar, Rocket Fuel, Sizmek and Turn. These vendors were originally focused more on agencies than marketers, but have recently seen a surge in in-house adoption. Many now aspire to address the bigger problem of how to effectively use data to optimize all digital marketing operations in real time across channels and devices. They will appeal to agencies looking for private-label solutions and media-focused marketers looking to build in-house capabilities.

Analytics and Marketing Service Providers

These include Experian Marketing Services, Marketo, RedPoint, Sitecore and many others. These vendors have also focused on the needs of the marketer, but are oriented more toward direct-marketing tactics emphasizing customer analysis, email and personalization. These companies have leveraged roles as strategic partners to their marketing clients to assess new needs and extend their offerings toward a broader scope. Their integration with key client systems and visibility into long-range marketing results give them a privileged position from which to sell. They will appeal to direct marketers focused on increasing loyalty and wallet share among existing customers.

Rapid growth in demand from marketers has allowed these sectors to form a coordinated marketplace in which cooperation among ostensible competitors is common and every provider boasts a vast "ecosystem" of partners. However, marketers are rapidly discovering that multivendor solutions drive up costs and complexity, while attractive self-service solutions from Google and Facebook threaten disruption, especially at the lower end of the market. These conditions lead us to predict more consolidation ahead as competition replaces cooperation and marketers demand a single source of accountability for marketing solutions and support. Gartner recommends that, even where multivendor solutions are indicated, marketers assign a general contractor role to a specific vendor to coordinate hub integrations and support.

Gartner Recommended Reading

Some documents may not be available as part of your current Gartner subscription.

"What's a Digital Marketing Platform? What Isn't?"

"Survey Shows CEOs See Leading Role for Marketing in Digital Business"

"Salesforce.com CMO: Marketing Is More Experimental Than It Has Ever Been"

"How Markets and Vendors Are Evaluated in Gartner Magic Quadrants"

Evaluation Criteria Definitions

Ability to Execute

Product/Service: Core goods and services offered by the vendor for the defined market. This includes current product/service capabilities, quality, feature sets, skills and so on, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

Overall Viability: Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization's portfolio of products.

Sales Execution/Pricing: The vendor's capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support, and the overall effectiveness of the sales channel.

Market Responsiveness/Record: Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

Marketing Execution: The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This "mind share" can be driven by a combination of publicity, promotional initiatives, thought leadership, word of mouth and sales activities.

Customer Experience: Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements and so on.

Operations: The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

Completeness of Vision

Market Understanding: Ability of the vendor to understand buyers' wants and needs and to translate those into products and services. Vendors that show the highest

degree of vision listen to and understand buyers' wants and needs, and can shape or enhance those with their added vision.

Marketing Strategy: A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the website, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling products that uses the appropriate network of direct and indirect sales, marketing, service, and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base.

Offering (Product) Strategy: The vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature sets as they map to current and future requirements.

Business Model: The soundness and logic of the vendor's underlying business proposition.

Vertical/Industry Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including vertical markets.

Innovation: Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

Geographic Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the "home" or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.

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