



BEAGLE RESEARCH GROUP, LLC

WizKids Award Winners

BeagleResearch.com

STOUGHTON, MA

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What's a WizKid?

WizKids is an old term derived from quiz kid, which was applied to a certain kind of prodigy before we invented terms like “nerd” and “geek”. Quiz kids were literally people who tested well, so well that they became minor and very fleeting celebrities after their appearances on early television game shows in the 1950s. But quiz kids always seemed more mainstream than geeks or nerds. They were who you wanted your kids to become in a perfect world. Somehow the term morphed and wiz kids became synonymous with an intelligence that was almost magical, wizardry so to speak.

However the term got to us it stuck and it has come in and out of fashion many times. We use the word to name a small annual award we give out to celebrate whatever is innovative and new in the front office. This year we offer a collection of companies with offerings that range broadly across the front office landscape from social to analytics and from gamification to adding new twists to old processes like CPQ (configuration, proposals and quoting).

This award is not based on science. There are no quantitative surveys or score sheets. We take hundreds of briefings each year and based on the briefings and demos that they inevitably include we come up with a very short list of companies we want to write about. This is not to say that our list is exhaustive, how could it be? By our estimate we take at least ten weeks worth of briefings each year and if we wrote about all of the WizKids worthy companies we see it would be a full time job.

So WizKids represents a segment of the emerging market, a sampling of what is likely to become mainstream in the not too distant future. Past WizKids included Eloqua, Cast Iron Systems, Right Now Technologies and, of course, Salesforce.com. There were a number of companies with good ideas that went nowhere too, but that's a story for another time.

For now, here are some companies and product niches that we think deserve serious consideration from front office software buyers—the 2013 WizKids.



APTTUS

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Apttus has the kind of solutions that the AppExchange and Force.com were made for. The company has been successful at building applications in Force.com that leverage the Salesforce user interface and that behave as if Salesforce developed them. Apttus' applications are built on the Salesforce Platform but they go well beyond Salesforce to integrate other major solutions too.

Company

Apttus has staked out a position in the quote-to-cash business process covering CPQ applications — Configure, Price, Quote and Contract Management — a niche populated by other Salesforce partners, too. But where Apttus has distinguished itself is in how it has implemented its solutions, by enabling Salesforce business processes and controls inside Microsoft Office, through its X-Author technology.

Early on, the company's leadership realized that the processes they were automating all had significant inputs from Microsoft Office products and that salespeople and others involved in the sales process, spent significant parts of their workflow outside of Salesforce CRM. For many companies configuring solutions involved Excel spreadsheets and contracts were almost exclusively written and edited with Microsoft Word. These and other documents had to be socialized among sales, finance and executive management and often the manual business processes involved slowed down business.

This meant that significant and important documents for any deal lived outside of Salesforce and data and documents were scattered around an organization on various hard drives where they were vulnerable to loss. Version control was an obvious issue as was the need for executive collaboration. A sales manager might have to approve a configuration's pricing and various levels of executive management might have to collaborate on contract terms and conditions, for instance. But without a social interface such as Chatter for these participants, the workflow was manual and slow.

Most of the collaboration was taking place semi-manually with meetings and phone calls, very little enterprise control or tracking and there was no repository for multiple contributions. These processes tended to take longer than necessary, which is never good when a deal is pending, especially near the end of a reporting period. So Apttus invented X-Author technology.

Use Case

X-Author accomplishes two key things for users: It enables all activity in Microsoft Office documents and Outlook to be shared and fully recorded inside Salesforce, and it enables any Salesforce enterprise process or control to be executed from within Microsoft Office products. A user in Salesforce CRM can work and collaborate on a deal's configuration and contract without leaving Microsoft Office. X-Author is an application built inside the Microsoft Office ribbon that makes it possible to go back and forth between applications, all within Office and to store all deal data including configurations, contracts and Chatter streams all within Salesforce making it the single source of the truth.

X-Author is an enterprise grade application because it brings together several critical applications that have their greatest impact in a complex sales cycle involving many inputs. The company's customer list bears this out with names like, American Express, Dell, General Electric, Forbes, Delta Airlines, Google and many others.

X-Author for Chatter is also a great example of a serendipitous application that you might expect from a resource like the AppExchange. It is an application that few people would think of but which upon seeing it many people would think is intuitively obvious. That a SaaS application like Salesforce CRM would need access to the functionality in Microsoft Office is clear but how to accomplish the combination had eluded many people. A proof point for this are five pending patents for the company.

Conclusion

Apttus has more than three hundred customers including sixty in the Fortune 500 representing more than 350,000 users. While still a relatively small company it is much larger than its competitors in the CPQ and Contract Management markets and its orientation toward bringing together disparate solutions like Salesforce and Office suggests the company has a bright future.



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Gamification is still a new idea and very much a sticky issue for many companies. It's easy for an uninformed person to assume that it somehow distracts workers from assigned tasks but nothing could be further from the truth. Badgeville has taken to referring to the processes it mediates as behavior management, which is much closer to the reality. Any behaviorist will tell you that people perform better at activities they like so why not find ways to make tasks in business more enjoyable? Why not indeed. That's the essence of Badgeville and the supporting evidence for this WizKids 2013 Award.

Company

Badgeville was founded in 2010 to enable companies in virtually every industry to influence and measure user behavior in order to solve what it saw as an engagement crisis. As the company says, despite all the communications channels available today half of customers are inactive in loyalty programs and nearly three fourths (72%) don't interact with a brand's community.

Very similar issues also affect employees — 70% of employees are not engaged at work, and 88% don't use social enterprise software. It all adds up to reduced market opportunities, lost productivity and wasted investments.

World-class businesses in more than 20 countries use Badgeville's award-winning Behavior Platform to increase customer loyalty, user engagement, and employee performance across an organization's websites, mobile apps and enterprise applications. With over 200 customers, Badgeville brings Game Mechanics, Reputation Mechanics, and Social Mechanics to industry leaders and innovators.

Customer

Almost four years ago EMC, a global leader in hardware and cloud-based computing, implemented social software from Jive to power employee, customer and partner communities across its EMC Community Network (ECN). But with so many other technologies and offerings competing for users' attention, EMC had trouble getting users to post messages, fill out profiles, answer questions and perform the other behaviors necessary to build a healthy community that would foster interaction and information-

sharing across the organization. It needed a way to recognize the users who were performing these key behaviors and encourage them to do even more of them so that they stayed actively engaged.

User Story

EMC chose Badgeville to help them build and implement their EMC Community Network (ECN) Recognition, Awards and Motivation Program (RAMP). The team building and implementing this project was up against a very hard deadline – they needed to launch RAMP at the annual EMC World (offline) event in May 2012. The other unique challenge facing them was the fact that their planned integration of the gamified RAMP experience with the physical badges for EMC World (provided by ITN International) was the first of its kind. They had only three months to build, test, and launch everything.

Badgeville provided a team comprising an account executive, producer, and Technical Account Manager, to partner with the entire EMC community and social team). They mapped out short- and long-term strategies for a gamified user community. That strategy focused first on leveraging game, social and reputation mechanics within the ECN but also laid the foundations for taking advantage of the portability of user reputations across all of EMC's digital assets.

Luckily, the EMC, Badgeville, Jive Software, and ITN teams were able to move fast. Development to integrate the Behavior Platform with EMC's Jive community took about four weeks. Even with regression testing and tweaks to the system, the API plugin was live three weeks before the EMC World event. This allowed the teams to work in parallel, performing further testing and design for the online community while simultaneously ensuring the connection to the coming offline event.

Conclusion

Since partnering with Badgeville to build RAMP, EMC has seen a 21% increase in overall user activity. RAMP went live in May 2012 and results have been very positive. Overall the EMC Community Network grew by 66% in total activity in 2012 over 2011. We like this case because it demonstrates how social solutions can unite customers and employees but we also like the idea that an enterprise class company like EMC made a decision to adopt advanced social. EMC deserves a WizKids Award too.



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We're happy to give HubSpot a 2013 WizKids award for the company's visionary approach that does nothing less than reinvent marketing. In the Internet and social media era, many marketing vendors have been remarkably slow to put forth a differentiated version of marketing automation leveraging these technologies preferring instead to automate existing processes. Not HubSpot. With attention to social and a new concept called inbound marketing HubSpot and its customers embrace social media and social tactics to produce a system that is right for these marketing times.

HubSpot and the Business Problem

Generating quality leads is always a challenge, especially for a small business. It is even more challenging at a time when customers get so much information from the Web without contacting a vendor. It can leave a small company wondering why the phone isn't ringing and what can be done about it. All over the business world today that's the reality — customers grab what's free and they may never return. HubSpot's ingenious strategy is to offer so much high quality information that customers keep coming back because search engines determine that the information is valuable and rank it highly. That's the essence of HubSpot's approach--a combination of SEO, social channels all under one system, landing pages, email, and analytics that make results visible to practitioners and a rich library of tools and advice anyone can access. HubSpot calls it "1+1=3," the notion that having power over every element of your funnel is greater than the sum of its components.

Customer, Memphis Invest

Memphis Invest is a real estate investing company that assists real estate investors with purchasing investment property in Memphis, TN and Dallas, TX. More than 95 percent of the investors the company serves live outside the areas where they invest so their investment process is passive and there is a natural demand for a very high level of transparency and service. The company manages over 1,700 investment properties for 650+ investors from around the world.

In 2009 the company had no marketing plan and could not adequately track its business. According to co-founder Chris Clothier, "Our biggest problem was that we were growing but had no real idea why. We were not tracking or measuring our lead flow data nor were we measuring the ROI

on our marketing spend. The thought process was simply to double the amount of money we were spending in marketing and we should double our leads and double our sales. This was a result of rapid growth and focusing on service issues rather than marketing the business.”

Use Story

Memphis Invest followed step-by-step guidelines from HubSpot. The company developed a clear and coherent strategy using the SEO tool to optimize its site with targeted keywords, following HubSpot’s suggestions for blog post topics. Clothier began publishing blog posts about the current state of the real estate market and other topics his target audience found valuable. He used landing pages for offers like free investor starter kits, and found his conversion rates reach up to 20% on those pages. Memphis Invest accumulated more than 4000 inbound links organically, simply by publishing great content.

Before HubSpot, Memphis Invest was ranked as one of the top 4 million websites in the world. Today, it is ranked as one of the top 300,000 in the world, and one of the top 60,000 in the US alone. Their site ranks on pages 1 through 3 when searching for the highly competitive term “real estate investing.” Clothier says, “What we do with all the traffic is something we’re always trying to improve upon. But we wouldn’t have the traffic, visibility, and knowledge without HubSpot.”

The results have been impressive. Not only has Website traffic increased but so has business. With HubSpot, Memphis Invest has successfully built an amazing reputation with impressive sales volume, a feat that’s landed them among the INC. 5000 Fastest Growing Companies. In 2010, Memphis Invest closed 200 transactions; it was an all-time high for them. So when 2011 rolled around, Clothier said, “Why not do 300?” And they did. No one in the industry was doing that kind of volume. Come 2012, Clothier decided to raise the expectations. “Let’s do 500,” he said, and they came very close at 451.

Conclusions

A WizKids award for HubSpot and Memphis Invest seems like a no-brainer and it offers hope to any small business that wants to leverage the Web. It’s worth noting though that as fantastic as these results are, they rest on the assumption that someone in an organization can write content that attracts eyeballs, but HubSpot provides free tools, workshops, and webinars that can help. That shouldn’t be hard given the people in an organization should be experts simply because of their experience. But it shouldn’t go unremarked either. Good inbound marketing requires a level of expertise from the marketer or anyone using this approach.



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NextPrinciples' Insight-to-Action Social Analytics and Engagement platform gives anyone the ability to monitor conversations and engage with their customers across all channels — social and traditional. It adds significant value by consolidating social channels into a single, easy to manage system that leverages company resources for the social channel, while integrating those interactions with traditional channels through their CRM integration layer.

Business Problem

Social has a lot of moving parts including event and campaign management, community engagement, contact management and social performance monitoring. Beagle research shows that many, if not most, organizations start by adopting one social solution at a time but before long, systems proliferate and some mechanism has to be found to coordinate social activities. That's where NextPrinciples comes in.

NextPrinciples helps organizations analyze-engage-integrate their social customer interactions and integrate them with their back-end enterprise systems. The cloud-based suite offers easy-to-use tools, which provide deep actionable insights for its users.

Customer

One enterprise software company that we vetted but can't name here runs many campaigns and events, including their annual conference. The more or less ad hoc social solution that was deployed until June 2011 consisted of a combination of free and paid tools. That solution was hard to use, lacked real time analytics and was time consuming to use. For instance,

- It could not scale in the organization and the central social media team was becoming the bottleneck.
- Reports could not be pulled in real time to enable a pulse check and course correction, if required.
- On average, the company spent 80 hours per event collecting data.

Use Story

The enterprise software company is a global brand and has deployed NextPrinciples' Insights-to-Action suite, including the Campaigns and Events and Social Performance modules.

The company has more than 200 corporate social accounts and the social media team had to manually track each account requiring many hours of manual tracking work every week. On average, the social media team dedicated one full-time employee, who had to manage multiple spreadsheets. But it soon became impossible to track risk management and governance aspects of the social media portfolio, let alone manage the performance of these accounts. By automating many of these activities, the social media team's focus shifted to monitoring the portfolio performance to helping drive deep actionable insights for their overall portfolio.

Conclusion

NextPrinciples' integration across all social channels and enterprise systems enables a single view of the customer by breaking silos across sales, marketing and support thus offering a complete profile based on social profiles and the company's view of the customer.

The company's products are architected with ease-of-use in mind and are aesthetically pleasing and intuitive. We understand that employees can understand the tools and begin using them in less than an hour after deployment without any formal training.

We think consolidation in social media as well as consolidating social gains with traditional processes makes a great deal of sense as the enterprise software company example shows and for this NextPrinciples receives a 2013 WizKids Award.



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Social marketing techniques offer a great example of how business processes are evolving to deliver pinpoint marketing services at lower costs than previous generations of marketing technologies. Skyword is developing a niche wherein it provides a platform that businesses can use to develop thought leadership for content marketing programs. This approach leverages the “always on” nature of the Web and modern customer interest in gaining understanding and insights over simply collecting sales brochures. It’s a clever idea that certainly warrants a WizKids 2013 Award.

Business Problem

Content marketing is a good idea that has grabbed considerable mindshare. Producing thought leadership that is easy to search for, find and use is appealing because content on the Web is always available and always working. Compared with other forms of information it is also low cost and it can easily go viral making it very useful for marketers. Of course, content needs to be refreshed almost daily to keep people coming back and here is one of the greatest challenges marketers face — “feeding the beast.” To keep a steady stream of customers coming back to a site many marketers have decided to look for specialists who can reliably deliver usable content that uniquely supplies the needs of its customers.

Customer

IBM Midsize Business Solutions produces The Midsize Insider an educational platform addressing key trends and breaking news relevant to small to midsize business owners and IT professionals. Leslie Reiser, Program Director of World Wide Marketing for IBM General Business, wanted to use content to spread brand awareness and grow exposure among the midmarket technology sector. To be successful, the team needed to implement and sustain a newsroom-oriented production process for creating quality content at scale but IBM didn’t have the resources needed to identify, recruit and manage writers or copy edit all content to a strict set of guidelines and standards. That’s when Reiser identified Skyword as a potential solution.

Use Case

The Skyword content production platform enables brands, retailers, media companies and agencies to acquire and engage customers through content marketing strategies. Using Skyword, companies can recruit and manage expert writers, manage editorial workflow, optimize and scale their content for search and the social web, and rely on meaningful, real-time analytics to guide their ever-evolving content program. Skyword for Agencies is an offshoot of the Skyword Platform designed to meet the specific needs of marketing and advertising agencies that manage content programs for multiple clients.

IBM also used Skyword to select expert contributors from Skyword's pool of 20,000 professional freelance writers who were aligned with IBM's mission and equipped to offer consumers valuable insight.

The Skyword team initially recruited 15 writers to produce 30 articles per month. The program has since grown to 35 writers producing 300 articles per month. Implementation for the IBM program took roughly 6 weeks. One initial challenge was getting the program accepted into Google News. The site was rejected on first submission. Skyword worked with IBM's agency, Digital Influence Group, to make site changes that better optimized the Midsize Insider for search and ensured that the latest Google News sitemaps were used. Content standards were also enhanced to improve the overall quality of the site's content and make it news-worthy. Upon second submission, the site was accepted into Google News.

Conclusion

Serving up thought leadership on a regular basis is a good way to find and attract customers but it is also a job without an end. Just as many companies might not wish to generate their own ads many are concluding that writing thought leadership content is a job for specialists who can do the job in a less costly and more efficient manner and still make the daily deadlines. By putting together a platform that addresses the major areas of the content creation business process, Skyword has made a space for itself in this new niche and earned its WizKids Award.

TOTANGO

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Totango provides an analytics and engagement management platform that helps subscription providers to better understand their customers by analyzing usage patterns and deriving metrics that can predict churn and increased demand.

Totango and the Business Problem

The down side of the subscription business model is often the lack of consistent feedback from customers. When customers purchase subscriptions online there is far less opportunity to develop concrete relationships because vendors find that their margins do not support conventional business models in which sales people can engage customers face to face.

But customers nonetheless still give off valuable data about their needs and product use and these changes can often signal changes in purchase behaviors. For example, a customer with a declining use pattern, which can include fewer users per day logging on or shorter use periods per user or using fewer products, may be signaling a coming change in its purchase pattern. This is not rocket science. However, the secret to success is being able to observe and identify changing patterns in customer bases that can easily include thousands of customers. Clearly any solution to this and other similar problems has to involve technology. Clarizen is an early Totango customer with a use story that provides a good example.

Clarizen

Clarizen is a SaaS provider of enterprise-grade project management, work, management, time tracking, and issue tracking solutions. They have three thousand customers across multiple verticals and regions and, as a subscription provider, they didn't have the ability to perform traditional hands-on customer maintenance.

"We needed visibility into how our customers were using our solution, particularly which of our customers were at risk of churning due to low usage, and which were using Clarizen heavily and were likely ripe for expansion," said Josh Santos, Director of Customer Success, at Clarizen.

The company had three key needs. Clarizen wanted to know which customers might be churn risks so that they could take steps to avert that outcome. But they also wanted to know which customers were on an even keel who did not need attention at a specific moment in time so that they could safely direct resources where they were needed most. This also included customers who might be signaling a need to make an additional purchase, so they could direct a customer service person or sales person to customers showing a need.

Clarizen found Totango online when Totango was in its design stage and the two worked together to design a solution for Clarizen's challenges that would have broad applicability in the market. For example, Totango has developed the concept of a health metric by which it tracks trends and scores customers by their usage patterns and then stack-ranks the scores to easily show which customers need attention. Finally, Totango sends alerts to customer success managers so that they can take appropriate actions.

Use Story

Totango has greatly improved the way Clarizen the customer success team prioritizes time with customers. They now have data showing exactly where the lowest hanging fruit is — the customers most likely to churn or expand. Furthermore, they now have to ability to be alerted as soon as a customer situation changes for better or worse. For example, each customer success manager receives a report showing which of their accounts have had a sudden drop of usage, making them a churn risk. This is the ideal time to contact the customer and work to reduce the likelihood of the customer churning. According to Totango, waiting even one week to reach out dramatically reduces the chances to save the account.

On the sales side, the sales team monitors Totango data constantly to see which accounts are “hot.” Those prospects that log in more frequently than anyone else are also the most likely to buy. With Totango, sales people can see not only which customers are hot, but also which individuals are logging in the most, which could have other meanings.

According to Totango's data, healthy and engaged customers have an average churn rate of 5% whereas those that are inactive churn at a rate of 55%. In the first three months after deploying Totango, Clarizen was able to move a large number of their customers into the “healthy and engaged” category.

Conclusion

As subscriptions become a bigger part of business and as more vendors adopt the business model, analytics that produce metrics such as Totango's will be key to helping companies remain profitable and avoid costly and unnecessary customer churn. That's why Beagle Research has given a WizKids 2013 award to Totango.



ABOUT BEAGLE RESEARCH GROUP, LLC

Beagle was founded by Denis Pombriant, who has been researching and writing about front office technology since 2000. Our research and analysis is available on many technology venues as well as at **BeagleResearch.com**.

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