

Research In Action January 2023



FOREWORD

Every year, Research In Action surveys 10,000+ enterprise IT and business decision makers in order to gain insights on strategy, investments and ongoing challenges of technology innovation in the IT and Marketing Automation realm. These surveys give us access to a wealth of direct and unfiltered feedback from the buyers. It also helps us to understand how buying decisions are made in today's business environment.

From our survey results, we also gain a good understanding of market sizes and growth. This is one key dimension of the Research In Action (Technology) Market Potential Assessment methodology. The other three dimensions used in our methodology are: (1) Technology, (2) Adoption and (3) Implementation.

The Research In Action Market Potential Assessment was originally developed to help investment decisions of venture capitalists and make or buy decisions of technology hard- and software vendors. Since then it's been used frequently to assess market potentials in the Software as a Service (SaaS) and others services markets as well. The aim of the Market Potential Assessment is to help the vendor or investor in understanding the value of a potential investment. Hence, the goal is similar to that of our Research In Action Real Rol (Return on Investment) Calculations used in later

Research In Action - Market Potential Assessment
Example Technology

MARKET
90%
85%
80%
775%
65%
60%
55%
1MIN A
TATAN

VENDOR
— Benchmark Startup
— Benchmark First International Expansion
— Benchmark First International Expansion
— Benchmark Exit Readiness

ADOPTION

RESEARCH IN ACTION
Independent research & consulting

stages of an investment, for software development or other implementation projects. A second result is an assessment of the potential addressable market of an investment as well as the maturity of the overall market.

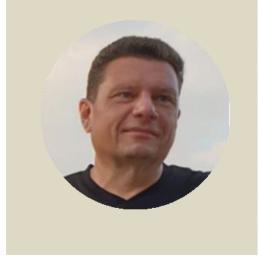
The following slides will show you our survey design, the Research In Action Market Potential Assessment methodology, the detailed assessment questions we use and finally an example Market Potential Assessment result.

To Infinity... and Beyond!

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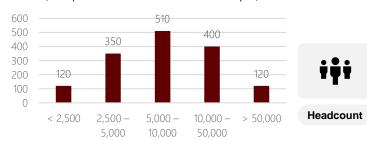
OUR SURVEY DEMOGRAPHICS: IT AUTOMATION

Country Breakdown



Company Size Breakdown

(Enterprises with revenue > € 250 million p.a.)



Industry Breakdown

Energy	90
Financial Services	260
Government & Non Profit	70
Life Sciences	160
Manufacturing	400
Technology, Media & Telecoms	200
Consumer Packaged Goods & Retail	100
Professional Services	120
Travel & Transportation	100
Total	1,500

Job Title Breakdown

VP IT Infrastructure	160
IT Manager	160
VP IT	125
Chief Information Officer	120
IT Operations Manager	120
VP Service Desk	120
Chief Technology Officer	100
Project Management Office	80
Chief Digital Officer	65
VP IT Shared Services	65
VP Operations	60

Total	1,500
Chief Sales Officer	10
Chief Financial Officer	15
VP DevOps	20
VP Application Development	20
Project Manager	25
VP Enterprise Architecture	25
VP IT Financial Management	30
Business Executive	30
Sourcing And Vendor Management	40
VP Technology	50
Chief Operations Officer	60

All Research in Action surveys are gender neutral and 100% confidential.



100,000+

Data Points



1,500

Enterprise Managers



37%

Analyst's Opinion



63%

Survey Results

The Vendor Selection Matrix™ Evaluation Methodology:

The basis of our competitive vendor evaluation reports is always an extensive buyer survey.

We then select those vendors which achieved the best evaluations scores from the buyers but disregard those with fewer than 15 evaluations.

The final matrix scores are a combination of the survey results, vendor input and analyst's opinion.



MARKET POTENTIAL ASSESSMENT: METHODOLOGY

- Purpose. Understanding the value of innovation.
- Target use cases.
 - Investment decisions of venture capitalists
 - Make or buy decisions of technology hard-, software/SaaS and services vendors
 - Generic market potential analysis initiatives.
- Assessment Dimensions.
 - Market. How critical is the business process and how big is the potential addressable market size of the innovation?
 - Technology. What are the market differentiators, who are the competitors and how mature is the innovation?
 - Adoption. What is the total value of the innovation and how long will it take to reach mainstream adoption?
 - Implementation. What is needed for the introduction, what will be replaced and what are the obstacles?
- Benchmark company development stages used.
 - Proof Of Concept (i.e. prototype)
 - Startup (i.e. first real customers)
 - First International Expansion
 - Exit Readiness.
- Result. An assessment of the likeliness of success of the potential investment relative to the stage of the technology. The potential addressable market size and market are valuable by-products of the market assessment dimension of the Research In Action Market Potential Assessment.

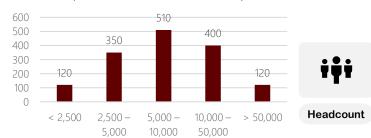
OUR SURVEY DEMOGRAPHICS: IT AUTOMATION

Country Breakdown United Sta



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MARKET POTENTIAL ASSESSMENT: TECHNOLOGY ASSESSMENT QUESTIONS

Category Question

Adoption

- What is the total value of the process improvement?
- · What are the technical gains provided by the new product?
- · What are the economic gains provided by the new product?
- · How long will it take to reach mainstream adoption?

Technology

- · Please describe your market differentiators
- · Please describe your product architecture
- Please describe your product strategy
- Please describe your product roadmap
- · How scalable is your product?
- Please describe your go-to-market strategy
- · Are there referenceable customers or beta customers?
- · Please describe the pricing and cost model
- Please describe the product development process and methodology
- Please describe the product quality assurance and risk management process
- Please describe the product support organization and process
- How big is your R&D budget (% of revenue and total)?
- Please describe the sales cycle and the interaction with product development
- Please provide your product and marketing collateral and press/analyst briefing material, name key conferences and analysts
- Who are your key competitors? (Please provide a SWOT for yourself and each competitor)
- How do you manage your IP?
- Please show me a live demo of the product and the test and production system

Category Question

Market

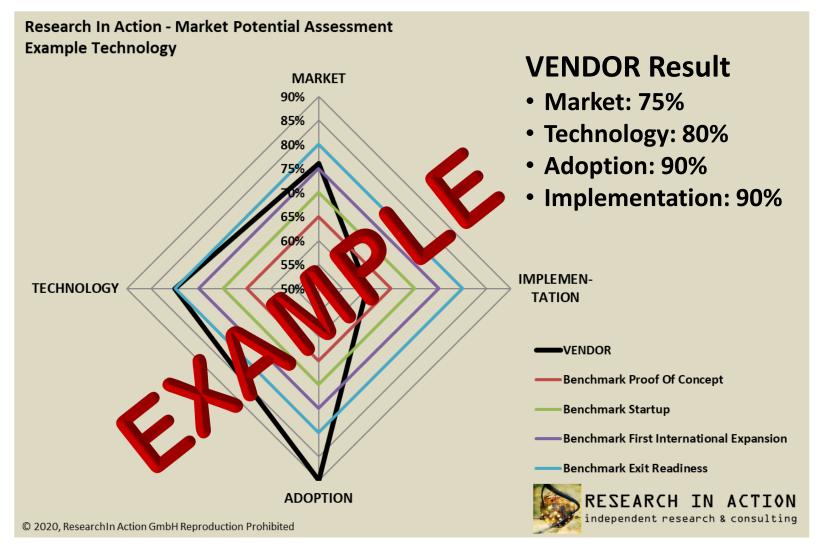
- How critical is the process that this innovation will improve or change?
- · How big is the vertical market potential?
- How big is the market potential by enterprise size (SMB, large, very large)?
- How big is the geographical market potential (EMEA, Americas, APAC)?
- · What is the potential market size per year?

Implementation

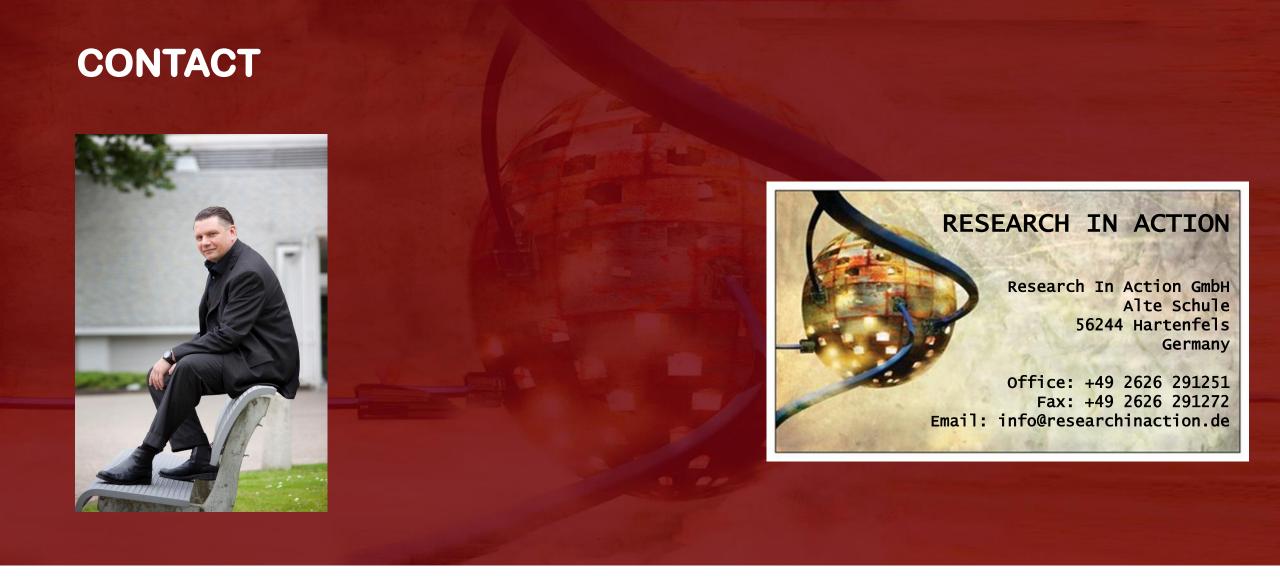
- What are the existing technologies, products, or skills that will be no longer necessary in case of adoption?
- What are the complementary technologies, products, or skills that will be needed for implementation?
- What are the other obstacles to implementation, and what is the cost of removing these obstacles?
- · How high are the implementation costs?
- · What is the time to value?



MARKET POTENTIAL ASSESSMENT: EXAMPLE TECHNOLOGY







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