

IDC MarketScape: Worldwide Collaboration and Community Applications 2021 Vendor Assessment

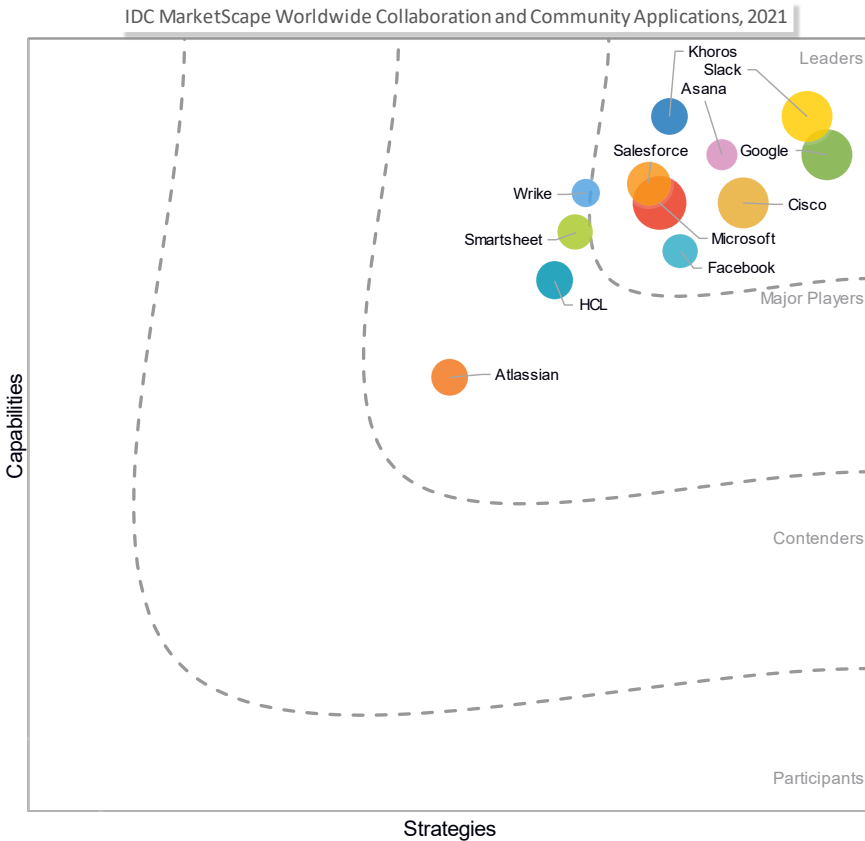
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THIS IDC MARKETSCAPE EXCERPT FEATURES: SLACK

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Collaboration and Community Applications 2021 Vendor Assessment



Please see the Appendix for detailed methodology, market definition, and scoring criteria.

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Collaboration and Community Applications 2021 Vendor Assessment (Doc #US46743820e). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included is Figure 1.

IDC OPINION

This study applies the IDC MarketScape methodology to evaluate major global collaborative and community platform vendors.

As the pandemic drove the increased need for collaborative technologies, three primary categories emerged: team collaborative applications, team collaborative applications with native work management, and enterprise communities – community management platforms that connect within and outside the enterprise. For this document, IDC identified leaders in the team collaborative applications and enterprise community functional markets. In detail:

- The collaborative application market has become essential to connect a digital workforce to their colleagues and work, regardless of where they work.
- Collaborative and community products are connecting both internal workers, and partners and customers.
- With an intense feature velocity, vendors are distinguishing themselves as unique, while integrating with other products to help drive seamless workflow and improved metrics.
- Enterprises of every size are centralising work and communications on team collaborative and community platforms.
- These platforms, unlike email, keep relevant conversations with meeting assets in one place, saving considerable time while encouraging other voices to be heard, driving better results.

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

This IDC MarketScape looks at team collaborative application and enterprise community application vendors. The criteria for inclusion are as follows:

- Vendors must have appeared in IDC's 2019 and 2020 market share research documents as a top 10 worldwide vendor in the collaborative application market share, the team collaborative application market share, or the enterprise community (enterprise social network) market share documents.
- Vendors must offer a proprietary product with the primary purpose of enabling or fostering collaboration and/or communities for a line of business or an enterprise.
- Vendors must have a presence in the United States and at least one other country.
- Vendors must sell to at least three global regions.
- Products in this study were reviewed as they were in general availability as of the 1st of August, 2021.

ADVICE FOR TECHNOLOGY BUYERS

- Customers need their collaborative applications to support the APIs of the vendors that they use, including CRM, HRIS, and their marketing technology stack. The business goals are more consolidated data, greater employee, partner and customer experience (CX), and machine learning (ML) to drive new and better outcome-based metrics.
- Vendors responded to the events of 2020 with massive feature velocity. This shows little sign of abating over the next few years.
- Customer support is lacking for some vendors, in part due to the explosive growth in the market. Communities of customers, where they exist, help to deflect the support needs and create brand loyalty.
- Many vendors started adopting a greater role for partners to be the first line of sales and support; this is meeting with widely varied and mixed results. Several customers interviewed voiced that the partners may not be using the applications that they are selling, creating a knowledge and support gap. Customers want to buy and get support online, have a community of users available to them, and want to be able to alter their offering based on emerging needs.
- Enterprises are asking for longer term, continuous road maps, and product updates. Companies that deliver annual or biannual updates have an optics challenge of being less innovative.
- Ease of online purchasing, enterprise package customisation and deployment, and customer onboarding and support are challenges for many but not all vendors. Customer experience is an imperative. Simplify these areas.
- Customers voiced the needs for better APIs for many (but not all) products, as well as more help executing change management to be more collaborative.
- Customers expressed the need for real-time translation and support for multiple global regions.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

Slack

Slack is positioned in the Leaders category in this 2021 IDC MarketScape for worldwide collaboration and community applications.

When the pandemic hit, Slack was one of the few solutions that was already well known and ready for the increase in usage.

The vision of Slack is to help businesses unlock speed and transparency by building a real-time, event-driven organisation. At its peak in 2020, the popular channel-based messaging platform reached up to 65 million messages per second.

Slack is known for easily connecting teams of internal workers, even between companies. The introduction of Slack Connect enables a secure method for organisations to connect, communicate,

and build workflows together. Being easy to purchase and deploy during 2020 helped to fuel the company's growth.

Recent feature releases include Slack Huddles, an audio-only feature for channels to foster spontaneous and more asynchronous collaboration, Async meeting video tools, Scheduled Send of messages, and Atlas internal company-rich profile and directory insights. A series of security-centric features were recently added to the platform, including malware and link scanning, and application installs and unfurls with secure verification.

Slack reports more than 91,000 paid customers with 950,000+ connected endpoints on Slack Connect. That is up 265% year over year.

In July 2021, Salesforce closed the \$27.7 billion acquisition of Slack. This is expected to make Slack the *de facto* collaboration platform and part of the UI of the Salesforce ecosystem, while remaining available for sale under the Slack name.

Strengths

- Slack was widely adopted by the developer community and has since become "average person friendly." It is often used both inside and outside of enterprises as a fast, reliable channel-based messaging platform.
- Slack integrates with a large number of business software applications, including Microsoft 365, Google Workspace, and Salesforce to reduce the need for context switching. This moves work closer to "a single pane of glass" workspace, as its integration enables people to stay in the applications that they need most for work.
- Slack has a robust developer community with 975,000 daily active registered developers as of April 2021.
- The codeless ability for users to create their own templates, reusable building blocks, and workflows frees up developers for more complex, high-value work.
- New audio and video features replace typing with quick Huddles (audio chat) or just recording short videos to share content/status – both of which result in a transcript for the channel.
- Slack offers in-house customer relationship support and management, owning the customer experience throughout an organisation's journey, without outsourcing it to external partners.
- While the Slack freemium version has found wide adoption, enterprises prefer one of three paid-for plans (Pro, Business+, or Enterprise Grid) to meet security, compliance, and governance requirements.

Challenges

- Slack, despite being the category creator, has an inaccurate perception challenge.
- Slack produces significantly greater enterprise value with integrated enterprise applications. While not a challenge, getting enterprises to integrate software can be a challenge for enterprises less savvy in collaboration.
- Reinventing how work gets done requires companies to embrace new ways of communicating at every level of a company. This requires both the technology and a culture of collaboration for Slack or any other solution.

Consider Slack When

Consider Slack when enterprise channel-based messaging is a must, internally or between companies, or both. Slack should also be considered where integrated third-party applications are often used.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services, and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

Using the leaders in these markets created a very mature picture of the market. These were among the companies that "stepped up their game" to meet the emerging needs of 2020, and beyond. Even the least mature product in this grouping became mature and very stable. This created a challenge in the visual of the IDC MarketScape graph (refer back to Figure 1); however, we have clarified in the Vendor Summary Profiles section for each vendor.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions, on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behaviour, and capability.

Market Definition

Collaborative Applications

Collaborative applications enable groups of people to work together by sharing information, communications, and frequently used processes. Definitions of collaborative application markets are presented in the sections that follow.

Enterprise Community Applications

Enterprise community applications enable social collaboration capabilities for users that are either inside or outside an organisation's firewall. Solution capabilities should include, but are not limited to, activity streams, blogs, wikis, microblogging, discussion forums, groups (public or private), ideas, profiles, recommendation engines (people, content, or objects), tagging, bookmarking, and online communities. An enterprise community application provides a social collaboration or relationship layer in a business that can be a discrete standalone solution and/or a set of service-oriented application programming interfaces (APIs) or integrated applications that coexist with other business and communication applications. Discrete solutions may support one type of social functionality (such as online communities, ideation, or innovation management) or a broad-based platform that encompasses many functionality traits.

Team Collaboration Applications

Team collaboration applications (TCAs) provide a workspace and an integrated set of web-based tools for an ad hoc, unstructured, asset-centric, or document-centric collaboration between groups or individuals, between known domains. A TCA can be represented by secure "channels" or "rooms" that contain documents, chat history, and transaction history to maintain a persistent auditable history or a more multipurpose shared workspace where users are able to store, access, and share files. Administration is primarily performed by a known user (that governs access rules), but IT administration controls/management may also be possible. TCA solutions may also allow directory integration, policy management, and integration with social collaboration tools (content shared within the social context of newsfeeds or groups). Communication within the TCA environment is mostly asynchronous, business-to-business (B2B), and closed to a specific set of eyes.

LEARN MORE

Related Research

- *Worldwide Collaborative Applications Forecast, 2021-2025* (IDC #US48061821, July 2021)
- *Worldwide Collaboration Applications Market Shares, 2020: The Year of Mass Adoption* (IDC #US48061921, July 2021)
- *IDC's Annual Collaboration Survey, 2021* (IDC #US46305621, May 2021)
- *IDC Conferencing Applications and Virtual Events Survey 2021: New Expectations* (IDC #US47693821, May 2021)
- *The Rapidly Evolving Future of Collaboration and Conferencing* (IDC #DR2021_FoW_WK, March 2021)
- *Market Analysis Perspective: Worldwide Collaborative Applications, 2020* (IDC #US45918920, September 2020)

Synopsis

This IDC study represents a vendor assessment of the collaborative and community application market through the IDC MarketScape model. Team collaborative applications and enterprise community applications became critical to connect workers, vendors, partners, and customers. Each vendor has differentiated itself with both core abilities and integration abilities that they believe will be most in demand in the future. While some companies saw customer service challenges in their growth, all are

seeking better ways to improve adoption, in order to make collaboration and communities a core part of the enterprise IT stack going forward. If user adoption of these platforms is any gauge for the future, collaborative and community platforms will be very successful. Enterprises must embrace them as a new way to communicate, form a community, improve customer and worker experience and, most importantly, redesign legacy processes.

"The future of business is the connection and communities with the workforce, partners, and customers," according to Wayne Kurtzman, research director for Social, Community, and Collaboration Applications at IDC. "Deep integrations with the rest of the technology stack improve insights, minimise context switching, and drive significantly more productivity with better worker experience. Companies that fail to provide well-designed collaboration and community platforms will force their workforce, partners, and customers to create their own solutions."

About IDC

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