

# The Forrester Wave™: Enterprise Marketing Software Suites, Q4 2014

by Cory Munchbach and Rusty Warner, October 21, 2014

## Key Takeaways

### **Adobe And Salesforce.com Take An Early Lead In The “Marketing Cloud Wars”**

Forrester’s research uncovered a market in which Adobe and salesforce.com lead the pack, but this race just started. SAS Institute, Oracle, Teradata, and IBM offer competitive options with diverse product portfolios. SAP and Marketo have work to do to catch up with the others.

### **The Market Is Heating Up As Marketers Look For Integrated Solutions**

The enterprise marketing software market is changing fast, as CI pros need to simplify their marketing technology portfolios, integrate customer data to drive better marketing programs, and engage with customers in their moment of need. Vendors have large portfolios of point solutions but haven’t yet delivered on the promise of end-to-end integration.

### **Integration And Product Strategy Are Key Differentiators**

As channel-focused marketing technology becomes commoditized, vendors that can deliver capabilities that unify data, content, and workflows to harness customer context will lead the pack. Why? Marketers need them to deliver more contextual, useful brand experiences, which requires a well-integrated portfolio as part of a broader BT agenda.

### **Access The Forrester Wave Model For Deeper, Customized Insight**

Use the detailed Forrester Wave model to view the data we used to score participating vendors, and create a custom vendor shortlist. To tailor the model to your specific needs, access the report online and download the Excel tool using the link in the right-hand column under “Tools & Templates.” Then alter Forrester’s weightings to your specifications.

# The Forrester Wave™: Enterprise Marketing Software Suites, Q4 2014

The Eight Providers That Matter Most And How They Stack Up

by [Cory Munchbach](#) and [Rusty Warner](#)

with [Srividya Sridharan](#), [Carlton A. Doty](#), [Lori Wizdo](#), and Olivia French

## WHY READ THIS REPORT

In Forrester's 46-criteria evaluation of enterprise marketing software suite (EMSS) vendors, we identified the eight most significant software providers in the category — Adobe, IBM, Marketo, Oracle, salesforce.com, SAP, SAS Institute, and Teradata — and researched, analyzed, and scored them. This report details our findings about how well each vendor fulfills our criteria and where they stand in relation to each other to help customer insights (CI) professionals select the right partner for their enterprise marketing software needs.

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Forrester conducted strategy briefings and product evaluations in June 2014 and interviewed eight vendor and user companies: Adobe, IBM, Marketo, Oracle, salesforce.com, SAP, SAS Institute, and Teradata, as well as their customers.

## Related Research Documents

[Brief: The Marketing Technology Buyer's Dilemma](#)

August 4, 2014

[Let's Revisit The Enterprise Marketing Software Landscape \(Again\)](#)

June 13, 2014



## THE BT AGENDA INCREASES THE IMPORTANCE OF MARKETING TECHNOLOGY

For many years, marketing was the master of its own domain when it came to buying, implementing, and maintaining its technology, from campaign management and marketing resource management (MRM) to web and mobile analytics and cross-channel attribution solutions. In the age of the customer, the brands that thrive will focus their agenda on business technology (BT) — the technology, systems, and processes to win, serve, and retain customers.<sup>1</sup> The BT agenda catapults enterprise marketing technology to the forefront of the CI professional's strategy. Enter the enterprise marketing software suite, which Forrester defines as:

*An integrated portfolio of marketing technology products that provide analytics, automation, and orchestration of insight-driven customer interactions to support inbound and outbound marketing.*

## Vendors Try To Straddle Best-Of-Breed And Integration Priorities

Customer insights professionals and other marketers embrace a key principle of the BT agenda: a single, cross-functional team responsible for buying decisions for the whole organization (see Figure 1). But they also have potentially conflicting priorities when it comes to the tools: They want best-in-class solutions for specific marketing objectives, while they also want end-to-end integration across these solutions to deliver more consistent brand experiences to customers. Vendors claim to provide both category-leading point solutions *and* an integrated suite across their products, but they overstate how desperate marketers are to streamline their marketing technology stacks (see Figure 2). In their current forms, enterprise marketing software suites:

- **Offer functionality that spans the entire customer life cycle.** Enterprise marketing software suites offer a breadth of products and services that address each aspect of the marketing technology stack — likely natively but also through deep partnerships. EMSS vendors have credible offerings in campaign management, digital messaging across channels, marketing resource management, and analytics. They also have enough SKUs in the portfolio to be able to fit almost any marketer's request for proposal (RFP), though not necessarily with the quality or the focus to win the business.
- **Derive from legacy vendor strengths.** The vendors in the Forrester Wave all have vast product portfolios and capabilities, but we consider each one an enterprise marketing software suite thanks to a foundation of distinguished competence in one or two areas — and often due to an acquisition. For example, the heritage of Omniture and Neolane provides a significant chunk of the EMSS capabilities Adobe offers. Responsys, Eloqua, and BlueKai serve a similar role for Oracle, as does Aprimo at Teradata. These products, or the capabilities they provide, play leading roles in the narratives each vendor tells about its own EMSS offering.<sup>2</sup>
- **Integrate formerly discrete software applications.** Precisely what qualifies as integration in technology today is elusive and variable: Is it at the API or product level? And what types of information need to be exchanged and at what pace? It is exceedingly difficult to discern how a vendor's products integrate when it comes to data, content, governance, workflows, etc., and

even more so when it comes to integration with other tools that are likely in the current tech stack. That said, today’s EMSS vendors do connect products with a common user interface, data sharing, and collaboration tools at some level. Overall, customer references are satisfied with integration: 62% agree that their vendor’s products integrate seamlessly and easily together.<sup>3</sup> However, individual vendors clearly do better than others.

**Figure 1** Integration Is Slightly More Important Than Single Source Or Best-Of-Breed

**“Hypothetical: Your organization is throwing out all of its current marketing technology and is going to rebuild an enterprise marketing software suite from scratch. How would you rate your agreement with the following statements?”**  
 (1 = strongly disagree, 4 = strongly agree)

	Mean score
The ability to integrate is the most important feature of potential tools.	3.13
The majority of the functionality should come from one vendor.	2.87
Best-of-breed is less important than the ability to integrate.	2.62

Base: 53 vendor client references

Source: Forrester’s Q2 2014 Global Enterprise Marketing Software Suite Customer Reference Online Survey

118581

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**Figure 2** Enterprise Marketing Software Vendors Exaggerate Buyer Pain Points And Needs

**“Please rate your level of agreement with the following statements.”**  
 (1 = strongly disagree, 4 = strongly agree)

	Mean score
We have a marketing technology strategy that the whole department follows.	3.23
We want to reduce the number of vendors that supply our marketing technology.	2.96
Our current technology portfolio is too complex.	2.51
There is redundancy in the capabilities our different marketing technology tools offer.	2.4
A single vendor can provide all of the capabilities we need.	2.19

Base: 53 vendor client references

Source: Forrester’s Q2 2014 Global Enterprise Marketing Software Suite Customer Reference Online Survey

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## ENTERPRISE MARKETING SOFTWARE SUITE EVALUATION OVERVIEW

To assess the state of the enterprise marketing software suite market and see how the vendors stack up against each other, Forrester evaluated the strengths and weaknesses of the top eight EMSS vendors.

### Evaluation Criteria Emphasize Breadth Of Offering And Integration

After examining past research, user need assessments, and vendor and expert interviews, we developed a comprehensive set of evaluation criteria. We evaluated vendors against 46 criteria, which we grouped into three high-level buckets:

- **Current offering.** Forrester's evaluation criteria are oriented toward the needs of an enterprise customer. We evaluated each vendor against five dimensions for their current offering: EMSS prerequisites, capabilities, application usability, integration, and scale.
- **Strategy.** For this set of criteria, Forrester examined each vendor's strategy to understand how the vendor approaches the creation of its suite, as well as how its vision positions the vendor for future success. We used the vendor's executive vision, product road map, and customer references for the analysis and scored on four dimensions: product strategy, partnership strategy, sales strategy, and customer satisfaction.
- **Market presence.** To determine the size of the vendor's EMSS business, we evaluated installed base, financials, and employees.

### Evaluated Vendors Support Enterprisewide Marketing Needs

Forrester included eight vendors in the assessment: Adobe, IBM, Marketo, Oracle, salesforce.com, SAP, SAS Institute, and Teradata. Each vendor has (see Figure 3):

- **An extensive portfolio of software solutions that span marketers' needs.** Our primary selection criterion was how many discrete marketing technology solutions the vendors offer; the vendors included in this study provide 90% or more of 23 discrete enterprise marketing capabilities. We weighted some capabilities, such as campaign management, more heavily than others, such as loyalty program management, based on their importance to the enterprise tech stack. In addition, native capabilities were weighted more than those provided via partners.
- **A separate P&L for the EMSS and/or significant investment growth in its suite.** Most of the vendors in this study manage their EMSS as a separate profit and loss (in addition to individual product P&Ls) or are in the process of moving to that structure. For the vendors that do not — Teradata and SAS Institute — they maintain a separate business unit and can show that at least 50% of their customers have increased their investment in marketing suite products over the previous 12 months.

- **Strong customer and market interest.** We also used Forrester’s own client inquiries and marketplace discussions to ensure that the right vendors were included in the study.

**Figure 3** Evaluated Vendors: Enterprise Marketing Software Suite Information And Selection Criteria

Vendor	Product evaluated	Evaluated date
Adobe	Adobe Marketing Cloud	Q2 2014
IBM	IBM ExperienceOne	Q2 2014
Marketo	Marketo Engagement Marketing Platform	Q2 2014
Oracle	Oracle Marketing Cloud	Q2 2014
salesforce.com	Salesforce Marketing Cloud	Q2 2014
SAP	SAP Marketing Suite	Q2 2014
SAS Institute	SAS Customer Intelligence Suite	Q2 2014
Teradata	Teradata Integrated Marketing Cloud	Q2 2014

**Vendor selection criteria**

An extensive portfolio of software solutions that span marketers’ needs.

A separate profit and loss (P&L) for the EMSS and/or significant investment growth in the suite.

Strong customer and market interest.

Source: Forrester Research, Inc. Unauthorized reproduction or distribution prohibited.

**THE EMSS CATEGORY IS DYNAMIC AND EARLY IN ITS EVOLUTION**

The evaluation uncovered a market in which (see Figure 4):

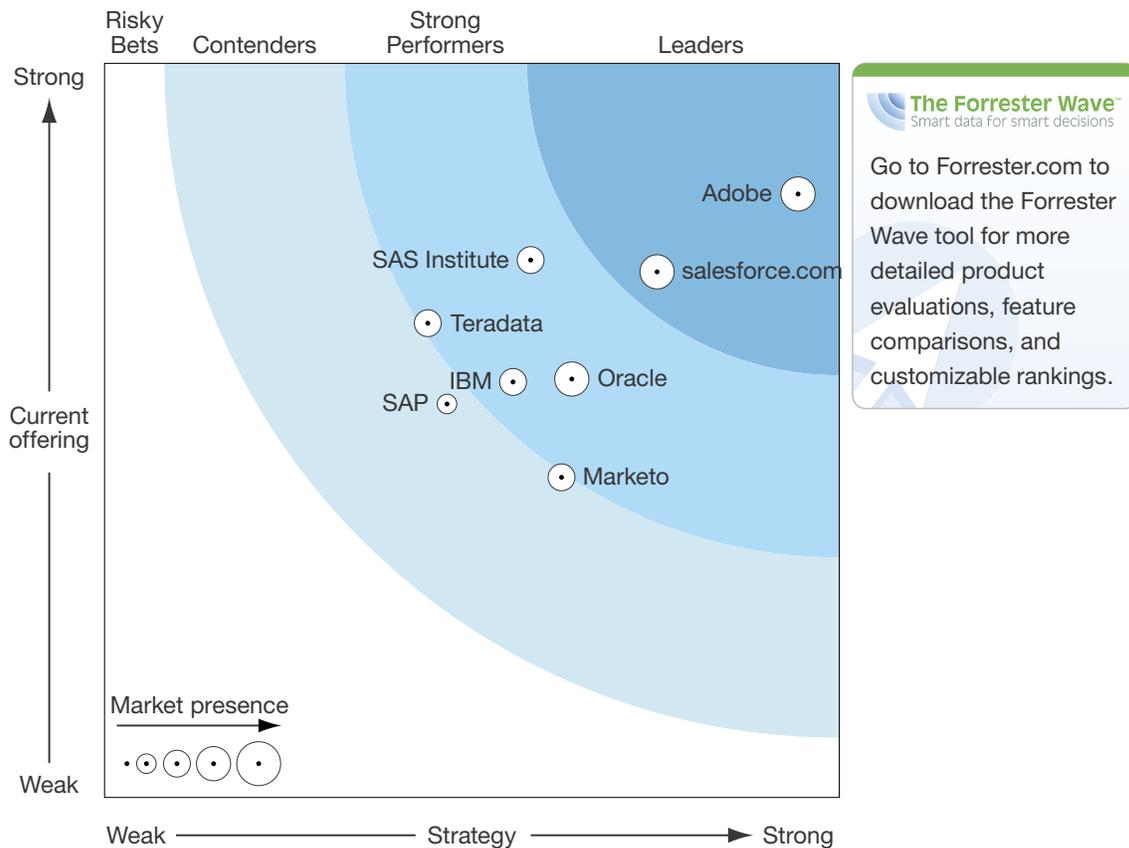
- **Adobe and salesforce.com set the pace as Leaders.** Adobe distanced itself from the pack with a combination of an innovative, detailed vision and in-market functionality designed solely to provide marketers with a clear incentive to use multiple solutions within the Adobe Marketing Cloud. Salesforce.com also earned Leader status thanks to its product road map, unified interface and data platform, and utility of its Journey Builder product.
- **SAS Institute, Oracle, Teradata, and IBM crowd the Strong Performers field.** With a platform built on a common data architecture, SAS Institute’s EMSS components provide an ease of integration across discrete marketing functionality. Though a bit of a dark horse in terms of how the market sees this category, SAS shows strength across many of the capabilities that

marketing and CI professionals value most. Oracle differentiates with a breadth of capabilities to serve both business-to-business (B2B) and business-to-consumer (B2C) marketers. IBM is a Strong Performer due to its extensive and long-standing portfolio of marketing solutions that constitute its EMSS. Teradata builds on its Aprimo acquisition and database heritage to appeal to marketers.

- Market and SAP make up the Contenders.** With a strong legacy in B2B marketing, as well as glowing customer references and a single platform, Marketo swings above its weight class in this study, but its small-scale deployments make Forrester skeptical of its ability to compete for large, B2C business. SAP reveals its strong heritage in customer relationship management (CRM), enterprise resource planning (ERP), and commerce solutions with a limited vision for its native marketing offerings, despite solid capabilities in some core areas.

This evaluation of the EMSS market is intended to be a starting point only. We encourage clients to view detailed product evaluations and adapt criteria weightings to fit their individual needs through the Forrester Wave Excel-based vendor comparison tool.

**Figure 4** Forrester Wave™: Enterprise Marketing Software Suites, Q4 '14



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**Figure 4** Forrester Wave™: Enterprise Marketing Software Suites, Q4 '14 (Cont.)

	Forrester's Weighting	Adobe	IBM	Marketo	Oracle	salesforce.com	SAP	SAS Institute	Teradata
<b>CURRENT OFFERING</b>	50%	4.11	2.83	2.18	2.85	3.58	2.68	3.66	3.23
Product information	0%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EMSS prerequisites	5%	5.00	3.00	1.50	2.00	4.50	1.50	3.50	3.00
Capabilities	50%	3.68	3.21	2.23	3.53	3.61	2.67	3.90	3.39
Application usability	20%	5.00	2.00	4.00	2.00	5.00	1.50	3.00	3.00
Integration	20%	4.01	2.90	0.33	2.31	2.02	4.11	4.08	3.07
Scale	5%	4.50	2.00	2.50	2.50	3.00	3.00	2.50	3.50
<b>STRATEGY</b>	50%	4.72	2.78	3.11	3.18	3.76	2.33	2.90	2.20
Product strategy	45%	4.60	2.40	2.80	4.00	4.00	2.00	2.60	2.60
Partnership strategy	10%	5.00	5.00	3.00	4.00	5.00	5.00	2.00	1.00
Sales strategy	15%	4.36	3.00	4.32	3.04	3.72	1.68	3.68	1.68
Customer satisfaction	30%	5.00	2.50	3.00	1.75	3.00	2.25	3.25	2.25
Cost	0%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>MARKET PRESENCE</b>	0%	3.88	2.43	2.88	3.64	3.16	1.74	2.31	2.33
Installed base	40%	2.20	3.00	1.80	4.60	3.40	1.80	1.80	3.80
Financials	60%	5.00	2.05	3.60	3.00	3.00	1.70	2.65	1.35
Employees	0%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

All scores are based on a scale of 0 (weak) to 5 (strong).

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## VENDOR PROFILES

### Leaders Align Both Vision And Integration Behind Their Suite Offering

- Adobe.** One of two Leaders in this Forrester Wave, Adobe distinguishes itself with its core services capabilities — functionality introduced in early 2014 specifically to integrate the six products that constitute the Adobe Marketing Cloud. The product road map and overall vision for the EMSS build on that success. In addition, Adobe's customer references are the only ones who have experience using the majority of Adobe's products together, validating the vendor's messaging and product strategy. Furthermore, those customers speak highly of Adobe as a strategic partner and for the functionality of the products, though there is room for improvement when it comes to measurement and customer journey mapping.

- **Salesforce.com.** Product vision and innovation make Salesforce Marketing Cloud a Leader. Though middle-of-the-pack for most capabilities, salesforce.com proves its commitment to a unified marketing suite with bundled pricing and the expansion of the Journey Builder product across channels. This vendor's product road map capitalizes on an open platform and its sibling Sales Cloud and Service Cloud for future success. The Salesforce Marketing Cloud stands out for a vision that leverages its unique position in the broader Salesforce arsenal and its willingness to experiment and disrupt in this space, particularly with connected devices and mobile. Marketers will find traditional marketing functionality such as MRM lacking and room for improvement on analytics, where the vendor is already making enhancements.<sup>4</sup>

### Strong Performers Need To Build On Current Suite Capabilities

- **SAS Institute.** High marks for core capabilities like data, campaign management, and MRM, combined with analytics prowess, propel SAS to a Strong Performer position for its Customer Intelligence portfolio. All 10 of SAS's EMSS modules are built on a common architecture, but there is work to do with regard to pricing and packaging to streamline the suite approach. Customer references laud SAS for data and native application integration, though they offer less enthusiastic feedback for integration with other technologies. Marketers will welcome road map plans for a SAS digital marketing hub that brings much-needed digital focus to a more traditional data-driven offering.
- **IBM.** The largest vendor included in the study offers a broad marketing portfolio with IBM ExperienceOne. IBM is a Strong Performer based on acquired technologies: campaign management and MRM (Unica), digital marketing (Silverpop), and analytics (SPSS and Coremetrics). Though several products within the portfolio offer solid functionality, IBM's EMSS strategy suffers from overlapping capabilities, as well as inconsistencies in terms of features supported across different modules. Customer references tend to leverage standalone products and underscore the need for IBM to focus on integration — both within the suite and especially with other enterprise technologies.
- **Oracle.** One of the most active vendors when it comes to adding components to its Marketing Cloud solution, Oracle has one of the largest business units dedicated to marketing technology, which includes an extensive product portfolio. Oracle's strategy for its EMSS has explicit milestones and objectives for delivering integration across products, but it will take considerable work to turn that portfolio into a unified suite. Customer references reinforce the desire for more integration between Oracle's products and for faster delivery.
- **Teradata.** More often recognized for its data warehousing solutions, Teradata is a Strong Performer for its Integrated Marketing Cloud, which includes technologies and services acquired from Aprimo, eCircle, Ozone, and Argyle Social. Teradata has overcome challenges in reconciling acquisitions with its own data-driven CRM capabilities, but it must still enhance

the user experience for digital marketers. Teradata has also come a long way in supporting non-Teradata customer databases — though over 60% of EMSS clients also leverage its data/analytics platform. Customer references with more than five years' tenure speak highly of campaign management and MRM functionality, but they are critical of the effort required to integrate Teradata into existing environments.

### Contenders Have The Foundation Of A Suite But Lack Key Features

- **Marketo.** B2B marketers and small B2C marketers will find a partner in Marketo, the smallest vendor in the Forrester Wave. As a marketing platform pure-play, Marketo has a unified platform that makes integration easy. It also receives excellent customer satisfaction scores. However, Marketo's clients are typically enterprise B2B customers that want a lead-to-revenue-management tool that works well with their CRM database, or small B2C firms with small-scale requirements. Marketo is not the best choice for enterprise clients that have high-volume data and messaging needs.
- **SAP.** A mainstay of IT departments the world over, SAP has a commerce and content strategy straight out of the BT agenda and has the assets to support its EMSS positioning. However, both the current construction of SAP's EMSS and its messaging around it lack clarity and innovation. In particular, the vendor does not clearly explain what role that recently acquired hybris plays in the EMSS, despite that product's prevalence in SAP's overall strategy. None of SAP's customers could speak to a multiproduct implementation of the marketing solutions, and today, much of the functionality provided by the SAP EMSS offering appears hypothetical, delivered through partnership with other vendors, or planned for the future.

## SUPPLEMENTAL MATERIAL

### Online Resource

The online version of Figure 4 is an Excel-based vendor comparison tool that provides detailed product evaluations and customizable rankings.

### Data Sources Used In This Forrester Wave

Forrester used a combination of three data sources to assess the strengths and weaknesses of each solution:

- **Vendor briefings.** Forrester surveyed vendors on their capabilities as they relate to the evaluation criteria. Once we analyzed the completed vendor surveys, we conducted vendor calls where necessary to gather details of vendor qualifications.

- **Product demos.** We asked vendors to conduct demonstrations of their product's functionality. We used findings from these product demos to validate details of each vendor's product capabilities.
- **Customer reference calls and online survey.** To validate product and vendor qualifications, Forrester also conducted reference calls with three of each vendor's current customers, as well as conducted an online survey of the vendor's clients. Responses from each vendor's sample ranged from four to eight responses.

### The Forrester Wave Methodology

We conduct primary research to develop a list of vendors that meet our criteria to be evaluated in this market. From that initial pool of vendors, we then narrow our final list. We choose these vendors based on: 1) product fit; 2) customer success; and 3) Forrester client demand. We eliminate vendors that have limited customer references and products that don't fit the scope of our evaluation.

After examining past research, user need assessments, and vendor and expert interviews, we develop the initial evaluation criteria. To evaluate the vendors and their products against our set of criteria, we gather details of product qualifications through a combination of lab evaluations, questionnaires, demos, and/or discussions with client references. We send evaluations to the vendors for their review, and we adjust the evaluations to provide the most accurate view of vendor offerings and strategies.

We set default weightings to reflect our analysis of the needs of large user companies — and/or other scenarios as outlined in the Forrester Wave document — and then score the vendors based on a clearly defined scale. These default weightings are intended only as a starting point, and we encourage readers to adapt the weightings to fit their individual needs through the Excel-based tool. The final scores generate the graphical depiction of the market based on current offering, strategy, and market presence. Forrester intends to update vendor evaluations regularly as product capabilities and vendor strategies evolve. For more information on the methodology that every Forrester Wave follows, go to <http://www.forrester.com/marketing/policies/forrester-wave-methodology.html>.

### Integrity Policy

All of Forrester's research, including Forrester Wave evaluations, is conducted according to our Integrity Policy. For more information, go to <http://www.forrester.com/marketing/policies/integrity-policy.html>.

### Survey Methodology

Forrester fielded its Q2 2014 Enterprise Marketing Software Suite Customer Reference Online Survey to 53 individuals who are current clients of the vendors included in our Forrester Wave

evaluation. Each vendor was asked to supply a minimum of 10 customers. For quality assurance, panelists are required to provide contact information and answer basic questions about their firm.

Forrester fielded the survey from June to July 2014. Respondent incentives included a copy of the published research.

## ENDNOTES

- <sup>1</sup> For more information, see the November 15, 2013, “[The CIO Mandate: Engaging Customers With Business Technology](#)” report.
- <sup>2</sup> Dramatic changes in the marketing technology space have caused all kinds of uncertainty for buyers today. See the August 4, 2014, “[Brief: The Marketing Technology Buyer’s Dilemma](#)” report.
- <sup>3</sup> Source: Forrester’s Q2 2014 Global Enterprise Marketing Software Suite Customer Reference Online Survey.
- <sup>4</sup> For more information, see the September 30, 2014, “[Quick Take: Salesforce Begins A Journey Toward Contextual Marketing](#)” report.

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As a data-driven marketer, you're responsible for capturing, managing, analyzing, and applying customer knowledge and insight. You draw from all sources of customer data, marketing automation technology, and customer analytics to improve marketing and business performance.

« CHARLES IBRAHIM, client persona representing Customer Insights Professionals