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Magic Quadrant for Digital Marketing Hubs

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Summary

Vendors from advertising, marketing automation and analytics are racing to deliver personalized digital marketing at scale. Marketing leaders need a system that can integrate and coordinate data and activities across channels, devices and contexts, continuously and in real time.

Market Definition/Description

According to Gartner, a digital marketing hub (DMH) provides marketers and applications with standardized access to audience data, content, workflow triggers and operational analytics to automate execution and optimization of multichannel campaigns, conversations, experiences and data collection across online and offline channels.

While a DMH is often offered alongside complementary native applications within a marketing cloud or suite, extensibility through published services is a key benefit of this technology.

The digital marketing hub addresses four main areas:

Master audience profile — Combining first-party, second-party and third-party data across known and anonymous customers and prospects 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.

Workflow and collaboration — Supporting 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 — Driving 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. However, a DMH is not a campaign management platform, since it is not directly concerned with channel execution but, rather, with coordination of data and content across campaigns and channels.

Unified measurement and optimization — Tying investments to outcomes to optimize decisions 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. This is an area where DMHs may overlap with digital marketing analytics, although the focus of DMHs is on real-time operational applications of data rather than advanced analysis.

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. This makes 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 Criteria section.

A digital marketing hub is foundational for many mission-critical priorities. Hub vendors can help marketing leaders:

Use unified cross-channel data and analytics to orchestrate and optimize multichannel customer journeys across silos and touchpoints.

Harvest real-time and historical data from multiple sources into a common format for analysis, and distribute analytics insights and programs to multiple applications and collaborative tools.

Accelerate agility and reduce risk by standardizing access to common resources such as audience profile data, content and workflow triggers across marketing applications.

Access data to understand what your customers want and use it to create and deliver personalized offers, advertising and experiences, and optimize them based on results.

Magic Quadrant

Figure 1. Magic Quadrant for Digital Marketing Hubs



Source: Gartner (February 2017)

Vendor Strengths and Cautions

Adobe

San Jose, California

www.adobe.com (<http://www.adobe.com/>)

Adobe is a Leader in this Magic Quadrant. Its Marketing Cloud has a core service known as "People" that can create or manage audiences at the Adobe Marketing Cloud level or at the level of a specific solution such as Adobe Analytics, which serves as Adobe's stand-alone product for general marketing hub capabilities. Adobe achieved top ratings in marketing strategy, innovation and customer experience. It sets the pace for a majority of advanced marketing capabilities, and its cost and complexity reflect this. Consider Adobe if you are a midsize-to-large enterprise with a moderate-to-high level of operational and analytics marketing maturity looking to compete on quality of customer experience and personalization.

STRENGTHS

Vision leadership. Adobe has parlayed its leadership in creative tools and its relatively early commitment to marketing analytics and cloud-based deployment into an offering of considerable breadth. The addition of its multiapplication artificial intelligence (AI) services layer, dubbed Adobe Sensei, shows considerable promise for enhancing the power of core marketing products like Adobe Audience Manager.

Product quality. Adobe references give it top marks for product reliability and usability, and the quality of its warranties. Its scope of deployments reflects its leadership positioning.

Support ecosystem. Having cultivated a strong support community for its creative cloud products, Adobe is adept at recruiting corporate partners like Microsoft, major system integrators, marketing service holding companies and end-user support groups.

CAUTIONS

Complexity. Although Adobe has taken steps to streamline its notoriously complex product architecture, product boundaries and options still cause confusion among prospects. Users also noted unexpected complexity of integration projects, even among Adobe's own products.

Identity management gap. References gave Adobe lower-than-average ratings for cross-device identity management and external data integration features, reflecting a lag in these capabilities relative to Adobe's peers. In 2016, Adobe announced a cross-device data coop; its general release is pending as of this writing.

Cross-cloud integration. A foundational value proposition of Adobe's marketing hub is its unique connection with Adobe's Creative Cloud content development tools and environments. The backbone of this connection is Adobe Experience Manager (AEM), but the integration between AEM and the Creative Cloud and AEM and Audience Manager, which is central to Adobe's hub, leave room for improvement.

BlueConic

Boston, Massachusetts

www.blueconic.com (<http://www.blueconic.com/>)

BlueConic is a Niche Player in this evaluation. Founded in 2010, it has a strong presence in EMEA and a growing customer base in the U.S. BlueConic is best-suited to marketers with a mobile or website-dominant customer journey and a rich trove of customer data, such as that found in retail, hospitality, financial services and subscription media sectors. The majority of BlueConic's customers are midmarket — thanks, in part, to competitive pricing — but it serves a notable share of large enterprises in the cited verticals as well. BlueConic is differentiated by its customer data platform (CDP) positioning, recognizing users whenever, wherever they interact with a brand's site or app. It delivers personalized content and product recommendations through machine learning, propensity modeling and continuous optimization, and synchronizing that information across other tools in the marketing ecosystem.

STRENGTHS

Data collection and unification. The BlueConic profile, created for every user known or anonymous, consolidates behavioral data from browsing with intent, derived from actions plus previous engagements and other data sources, such as purchase history. The profile persists in perpetuity, and can be constantly and automatically updated with new information captured through browsing, purchase or form fills, as well as enriched with external data.

Site personalization. Marketers can easily change and manage the personalized site experience using a visual design interface with no coding required. Messaging can be tailored for the user throughout the website, across sessions and devices, and even during check-out. Persistent behavioral response data in the profile continuously triggers new actions.

Integrations. BlueConic has an extensive list of out-of-the-box integrations (many of them two-way), as well as a team dedicated to building additional plug-ins for the platform.

CAUTIONS

Site-engagement focus. BlueConic's hub vision is narrow. Its strength is in collecting interaction data gathered through site visits or mobile interactions. For truly unified profiles across multiple touchpoints, including offline, the marketer will need to manage third-party relationships and onboarding using other partners. BlueConic has integrations with data management platforms (DMPs) and demand-side platforms (DSPs) for advertising but doesn't natively support audience extension.

Identity. While references praised BlueConic for its data capture and profile management, these should not be confused with authoritative identity offerings. BlueConic allows the marketer to create rules but does not have a proprietary data or offline data onboarding offering or feature probabilistic cross-device ID.

Viability. BlueConic is a small, but tenacious player. The company is gaining recognition in the emerging CDP market, but still has a limited presence among North American customers. The focus on simplicity and singular emphasis on the web channel may limit its appeal for large enterprises with complex requirements. Market forces may compel narrowly focused providers to diversify or merge.

Cxense

Oslo, Norway

www.cxense.com (<http://www.cxense.com/>)

Cxense enters this Magic Quadrant as a Niche Player. It is working to grow from its roots as a DMP-based personalization engine more fully into the digital marketing hub space by broadening capabilities over the coming year. Its current focus is on using audience data to better target customers across content, ads and offers. Cxense is best-suited for clients in the retail, e-commerce, broadcast or publishing industries who look to understand consumer activation, engagement and conversion across devices.

STRENGTHS

External data integration. Strengths include demand-side platform (DSP), supply-side platform (SSP), first- and third-party data, and marketplace integration. This gives Cxense users access to a broad programmatic advertising ecosystem.

Partners in marketing. References consistently report that Cxense treats them as partners looking to understand their goals and work with them to provide flexible solutions, regardless of the size of their contract.

Segment discovery. Given its strength in audience creation and activation in advertising, Cxense offers strong segment discovery to help marketers identify new or larger audiences.

CAUTIONS

Multichannel campaign management. Cxense lacks means for marketers to integrate audience data across multichannel campaign management platforms. It lacks ability to unify workflow across applications, and it doesn't provide role-based management.

Limited support for automating integration processes. While integration with marketing analytics platforms is supported natively in the product, many other necessary integrations are not, such as content management platforms; extraction, transformation and loading (ETL) processes; and publish-and-subscribe services.

Reporting and analysis. Cxense does not currently support customer journey visualization or multitouch attribution, and has room to improve its reporting and analysis features.

DataXu

Boston, Massachusetts

www.dataxu.com (<http://www.dataxu.com/>)

DataXu is a Challenger in this evaluation. The DataXu platform is a comprehensive suite of tools for programmatic advertising, including a demand-side platform (DSP) with support for integrated campaign planning, forecasting, management, analytics and measurement. DataXu also provides a performance infrastructure capable of rapid data processing and a device-matching technology called OneView that uses proprietary and third-party data, and features a flexible trade-off between precision and reach. It offers support for sophisticated scenario analysis, testing and optimization of marketing investments, as well as a wide range of partner integrations. Consider DataXu if you are an advanced marketer with complex multichannel advertising requirements.

STRENGTHS

Programmatic advertising. DataXu lets marketers plan complex campaigns across channels, including video and connected TV, and execute and improve bidding strategies.

Campaign optimization. DataXu provides a number of features to help marketers plan and improve marketing campaigns, including forecasting, a sophisticated "market pulse" design-of-experiments framework, and a native "cruise control" mode that automates decisions.

Algorithm marketplace. The marketplace provides easy access to plug-ins developed by DataXu and partners to improve targeting, delivery and performance.

CAUTIONS

Ad tech focus. Hub customers who considered but disqualified DataXu cited that it lacked features supporting hub use cases beyond programmatic advertising.

Strategic support. Customer references generally gave DataXu high marks for technical support but were less enthusiastic about its engagement model, including its sales process.

Integration ability. Customer references reported relatively less satisfaction with the platform's ability to provide some required integrations. DataXu continues to be less enthusiastic than competitors in embracing marketing tech integrations.

Eulerian Technologies

Paris, France

[www.eulerian.com](https://www.eulerian.com/en/) (<https://www.eulerian.com/en/>)

Eulerian Technologies is a Niche Player in this Magic Quadrant. Launched in 2015, Eulerian's customer data platform provides a combination of tag management and onboarding for data collection, a DMP, and native reporting and analytics, including multitouch attribution. It also offers a first-party ad server. From its roots in web analytics, Eulerian has evolved into an advertiser-focused hub with support for a range of marketing and advertising requirements, including audience analysis and segmentation, campaign planning and analysis, and data partner management. Consider Eulerian if you are a marketer who relies on CRM and other first-party data to inform programmatic advertising, website personalization and digital commerce.

STRENGTHS

Native ad server. Eulerian is differentiated by offering a first-party ad server, which may help some marketers avoid data gaps caused by ad blockers and cookie deletion.

Application integration. Customers give the platform high marks for the breadth and reliability of its integrations with partners such as Optimizely and Adventori.

Data lakes. The platform supplements its own basic analytics by enabling data streaming into common data stores, such as Amazon Web Services (AWS) and Google BigQuery.

CAUTIONS

Professional services. Customer references gave Eulerian's postlaunch technical support mixed reviews. Eulerian does not currently offer strategic advisory services.

Advanced analytics. Although it launched multitouch attribution based on recency, frequency, monetary (RFM) analysis at the end of 2016, features such as next-best-offer and segment discovery remain on the roadmap.

Usability. Eulerian does not provide a responsive user experience for mobile, as of this evaluation, and reference customers gave it relatively lower marks for overall usability.

IBM

Armonk, New York

www.ibm.com (<http://www.ibm.com/>)

IBM is a Challenger in this evaluation. IBM unveiled Watson Marketing in 2016, an update fusing its cognitive technology with its marketing solutions. Watson Marketing's key differentiator is its modularity and flexibility, allowing marketers to customize a hub solution to their needs. It is best-suited for midsize and enterprise companies in services, retail and manufacturing, which would benefit from its strengths in audience management and CRM data synchronization.

STRENGTHS

Customized delivery. References cite that IBM works with its clients to understand their needs in order to deliver the solutions tailored to their specific needs.

Breadth of extraction, transformation and loading (ETL) options. Watson Marketing includes native extract and load capabilities as well as full ETL through integration with IBM's InfoSphere DataStage product.

Extensive site personalization offerings. Abundant options exist for site personalization, including the native Watson Real-Time Personalization, the complementary IBM WebSphere Commerce, partner integrations and supported APIs.

CAUTIONS

Offline data integration. Despite a stronger ability to integrate CRM data, Watson is still challenged in integrating offline data, and references expressed a desire for improvement in this area.

Reporting. The solution's data exportability and general visualization leaves room to improve, lacking the responsive design and ease of use found in competitive solutions.

Lack of direct integration with supply-side platforms (SSPs). Customers must go outside the platform to pursue connections with SSPs and ad marketplaces.

IgnitionOne

New York, New York

www.ignitionone.com (<http://www.ignitionone.com/>)

IgnitionOne is a Visionary in this Magic Quadrant. IgnitionOne offers a data-driven performance marketing platform that creates targeted audiences and scores them on the individual user level. These audiences are activated across multiple channels, including display, search, social and email. Marketers can also use the audience data to personalize their website. Consider IgnitionOne if you are a specialty retailer, manufacturer or service provider within a high-consideration sector that targets customers on the individual level.

STRENGTHS

Continuous attribution analysis. Customer paths are visualized continuously, enabling marketers to score customers and perform real-time optimizations across a number of display, search and social channels.

Intuitive user interface. Marketers praised the IgnitionOne user interface, which looks more like familiar, visual dashboards and less like a database management tool, when compared with other vendors.

Flexibility of implementation. IgnitionOne is frequently integrated with other products, and its lead scoring system provides a flexible common framework for multichannel campaign optimization.

CAUTIONS

Time to implement. Some customers report that the IgnitionOne solution took longer to implement than they anticipated. The flexibility of the solution can lead to increased complication; for example, marketers must rely on a custom integration for social identity data, a ubiquitous component to creating and activating audiences across channels.

Professional services support encouraged. IgnitionOne's approach is to offer its proprietary technology alongside varying levels of support services for implementation and execution. Marketers looking for a hands-off, out-of-the-box solution may prefer other options.

Variable ratings. References reported inconsistent levels of satisfaction across a number of IgnitionOne's functional capabilities and support services. They sought more postlaunch technical support, as well as guidance and access to educational materials for self-support.

Kitewheel

Boston, Massachusetts

kitewheel.com (<http://kitewheel.com/>)

A Visionary in this year's Magic Quadrant, Kitewheel sells its Customer Journey Hub almost exclusively through digital agencies, integrators and outsourced service providers. They use the product as a framework for white-labeled and/or managed service solutions. Motivated by a belief that working with service partners is the best way to maximize the impact of its technology solutions, Kitewheel is best-suited for digital agencies, integrators and marketing outsource providers delivering digital marketing hub capabilities in heterogeneous environments that combine many different tools and data sources.

STRENGTHS

Flexibility. The Kitewheel architecture is designed to interoperate with many different tools and distributed data sources.

Real-time decisioning. Customer references praised Kitewheel's predictive analytics and real-time decisioning capabilities as the basis for continuous multichannel targeting and personalization.

Domain expertise. Kitewheel rates high as a trusted partner, demonstrating a deep understanding of its customers' needs, and providing flexible pricing and reliable support.

CAUTIONS

Usability. Kitewheel's flexibility comes with a substantial usability trade-off. Some customers cited this as a conspicuous weakness.

User community. As a relatively small vendor selling through indirect channels, Kitewheel lacks brand awareness and an active user community for sharing best practices.

Capability gaps. Designed first as an open and flexible framework to work with third-party tools and data sources, Kitewheel has several native feature gaps. References pointed to weaknesses in audience management and activation, and cross-device identification.

Marketo

San Mateo, California

www.marketo.com (<http://www.marketo.com/>)

Marketo is a Leader in this year's Magic Quadrant. Since making its name in B2B email marketing and lead management, Marketo has broadened its product scope to support multichannel communications, personalization and ad targeting in B2B and B2C scenarios. Marketo's Engagement Marketing Platform is known as a relatively easy-to-use product that relies on third-party DMPs to fulfill digital marketing hub critical capabilities and use cases related to paid media. However, its ability to bring data-driven marketing tactics to its core audience of midsize to large B2B and B2C marketers at scale distinguishes it in the hub field. Marketo is best-suited for midsize and large companies, particularly those with an emphasis on B2B or considered-purchase B2C use cases.

STRENGTHS

Application integration and extensibility. Customers praise Marketo's ability to integrate with third-party tools, applications and data sources.

Partner ecosystem. Among its many competitors, Marketo has one of the largest and most active partner ecosystems.

New product architecture. Marketo recently rearchitected its product for better performance and scalability. Its flexible data model is designed around its new "Audience Hub" for B2C and B2B scenarios, including account-based marketing (ABM) use cases.

CAUTIONS

Advanced analytics. Some customer references cited limitations in native customer data modeling and analysis capabilities.

Sales process, consulting and support. References give inconsistent ratings for presales and postsales consulting and support.

Leadership and ownership changes. In October 2016, Marketo appointed a new CEO, and last year, the company was taken private by Vista Equity Partners. The impact of these leadership and ownership changes has yet to be determined.

MediaMath

New York, New York

www.mediamath.com (<http://www.mediamath.com/>)

MediaMath is a Challenger in this evaluation. It is best-known for its integratable demand-side platform (DSP) and data management platform (DMP) that give advanced marketers tools to execute programmatic advertising. The MediaMath platform gives marketers the ability to plan, execute and evaluate multichannel marketing efforts such as video, social, email, mobile app, and website personalization and testing. Consider MediaMath if you are a brand or an agency with a need to manage high-volume, complex, multichannel programs programmatically and to integrate multiple vendors.

STRENGTHS

Programmatic advertising. MediaMath remains an ad tech leader with proven support for real-time bidding, programmatic direct, private marketplaces and campaign optimization.

Audience management. The platform allows users to analyze data down to the log file and user level, using native or third-party tools, and customers cited this capability as a standout.

Rapid audience refresh. MediaMath updates audiences in real-time, refreshing segment and campaign membership to continuously optimize campaigns. Reference customers also gave its overall speed and reliability high marks.

CAUTIONS

Martech integration gaps. While MediaMath has integrations with Oracle and IBM, alignment with other martech platforms remains nascent.

Content personalization. MediaMath can inform experiences on a marketer's website, email and other owned channels. However, extensive external platform integrations are required.

Contract management. Reference customers gave lower marks to the company's service-level agreements and pricing flexibility.

Neustar

Sterling, Virginia

www.neustar.biz (<http://www.neustar.biz/>)

Neustar is a Visionary in this Magic Quadrant. Neustar took steps in 2016 to alleviate concerns over the effects of unrelated telecom business conditions on Neustar's marketing solutions business. It announced plans to formally separate its marketing, data and security services company from its number portability administration center (NPAC) and to be purchased by a private investment group and taken private. Neustar is known for its data onboarding, identity management services and security credentials. It recently integrated MarketShare, which provides marketing planning, allocation and attribution, into its Marketing Solutions platform. The platform is best-suited to large global enterprises with a consumer marketing focus and significant advertising spend.

STRENGTHS

Authoritative identity. Neustar OneID provides authoritative identity solutions for 220 million consumers (120 million households).

Offline data integration. Neustar operates its own data onboarding service, which allows direct ingesting and privacy-compliant matching of first-party data with Neustar's cross-device ID graph. Users can improve the quality and accuracy of their first-party data by appending incomplete or incorrect customer records with data from Neustar's OneID solution.

Client success. Reference customers highlight Neustar's ability to understand their business needs and willingness to design solutions in partnership with their clients.

CAUTIONS

Time to value. Reference customers acknowledged a long and complex deployment process; Neustar affirms that it has taken steps to address this issue.

Key feature gaps. While Neustar supports data onboarding, media orchestration and media measurement natively, marketers will need to look to external integrations for content trafficking and personalization.

Integration. Reference customers noted lack of integration among Neustar's offerings as an area prime for improvement.

Nielsen

New York, New York

www.nielsen.com (<http://www.nielsen.com/>)

Nielsen is a Challenger in this Magic Quadrant. The company formally launched Nielsen Marketing Cloud in 2016, combining data and data management assets acquired from eXelate with its substantial consumer data assets from media and retail operations and analytics and attribution capabilities. It established machine-learning-based personalization in the consumer goods marketing domain with an emphasis on real-time operations. B2C brands and performance marketers should consider Nielsen Marketing Cloud for its ability to bring together large-scale proprietary data, advanced analytics and real-time decisioning across channels and execution platforms.

STRENGTHS

Data assets and ecosystem. Nielsen's proprietary data assets cover a wide spectrum of online and offline media, and retail purchase behavior, and include an extensive device graph for tracking consumer journeys across touchpoints. Its data is bundled and integrated with its

hub. Nielsen Marketing Cloud is also integrated with a spectrum of marketing ecosystem partners.

Media measurement. Measurement is a key focus for Nielsen Marketing Cloud, which features native multitouch attribution (MTA) and in-flight analytics (that is, during campaign execution) for digital media measurement. Nielsen Marketing Cloud also integrates audience data from its consumer panels, its media mix models, and UPC-level purchase and credit card transaction data.

Extensible customer data modeling. Nielsen's big data infrastructure and processing capacity offer distinct advantages for marketers attempting to model and manage massive heterogeneous audiences in real time.

CAUTIONS

Adoption lag. Despite strong capabilities, Nielsen trails its Leaders quadrant competitors in adoption and consideration among marketers. This is a reflection of relatively late market entry and lower marketing intensity than its nearest competitors.

Uneven satisfaction ratings. Nielsen's customer reference ratings exhibit below-average consistency, suggesting Nielsen may lack the predictable delivery capabilities of competitors with more experience deploying complex software solutions.

Limited track record. Although eXelate and Nielsen have long-standing presence in their respective markets, the current incarnation of their integrated Nielsen Marketing Cloud product has been in-market less than a year as of this writing, and many of its distinctive features lack verifiable evidence of impact.

Oracle

Redwood Shores, California

www.oracle.com (<http://www.oracle.com/>)

A Leader in this year's Magic Quadrant, Oracle has executed an aggressive acquisition strategy to assemble the components of its Oracle Marketing Cloud product. While Oracle has demonstrated strength in most of the critical capabilities we've defined, it has distinguished itself in capabilities for identifying and targeting anonymous audiences and using behavioral, transactional and offline data to enrich customer and audience profiles. Oracle's digital marketing hub capabilities are best-suited to large enterprises, particularly those with an existing strategic relationship with Oracle.

STRENGTHS

Real-time decisioning and personalization. Oracle customers praise the quality of its predictive analytics, real-time decisioning and personalization tools.

Product integration. Despite the integration challenges inherent to an acquisition-heavy strategy, Oracle has been adept in delivering a series of targeted product integrations to fulfill a variety of high-value use cases for marketers. These include connecting campaign management data from Responsys with its data management platform (DMP), formerly known as BlueKai.

Offline data integration. Oracle's acquisition of Datalogix and native data integration tools (and support of third-party onboarding and matching tools) make it easy to incorporate transactional and other offline data into customer and audience profiles.

CAUTIONS

Technical support and consulting. Some customer references were unimpressed with Oracle's consulting services and postlaunch technical support capabilities.

Integration inconsistencies. Oracle's digital marketing hub product integration strategy must be applied to both Responsys and Eloqua, which means duplicate effort and uneven integration maturity.

Visibility with marketers. Smart acquisitions have earned Oracle the right to sell into marketing organizations, but it still lacks the visibility with marketers of many of its competitors.

RedPoint

Wellesley Hills, Massachusetts

www.redpoint.net (<http://www.redpoint.net/>)

RedPoint is a Niche Player in this Magic Quadrant. It is best-suited for midsize to large enterprises with a focus on customer engagement, in industries such as retail, healthcare and financial services. RedPoint's Customer Engagement Hub, formerly known as the Convergent Marketing Platform, is composed of a customer data solution (positioned as a CDP) and customer interaction solution. Its data management capabilities focus on linking data from multiple disparate sources. It offers a single view of the customer that is persisted over time, recommended actions across the customer journey and personalized orchestration.

STRENGTHS

Data integration. RedPoint connects to any channel or device, and can ingest and transform any type of marketing data – for example, structured, unstructured, real time, batch, online and offline.

Strategic support. RedPoint clients noted its commitment to delivering value, saying RedPoint operates as if its success is tethered to its clients' satisfaction and results.

Flexibility. RedPoint's solution is well-suited for marketers in a complex business environment who want to unite all of their customer data and centrally orchestrate campaigns across channels and different tools, but don't want to build something entirely homegrown.

CAUTIONS

User interface. The solution is perhaps better-suited to technologists supporting marketing rather than marketers themselves.

Technical emphasis. Strong emphasis on extraction, transformation and loading (ETL), and big data capabilities, while obvious "under the hood" strengths, will alienate some marketers who are less technical and looking for a more user-friendly, out-of-the-box solution.

Limited support network. References gave RedPoint below-average ratings for its availability and quality of user groups and community support. It trails in hub consideration among marketers, resulting in relatively low availability of expertise and third-party support. RedPoint affirms it is addressing community and user groups with upcoming internal and external events this year.

Salesforce

San Francisco, California

www.salesforce.com (<http://www.salesforce.com/>)

Salesforce Marketing Cloud is a Leader in this Magic Quadrant. In 2016, Salesforce acquired Krux, a Visionary in last year's Magic Quadrant, and further enhanced its Marketing Cloud through acquisitions and partnerships in the areas of analytics, commerce and advertising. It also rolled out Einstein, an artificial intelligence (AI) platform integrated into Marketing Cloud applications to provide analytic capabilities such as audience segmentation. Although Salesforce is best-known as a B2B-focused company, B2C enterprises should consider Salesforce Marketing Cloud for its scalable, full-customer life cycle approach, and its new incorporation of data management and AI into a cloud designed to unite ad operations with direct marketing.

STRENGTHS

Customer-centric vision and execution. Salesforce has built on its CRM roots a vision of full life cycle customer engagement that uses data to integrate customer views across marketing, sales and service channels. This thinking will align with companies looking for a long-term solution for holistic customer experience management.

Best-of-breed components. Like most digital marketing hubs that have grown through acquisition, Salesforce's integration of cloud components is a work in progress. Nonetheless, Salesforce Marketing Cloud component capabilities drew overall high ratings from users, especially in the areas of personalization and workflow. The addition of Krux, a leading DMP provider, is a strong complement.

Market momentum. Salesforce benefits from a deep network of integration partners and developers. It has demonstrated market agility by gaining a significant following among some of the largest global B2C brands, for which its B2B CRM legacy holds little significance.

CAUTIONS

Support challenges. Some reference customers cited dissatisfaction with Salesforce's sales process and consulting, training and advisory services. This may improve with the addition of Krux's well-regarded professional services, but may affect applications requiring extensive customization.

Hazy positioning of artificial intelligence. Einstein represents a major step to address a gap in advanced analytics that Gartner has cited as a caution in prior hub Magic Quadrants. However, some users may object to Einstein's marketing focus on simplicity over transparency. Although Einstein offers programmable features (some of which existed before), its personified branding and vague marketing description are unlikely to instill confidence in data scientists.

Solution fragmentation. In addition to its Marketing Cloud, Salesforce offers several solutions that share the same cloud platform and many overlapping capabilities, but lack a cohesive marketing and sales strategy. Pricing and packaging across several additional cloud products – App Cloud, Analytics Cloud, Commerce Cloud, Community Cloud and IoT Cloud – describe a complex and fragmented collection of related capabilities that can be difficult to rationalize across an organization.

SAP

Walldorf, Germany

www.sap.com (<http://www.sap.com/>)

Entering this Magic Quadrant as a Niche Player, SAP has built on its Hybris foundation with a focus on delivering integrated tools for marketing, commerce, sales, service and billing solutions. SAP's hub offering, SAP Hybris Marketing, helps marketers manage and activate customer data,

augmented with third-party data, within a private, flexible DMP environment. SAP Hybris Marketing is best-suited to midmarket and enterprise organizations, particularly when digital commerce is a focus. SAP announced its purchase of attribution provider Abakus in December 2016 to round out capabilities in measurement and campaign optimization.

STRENGTHS

Native modeling. SAP Hybris Marketing allows marketing analysts to create, train, publish and maintain predictive models directly within the application. Predictive models may be built using a variety of native or external algorithms. The solution also features out-of-the-box propensity models to get clients started.

Global presence. The SAP brand brings with it strong global market recognition and sales presence. This is evidenced by its expansive and diverse customer base (with some notable brands on its client roster), particularly for a relatively young product.

Commerce. SAP Hybris Commerce users will enjoy synergies between SAP Hybris Commerce and SAP Hybris Marketing. Many of the personalization, A/B testing and next-best-offer features are natively integrated with SAP Hybris Commerce.

CAUTIONS

Community support. References gave SAP below-average ratings for availability and quality of user groups and community support for SAP Hybris Marketing.

Missing features. Many of SAP's core hub capabilities, such as content trafficking and site personalization and optimization, need to be sourced from SAP Hybris Commerce, its separate advertising offering SAP XM (a supply-side platform/demand-side platform) or an external integration. Hence, some reference customers report only using partial capabilities and do not consider SAP Hybris Marketing their primary hub.

Product maturity. A late follower to the market, SAP is making aggressive investments in foundational capabilities, notably mobile marketing strategy, SAP Hybris Profile and SAP XM, and improving attribution for cross-portfolio optimization and automation, but it has significant ground to make up.

SAS

Cary, North Carolina

www.sas.com (<http://www.sas.com/>)

A leader in enterprise analytics, SAS debuts in the hub Magic Quadrant as a Niche Player with its Customer Intelligence 360 offering, which launched in April 2016. Targeted to enterprise organizations looking to better activate their first-party data for digital personalization, the hub offering is complemented by SAS Real-Time Decision Manager, SAS Campaign Management and SAS Intelligent Advertising for Publishers. It is best-suited to marketers already using other SAS products or those looking for a flexible partner to grow with.

STRENGTHS

Marketing resource management legacy. SAS has invested heavily in becoming the system of record spanning content, budgeting, planning and orchestration for marketing. The product features digital asset management, workflow, planning and calendars in addition to the requisite audience management and journey orchestration features.

User experience. While SAS has made some small acquisitions to round out capabilities, much of its offering has been developed organically. This pays off in a seamless user experience as the marketer navigates from audience creation to orchestration.

Flexibility. Customer references praised SAS for being a flexible partner that delivered above and beyond its sales promises.

CAUTIONS

Extensibility. SAS's focus for the Customer Intelligence 360 launch was to deliver additional value to existing customers. As such, the product complements the rest of the SAS portfolio but currently lacks the range of preconfigured external integrations that many competitors offer.

Capability gaps. The SAS Customer Intelligence 360 is a new and evolving offering. While SAS has a compelling roadmap, current functionality in advertising and audience extension, access controls and data integration are lagging. While they do consider it a hub, reference customers reported that they exploited only some of the hub capabilities.

Advanced analytics. While Customer Intelligence 360 offers a variety of out-of-the-box performance reports and some advanced testing and optimization features, it lacks native data scientist tools that one might expect based on SAS's reputation, notably multitouch attribution and rich journey analytics.

Sitecore

Copenhagen, Denmark

www.sitecore.com (<http://www.sitecore.com/>)

Sitecore is a Visionary in this evaluation. It is best-known as a web content management provider. In recent years, Sitecore expanded its product footprint to cover broader marketing automation use cases with its Sitecore Experience Platform. Consider Sitecore if you are a midsize to large B2B or B2C enterprise in consumer products, online retail, high tech or financial services with a moderate-to-high level of digital marketing expertise. Its focus on combining content management with audience management and site personalization capabilities are key differentiators that contribute to its Visionary status.

STRENGTHS

Visualization for path analysis. Sitecore updated its Path Analyzer tool in 2016, which provides marketers with a flexible, intuitive discovery tool to understand common routes customers take in completing a desired action.

Testing and optimization. Multivariate testing and content targeting are native integrations in Sitecore, and the platform further supports testing via partnerships and API integrations.

Personalization and content management. Sitecore's legacy in content management paired with the personalization capabilities typical to hub solutions make it a unique solution for performance-driven marketers focused on content marketing.

CAUTIONS

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

Integration. Customer references reported integration challenges, particularly with offline data sources, when implementing Sitecore as part of a multivendor hub solution approach.

Implementation and adoption. Customer references noted that Sitecore can be difficult to implement and usually requires a good partner. Adoption of core hub features, such as customer data analysis, audience management and cross-device identity management, is somewhat lower among Sitecore references than among competitors.

Turn

Redwood City, California

www.turn.com (<http://www.turn.com/>)

Turn is a Challenger in this evaluation. It is best-known as a programmatic advertising leader, offering data management platform (DMP) and demand-side platform (DSP) capabilities, which can be used independently. It also combines these with its DataMine Analytics into its Turn Marketing Platform, which it offers as a stand-alone hub. As its client mix has shifted from agencies to brands, Turn emphasizes its stand-alone support for multichannel marketing campaigns. Nonadvertising requirements, such as email, social and website personalization, are executed through integrations with partners. Turn provides a native data exploration tool and look-alike modeling that incorporates advertising bid stream data. Consider Turn if you are a consumer marketer with significant programmatic advertising requirements who also wants to power more personalized user journeys on your own channels.

STRENGTHS

Partner ecosystem. Turn has a large and robust partner network, including more than 200 alliances with consulting, enterprise software and service-based companies.

Professional services. Although eschewing the managed-service label, Turn provides a high level of customized professional services for onboarding, campaign support and analytics.

Customer satisfaction. Reference customers reported they were highly satisfied with Turn's product, service and support, particularly its follow through, engagement model and technical support.

CAUTIONS

Narrow focus. Although strong in audience management and ad tech, Turn leans heavily on external integrations for executions such as content personalization and email activation. Hub buyers who passed on Turn mentioned lack of those features as a concern.

User interface controls. Turn upgraded its user experience this past year, but customer references indicated it could still add more interactive features to its dashboards.

Self-service speed bumps. Turn is available as a stand-alone platform, but many of its integration and complex analytics scenarios require some service support.

Viant Technology

Irvine, California

www.viantinc.com (<http://www.viantinc.com/>)

Viant Technology debuts as a Niche Player in the hub Magic Quadrant. Viant's focus is on managed services and media. As such, its solution is best-suited to agencies or midsize-to-large advertisers in the U.S. or U.K. Viant is differentiated by its people-based advertising platform,

which includes an Identity Management Platform (IMP), Media Execution Platform (MEP), demand-side platform (DSP) (which offers access to audiences from supply sources and publishers) and Digital Analytics Platform (DAP) for attribution. Viant was acquired by Time Inc. in early 2016, giving the ad tech provider access to premium content and user data. In January 2017, Viant announced the acquisition of mobile DSP, Adelphic.

STRENGTHS

Authoritative identity. Viant's people-based identity platform leverages only deterministic data and claims coverage of 1.2 billion consumers globally.

Audience extension. Viant's MEP offers access to 200 million users per month via 4 billion ad requests per day (from various supply-side sources and Time Inc. properties). Campaigns are supported across all formats and devices, and audiences are targeted based on deterministic identifiers rather than cookies. It features a straightforward process for onboarding first-party client data.

Media measurement. DAP offers a suite of multitouch attribution reports that highlight device insights and the customer journey. They also focus on return on ad spend (ROAS), including in-store purchasing, and experimental design. It also offers TV and print attribution.

CAUTIONS

Lacks marketing features. Marketers will need to look elsewhere for many basic campaign use cases, including website personalization and campaign personalization for email and mobile messaging.

Managed-service orientation. Viant is mostly deployed as a managed service (70%) today because of the complexity of its offering.

Advertising hub only. Viant deliberately positions itself as an "advertising hub." Thus, it comes as no surprise that its reference customers reported that, while they are happy with the solution, it "provides capabilities that ... are peripheral to our main DMH."

Ysance

Paris, France

www.ysance.com (<http://www.ysance.com/en/>)

Ysance makes its debut in this Magic Quadrant as a Niche Player. Ysance's People-Based Marketing Platform, launched in 2015, has gained traction primarily among European and some international retailers. Part of the new wave of customer data platforms (CDPs), Ysance focuses on helping marketers to onboard, organize, analyze and use first-party data to orchestrate campaigns on their own platforms, such as email, websites and mobile apps. Although only data management and analytics are native to its hub, Ysance supports execution across the customer journey through its app store, which facilitates integrations with external partners such as Optimizely and Experian Marketing Suite. Consider Ysance if you are an omnichannel retailer who wants to get more from your first-party data.

STRENGTHS

Audience data management. Ysance combines native cross-device identity matching capabilities with third-party data integration, enabling marketers to build people-based profiles and audiences.

Retail-centric focus. The company's strategic decision to focus on retailers' needs ensures a steady stream of relevant shopping experiences and new features, including online-to-offline attribution.

Native advanced analytics. In addition to data management, Ysance provides predictive algorithms for category affinity, likelihood to engage and look-alike modeling.

CAUTIONS

Limited native execution. Ysance touts a best-of-breed approach to marketing stacks, underlining its clients' reliance on other systems to execute tactics such as email, site personalization and advertising.

Visualization and dashboards. Reference customers gave the platform lower marks for its native visualization and control capabilities.

Customer journey analytics. Ysance provides basic journey analytics; however, advanced techniques to model multitouch, multichannel journeys are in development.

Zeta Global

New York, New York

www.zetaglobal.com (<http://www.zetaglobal.com/>)

Zeta Global (formerly Zeta Interactive) is a Visionary in this Magic Quadrant. Zeta Hub provides integrated access to data and applications with audience management and execution features that rival more complex and costly hubs. Its aggressive acquisition strategy and roadmap earn it Visionary status, while references praised its client service. B2C companies in retail, consumer products and services sectors seeking a provider that combines hub technology with professional and managed services should consider Zeta Global.

STRENGTHS

Pricing and value. Zeta received top marks from users for its price flexibility and payment terms, and ability to deliver on its proposals.

Native functionality. References gave Zeta Hub high ratings for its overall native functional capabilities, particularly in the challenging area of cross-device identity management.

Client service and professional support. Zeta's managed and professional service options and implementation support are especially beneficial to leaner, less technical marketing organizations. Reference users noted Zeta's lean-in, consultative approach, and its grasp and alignment with clients' business goals. It has invested in centers of excellence worldwide to provide a local/global model for client, campaign and platform management.

CAUTIONS

Dependence on custom integration. Zeta Hub provides hub capabilities through a relatively high number of custom integrations rather than through open APIs. Zeta customer reference scores were below average on ability to integrate with software from other providers. This may result in more complex implementations.

Market penetration challenges. Zeta Hub trails the field in reported adoption and consideration, reflecting the challenges of a smaller provider to attract notice in a frenzied market. This means fewer integrators and suppliers of media and data will invest in support for

Zeta Hub, making Zeta and its customers more dependent on hard-to-scale proprietary professional services.

Underdeveloped support community. Given Zeta's hub aspirations and acquisition history, users appear to expect the company to invest more in cultivating user groups and community support; references rated below-average satisfaction with Zeta in this category.

Vendors Added and Dropped

We review and adjust our inclusion criteria for Magic Quadrants as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant may change over time. A vendor's appearance in a Magic Quadrant 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

BlueConic

Cxense

Eulerian Technologies

SAP

SAS

Viant Technology

Ysance

Dropped

Epsilon (Conversant)

Experian Marketing Services

Krux (acquired by Salesforce in 2016)

Marin Software

Rocket Fuel

Sizmek

Teradata

Vendors to Watch

Several vendors demonstrated many of the capabilities 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

Acxiom's LiveRamp subsidiary, a dominant player in the onboarding of data into digital technology platforms for targeting, personalization and measurement, sharpened its focus in 2016 on identity management with its launch of IdentityLink. IdentityLink allows brands,

agencies, data owners, platforms and publishers to connect data from any channel to Acxiom identity records and display consumer data before onboarding for added context. It reinforced this strategy with acquisitions of Arbor and Circulate, two relatively low profile companies that aggregate consumer data collected by publishers. IdentityLink includes LiveRamp's prior onboarding capabilities – resolving identity across digital marketing platforms and devices – adding capabilities consistent with the "people-based marketing" trend toward cookieless cross-device identity management. However, Acxiom maintains a preference for positioning LiveRamp as a supplement to marketing hub technology rather than a hub in its own right.

Cake

Marketers who need to manage the data and analysis of digital affiliates and marketing partners have been largely ignored by mainstream hub providers. Cake addresses this with multichannel data management and onboarding capabilities. Consider Cake if you're an enterprise performance marketer looking to track, attribute and optimize data-driven lead generation and customer acquisition through affiliate and other digital marketing channels.

Collective

Collective launched its product, Visto, in May 2015, making it a recent entrant to the Digital Marketing Hub space. Visto helps marketers unify data, execution and attribution technologies through a single UI to optimize cross-platform audience targeting, media investment and analytics. To fulfill the requirements of a hub, Collective will have to expand its audience analysis and extension capabilities and look for opportunities to integrate with multichannel campaign management solutions, analytics packages and other publishable API extensions.

Enlighten

Enlighten complements its history in tag management with a Customer Data Platform offering, unifying disparate marketing technologies and first-party customer data sources. Based on experience working with enterprise clients through its TMS offering, Enlighten seeks to enable marketer flexibility and choice by centralizing and managing customer data and syndicating to best-of-breed third-party systems for execution and orchestration. Although it fell short of capability requirements for this evaluation, the company supports many hub use cases and is a potential hub candidate to watch.

Epsilon (Conversant)

Epsilon (Conversant) is a subsidiary of Alliance Data and was a Challenger in last year's evaluation. Having acquired the advertising technology and services provider Conversant in 2014, the firm now positions itself as a full-service marketing and advertising technology provider. It offers a wide range of consulting and execution services along with a proprietary technology platform called Conversant One-to-One Relationship Engine (CORE) and marketing data. Its strengths include its managed operational and analytic consulting services, dynamic creative capabilities, programmatic media delivery, and trove of consumer data based on its consumer data business. Consider Epsilon (Conversant) if you are a lean marketing organization with a need for hands-on technical and analytics guidance to realize hub capabilities.

Experian Marketing Services

Experian Marketing Services was a Challenger in last year's evaluation. It was positioned as a data and marketing services provider with strong capabilities in consumer data and email. In November 2016, Experian announced the divestment of its email and cross-channel platform

business. Its multichannel marketing services business will also be divested, although it will continue to have some strategic partnerships with Experian. The company also provides software and services to support identity management, paid media campaign activation and marketing analytics. Consider Experian if you have significant third-party data, onboarding and identity management requirements, and if you need a multichannel campaign management platform and services.

FIS

The unique requirements of marketers in the financial services industry can be challenging for horizontal marketing hubs. FIS Pinpoint Marketing is tailored to address these needs for large and midsize banks and other financial institutions. It activates a financial institution's customer data by integrating predictive analytics, campaign management, multichannel message delivery and campaign reporting into one secure solution. Segment is the strategic partner that assembles data from various sources. Given the unique depth of information financial services have about their customers and the high potential lifetime value they represent, financial services marketers should consider whether a sector-specific solution better meets their needs.

Google

In 2016, Google launched its Google Analytics 360 Suite in direct competition with leading hub vendors in this Magic Quadrant (see "Google Targets Enterprise Marketers With Google Analytics 360 Suite"). Its Audience Center DMP, which is most closely aligned with our DMH definition and inclusion criteria, was still declared a "beta" version as of this evaluation and was, thus, ineligible for inclusion. Nevertheless, with its vast cross-device identity graph and integrated advertising and analytics solutions, Google is undoubtedly a vendor to watch in this space.

HubSpot

For the enterprise market, HubSpot has long been a vendor of interest, if not active consideration. To date, the company has focused on serving small and midsize companies, leaving the enterprise market to other hub providers. HubSpot provides an end-to-end solution for marketing automation, content management and basic marketing analytics.

Kenshoo

Best known for its foundational SEM capabilities, Kenshoo has expanded into areas of mobile display and paid social advertising, attribution, and analytics, focusing on direct-to-publisher campaign activation of in-feed native ad formats. Kenshoo is an innovator with some leading capabilities in its areas of focus, filling a gap not addressed by many marketing hubs. However, the absence of key hub capabilities in audience management, third-party data matching and journey design make it a hub to watch.

Lytics

Lytics is a customer data platform that leverages site engagement and other first-party data to create rich customer profiles for personalization. It features identity resolution between known and anonymous users, propensity scoring and segmentation. Lytics, which previously relied on external integrations to deliver personalization, launched native web personalization features in 2016. Lytics is a young company, but, like other CDP vendors, a potential hub candidate to watch.

Marin

Marin's heritage is in SEM, but the company has expanded into programmatic display and social advertising through the acquisitions of Perfect Audience and SocialMoov, respectively. With its focus restricted to paid media and limited extensibility for enabling a substantial number of digital marketing hub use cases, Marin, a Niche Player in last year's Magic Quadrant, is now designated a hub to watch.

mParticle

mParticle is a mobile-optimized marketing hub that focuses on helping brands connect data from mobile apps and other sources to marketing, analytics and data warehousing tools . mParticle provides a central hub of customer and prospect information to improve analytics and coordinate execution across different marketing technologies. mParticle also provides advanced, platform-specific data capture across mobile apps, web browsers and connected devices, as well as multiscreen identity management. Consider mParticle if you are mobile-focused multichannel marketer with a complex stack and need a flexible data management solution.

Pegasystems

Pegasystems has a long history in CRM, business process management (BPM) and real-time decisioning. It combines all three into a customer engagement platform providing real-time decisioning tools for event-triggered business and customer processes and next-best offers and actions that drive personalized experiences and commerce conversions. While these capabilities are of relevance to marketers with hub ambitions, Pegasystems has only just released its support for paid media, which is a prerequisite for digital marketing hubs.

Rocket Fuel

Rocket Fuel provides managed and self-service options for advertisers through its programmatic and data management platforms. A Visionary in last year's analysis, Rocket Fuel is refocusing its corporate strategy on serving the programmatic buying needs of large consumer companies and agencies in the U.S. and Europe. It offers support for real-time bid optimization, content personalization and dynamic creative, and specialized services for media buying and measurement. Its strengths include media planning and optimization tools and experience in most consumer verticals. Consider Rocket Fuel if you are a marketer with significant programmatic goals and service requirements.

Sizmek

A Niche Player in last year's analysis, Sizmek provides a suite of tools for marketers to execute multichannel advertising campaigns. It offers a range of self-service products for ad serving, programmatic media buying, dynamic creative optimization and dashboards. Partner integrations provide the ability to orchestrate across additional channels, such as search, email, website and mobile app personalization. Sizmek is used primarily by agencies and large consumer brands with in-house media capabilities. This year's hub criteria increase emphasis on applications beyond advertising, making Sizmek a poorer fit for this Magic Quadrant. Consider Sizmek if you are an advanced B2C marketer who wants a flexible alternative to larger clouds for advertising.

Tealium

Tealium, a tag management vendor that has evolved into a customer data platform, recognizes that a key struggle facing marketers today is the growing data fragmentation across departments and marketing tools. Its answer to this problem is the Universal Data Hub (UDH), a

central system for managing customer, prospect and user data, and connecting it in real time using built-in integrations. Tealium's strategic focus is on first-party data, data flexibility, speed and vendor neutrality. It aims to have an integration with every marketing tool that its clients use. Although it fell short of capability requirements for this evaluation, the company supports many hub use cases and is a potential hub candidate to watch.

Inclusion and Exclusion Criteria

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

Stand-alone product. Although the DMH may be offered as part of a general marketing cloud or suite (optional), it must also be offered as a stand-alone product with optional integration to external execution and analytics platforms. The product does not need to be explicitly referred to as a DMH but must fulfill a majority of the functions described by the critical capabilities summarized below.

Software as a service. The product must be available as a SaaS deployment, although on-premises versions may also be supported (optional). Professional services may be available (optional), but the DMH must be provided as self-service end-user software.

Revenue. Revenue attributable to DMH products or their direct predecessors must be at least \$15 million in 2015, and at least 20% of installed base must be users with at least two years' tenure.

New customers. Providers in this evaluation must have acquired at least 10 new customers of the DMH product in 2016. Competition among providers in this segment is high, and the ability to acquire new customers is a signal of strength.

Critical capabilities. Providers' DMH must fulfill several capabilities in the categories listed below in order of importance. For evaluation and analysis, all capabilities were ranked and vendors were rated for each capability. This weighted ranking provided a score with a minimum bar to be met for inclusion in the Magic Quadrant.

Audience management and activation. DMH should support two types of audience data: A set of criteria that can be used to select a subset of a customer or third-party data collection, and a list of unique identifiers representing individuals that can be exported to a variety of execution platforms to act on. Both forms should be producible from a customer segment either defined natively or imported from an analytics tool. DMH should be able to extend criteria-based audiences with external data and refresh them automatically as conditions change. It should be able to activate audience lists in channels that include ad targeting, email and messaging, and site personalization.

Real-time decisioning and optimization. Real-time decisioning includes rule management tools for defining cross-channel actions such as frequency capping an ad or suppressing a campaign for individuals who have taken an offer. It also includes automated testing and optimization of decisions based on real-time results using machine-learning techniques. This should include next-best offer configuration, fraud detection and general real-time event handling.

Personalized experiences. This refers to the capacity to apply data in real time to tools that support website personalization, dynamic creative optimization (DCO) and campaign personalization for email and messaging. It should include the ability to personalize at a

group or segment level, and maintain and apply opt-in/opt-out preferences as expressed by consumers. It must also integrate with content management to utilize available metadata for personalization.

Cross-device identity management. Cross-device ID uses deterministic and/or probabilistic identification techniques to connect the activities of a customer or prospect across devices and channels. It may include the capacity to associate an ID with authoritative identity data to reveal demographic information or behavior, or to incorporate social identity data when permissible.

Customer data and analysis. This includes data collection using tag management and/or mobile software development kits (SDKs), the ability to define and populate an extensible customer data model, and perform or integrate with an analytics system to perform analyses including journey analytics, segment analysis, predictive analysis and look-alike modeling for audience extension.

Application integration and extensibility. Integration and extensibility refer to the quality and completeness of published APIs, support for automating integration processes such extraction, transformation and loading (ETL) operations, and support for real-time notification of external applications in a publish-and-subscribe mode. Typical integration requirements include advanced analytics, multichannel campaign management (MCCM), demand-side platforms (DSPs) for programmatic advertising, and content and digital asset management (DAM) systems. This category also includes service support for integration projects and troubleshooting.

Visualization and control. This capability describes the quality of the user experience of hub operators. Hubs should include a dashboard that summarizes critical performance indicators, both graphically and numerically. It should include campaign- and audience-level reporting features, as well as data export for external reporting tools. Reports should connect activities with results and summarize attribution. Visualization should also include customer journey mapping and pipeline flow. The ability to support users on mobile devices including tablets and smartphones is a strong plus.

External data integration. This includes the ability to onboard first-party data into a secure cloud-based environment where it can be anonymously matched with third-party data provided by the vendor or from a separately negotiated relationship. This must include privacy compliance and secure encryption of personally identifiable data, which may be supplied by an external partner. It may also include support for data co-ops and private data partnerships. Data integration with programmatic media platforms, such as demand-side platforms and supply-side platforms or media marketplaces, is also a requirement.

Workflow and entity management. This includes the ability to define and manage role-based access control to hub features and functions, compliance support for handling of personally identifiable information (PII), and the ability to manage workflow across applications and grant limited access to outside partners, such as agencies. It may also include auditing functions, and the ability to define and manage taxonomies for content and metadata.

Offline data integration. Offline data refers to data that must be extracted, transformed and loaded from systems that lack direct connectivity to cloud-based hubs. This typically includes sales data, legacy CRM data, voice-of-the-customer surveys and studies, offline media metrics or census data, and offline inventory data.

Evaluation Criteria

Ability to Execute

Table 1. Ability to Execute Evaluation Criteria

Evaluation Criteria	Weighting
Product or Service	Medium
Overall Viability	Medium
Sales Execution/Pricing	Medium
Market Responsiveness/Record	Medium
Marketing Execution	Not Rated
Customer Experience	High
Operations	Not Rated

Source: Gartner (February 2017)

Completeness of Vision

Table 2. Completeness of Vision Evaluation Criteria

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

Source: Gartner (February 2017)

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 thus far favored an accelerated first-mover approach featuring large enterprise software vendors executing aggressive acquisition strategies, although more organic solutions are starting to become competitive. Leaders will need to focus on innovation and integration to maintain their edge. As Leaders round out their native offerings, we expect them to urge customers toward their single-vendor solutions.

Challengers

Challengers this year consist of major enterprise software vendors that either started later or moved more slowly than the Leaders. This year's Challengers also include several ad tech vendors that appeared as Visionaries in last year's hub Magic Quadrant. Their shift to the Challengers quadrant reflects the fact that they have survived consolidation in the ad tech market by steadfastly delivering value to their customers. They have not fully delivered on the vision to extend their offerings beyond ad tech into more general marketing hub offerings that match the Leaders, although they have made progress. We expect pressure to continue to mount as marketer demands evolve toward channel-neutral, real-time decisioning and personalization, and greater use of internal data assets to target loyalty and retention on owned and earned channels as well as customer acquisition.

Visionaries

Visionaries are mostly smaller providers that have grasped the hub opportunity but are challenged by the difficulties of competing against the Leaders at scale. They rely on superior agility and focus to compete in a market that appears poised for consolidations, although the opportunities for disruptive innovation in marketing technology are far from exhausted.

Niche Players

Niche Players in this report come from diverse backgrounds, but share common qualities of agility and innovation. With seven new entries this year, these providers are entering a chaotic market with high risk and upside potential. In particular, several smaller vendors from Europe have arrived in the market bringing new perspective and an alluring promise of access to hard-to-penetrate fertile markets. Note that niche positioning in this report is not necessarily an indication of the relative quality of any single hub capability, which, in some cases, may be market-leading.

Context

Marketers seeking the advantages of a digital marketing hub are often intimidated by the complexity and commotion that characterizes this growing market. Clients frequently ask us where to start, how to build a case for adoption or how to evaluate vendors that present conflicting views of technology and priorities.

Here are three guidelines for how to approach the hub market:

Start by assessing how your marketing goals and longer-term plans influence your technology priorities: Are you more focused on customer acquisition or loyalty and retention? Do you have a direct relationship with customers, or do you rely on channel partners for data and sales? Do you operate in a highly competitive, price-sensitive market, or are you more of an elite brand? These orientations help distinguish the approaches taken by different vendors.

Develop use cases that illustrate how you imagine a hub operating in your marketing many sources as possible. Use them to develop RFIs and learn how different hubs address specific operational scenarios.

Treat analytics as your foundation for how to operationalize data. Marketing hubs occupy a space between marketing analytics (with some overlap) and marketing execution systems (with some overlap). Let analytics be your guide to which use cases are likely to have the highest impact, and which data sources are best utilized for real-time decision making.

Market Overview

Hub adoption is exiting the early-adopter phase: 69% of enterprise marketers report that they have either fully deployed and use regularly or are in the process of deploying a digital marketing hub, according to a recent Gartner marketing technology survey (see "Presentation of Marketing Technology Survey 2016: How Marketers Use Tech to Run, Grow and Transform Their Organizations"). Yet the market remains fragmented. Surveyed marketers identified 21 distinct solutions as fully deployed and in use, ranging from very large to very small vendors, many of which appear as vendors to watch in this report.

Category labels and boundaries are also unsettled. The DMH market includes vendors focusing on DMP solutions rooted in ad tech and CDP solutions rooted in tag management (see "Innovation Insight for Understanding Customer Data Platforms"), with overlapping features and competitive aims, along with marketing clouds that bundle hubs with a broader set of integrated capabilities.

Many marketers remain committed to a best-of-breed approach to vendor selection rather than seeking the advantages of single-source solutions. Yet, our marketing technology survey shows 53% of active hub deployments concentrated among the top five providers (e.g., Adobe, Google, IBM, Oracle, Salesforce), although not all of these providers appear in the Leaders quadrant of this evaluation. IBM is a Challenger while Google is included as a vendor to watch due to the beta status of its Audience Center 360 product.

There are clear indications that, unlike some other marketing technology markets, the DMH market exhibits network effects, meaning that, because hubs are responsible for connecting data and media resources from a variety of endpoints, the larger ones that offer the most connections are advantaged. Network effects tend to eliminate competition as producers and consumers seek out the biggest marketplaces. Of the 123 references surveyed for this Magic Quadrant, 88% reported integrations with at least one hub product other than the one by which they were referred. These integrations were strongly concentrated among the top three vendors in the Leaders quadrant. Over 25% reported integrations with Adobe, the vendor most often cited for integration.

Still, the hub market is far from settled. Since no vendor can offer a closed solution, Challengers can still connect to the open ecosystem, even if it doesn't rush to connect with them. Moreover, when we examine overall satisfaction ratings from vendor references, we find none of the

Leaders in the top five most highly rated solutions. The Leaders earned their positions based on their Completeness of Vision and Ability to Execute. However, their reviewers suggest there's still room for improvement, giving smaller vendors a fair chance to win in competitions where they may be outmatched on resources, but still have an edge on innovation and an ability to connect with clients on a strategic level.

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.

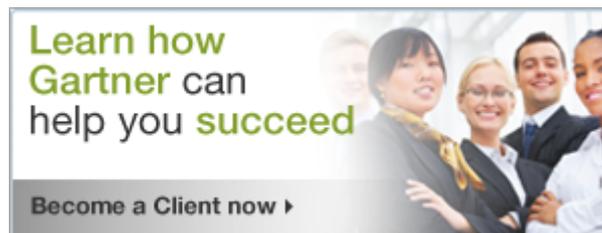
Offering (Product) Strategy: The vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature sets as they map to current and future requirements.

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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