

The background of the slide features a network diagram with white nodes and connecting lines on a dark blue gradient. The nodes are arranged in a complex, interconnected pattern, with some nodes being larger than others. The lines are thin and light blue, creating a web-like structure.

Software 3.0 – Software as a Service (SaaS)



Introduction

Market Trend

Top Investor's Activities

Startup Highlight

INTRODUCTION

You must have heard of “Software eats the world”. Borrowed from the numerous existing literatures and figures, this quote delivers the message that a software is not only operating in a computer business, but is dominating across industries from when you buy a bottle of milk, when you book your flight ticket for summer vacation, to the extent when you are researching a pioneering neuroscience studies.

Software industry has been evolving in incremental phases in accordance with the other technologies such as internet, semiconductor, and cellular technologies (like how 5G had enabled thousands of new software). Comparing to when Microsoft was selling its box of Windows CD to customer, it has moved into internet and online platform to sell, operate, and accumulate data. The conventional model, which the companies make money when the customers buy the software, is disappearing and today is the era of which the **companies make money when the customers are using their software**. The industry calls this phenomenon as “**Software as a Service**” on **subscription basis**, and is striving to grow together as success partners.

All of the statistics, figures, information handled in this report is public information, collected and organized by ZUVA platform, otherwise source indicated. Hence, please access ZUVA for more detailed information.



Introduction

Market Trend

Top Investor's Activities

Startup Highlight

Market Trend

While conventional software industry has been growing since late 1900s, SaaS has been growing significantly from early 2010s. This is in accordance with the evolution of supporting technologies including 4G, 5G connections and internets. It is indeed difficult to carve out SaaS investments and companies as it is revolutionizing every sector of industries. And yet, according to Market Research Future (MRF), the global SaaS market is expected grow at CAGR of 21% and reach valuation of USD 117 billion by 2022.



- ✓ Analysis of ZUVA shows the global VC investment amount reached USD 18 billion in 2018, and USD 14 billion in first two quarters of 2019.
- ✓ Activities of Asian startups and investments are globally significant, led by companies like Softbank, Tencent, Alibaba.

Market Trend

Competing to rising attention from VCs to SaaS startups, investments, M&A from large corporations are boosting the values of the startups and vitalizing the ecosystem



Enterprise software giant SAP acquired Qualtrics at USD 8 billion in 2019. Qualtrics provides X-Data, a single system record for user experience data from customer, product, employee and brand experience.



Oracle acquired Netsuite at USD 9.3 billion in 2016. NetSuite is a cloud computing company, providing a suite of cloud-based financials / Enterprise Resource Planning (ERP), HR and omnichannel commerce software that runs the business of companies in more than 100 countries.



Salesforce acquired tableau at USD 15.7 billion in 2019. Tableau provides data analysis software, specializing in data visualization in easily readable formats.



Google acquired looker at USD 2.6 billion in 2019. Looker is another data analysis startup, providing a unified platform for business intelligence, data applications, and embedded analytic.

Market Trend

SaaS relates heavily on the development of artificial intelligence, big data, machine learning, cloud platforms, data analysis due to growing importance of data as commodity. Therefore, as shown from previous acquisitions of the large corporates, startups focusing on data analysis are valued high and sold well. However, SaaS is not restricted to a single industry, but eating up all sectors of industries. In other words, most of services and software customers subscribe (free or paid) could be considered SaaS's disruption. Rather than by industry, it is easier to divide into B2B enterprise solutions and B2C software and platforms. B2B solutions includes HR management  , or marketing/sales solutions   **slack**, or cloud management platforms  .

Some examples of B2C SaaS to be monitored in 2019 are: e-commerce  **shopify**, coding/programming  **MathWorks**, mobility  **appyparking**, hospitality  **Cloudbeds**, music streaming  **Ambie**.

Above all, the baseline of most SaaS is in the effective big data analysis and recommendation services for optimal output. As long as “data as commodities” concept stays, SaaS market will grow faster than any others.



Introduction

Market Trend

Top Investor's Activities

Startup Highlight

Top Investor's Activities

ACCEL
PARTNERS

webflow

scale

COMPLY
GOVERNANCE. SIMPLIFIED.

Catalyst DRIP/c

BIZONGO

MindTickle sender SENSE

Bessemer
Venture
Partners

SCALE
FACTOR

toss

cypress.io

crosschq

Restaurant
365

TRACTION
guest

NEA
New Enterprise Associates®



HEAP



robinhood expel

everactive



Quobyte

nuvolo



evident.io



Collective
Health

TEMPUS

500
startups



visionful

CODED



Newoldstamp

Inner Trends



slik Kompyte.

SEQUOIA



SignalWire

robinhood



truework

citizen



Thumbtack

1
img

dashlane

locoNav

Above map includes the most recent investments in 2019 and is created from data on ZUVA and Crunchbase



Introduction
Market Trend
Top Investor's Activities
Startup Highlight

Startup Highlight

Fresh Unicorn



Company Name: Monday.com

Business Category: SaaS, Project Management, Task Management

Business Description: Monday.com offers a simple and intuitive project management tool with various features including task allocation, progress tracking and communication. Today, it expanded its business to HR, marketing and more by leveraging its knowledge in easy U/I and data analysis.

Location: Tel Aviv, Israel

Establishment: Feb, 2012

Key Members: CEO / Co-founder. Roy Mann, IDC Herzliya, Computer Science Background, Serial Entrepreneur
CTO / Co-founder. Erin Zinman, Tel Aviv University, Software Engineer Background

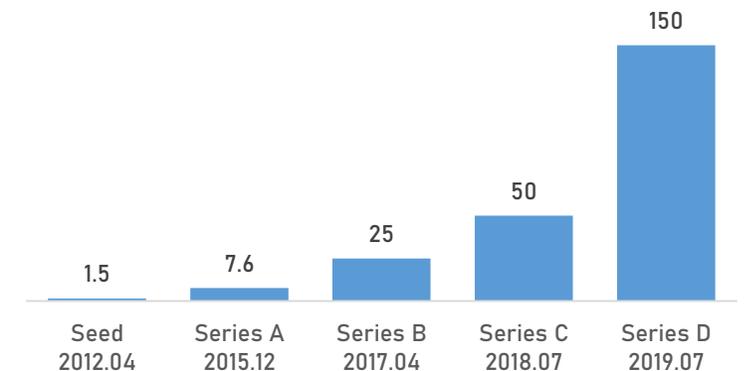
Funding Stage: Series D, Late stage venture

Total Funding: USD 234.1M (Valuation at \$1.9B)

Lead Investors: Insight Partners, Sapphire Ventures, Genesis Partners
Entrée Capital, Stripes Group

Notes: It offers more functions than its competitors at higher price (\$25 ~ \$118), which means it could come complicated. Yet, its exceptional user interface enables users to fully utilize the functions easily and adds value to customers.

Fund Raised by Stage



Startup Highlight

Fresh Unicorn



Company Name: Icertise

Business Category: Contract Management, CRM, Enterprise Solution, SaaS

Business Description: Icertis is an enterprise contract management platform in the cloud that solves hard contract management problems on an easy to use platform. Supports business by increasing contract velocity, protect against risk by ensuring regulatory and policy compliance, and optimize the commercial relationships by maximizing revenue and reducing costs.

Location: Seattle, U.S.

Establishment: Mar, 2009

Key Members: CEO / Co-founder. Samir Bodas, Ex-Microsoft, Ex-Aztecsoft, Wharton School MBA
CTO / Co-founder. Monish Darda, Mechanical Eng'g background, Serial Entrepreneur

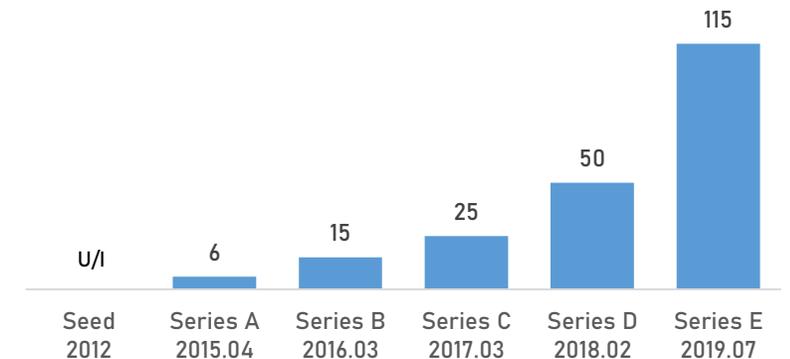
Funding Stage: Series E, Late stage venture

Total Funding: USD 211M (Valuation at \$1B)

Lead Investors: Greycroft, Eight Road Ventures, Ignition Partners, B Capital Group, Meritech Capital Partners

Notes: Born in Microsoft software startup, Icertise has strong bond with Microsoft, and its ICM product is extremely easy-to-use, highly configurable, and readily integrated with other software.

Fund Raised by Stage



Startup Highlight

Fresh Unicorn



Company Name: Yimidida

Business Category: Logistics Management, SaaS, Social Network

Business Description: Yimidida provides intelligent, cost-effective logistics service to reach small remote areas across China. On top of its unique operation system of aggregating multi-brands (from large distributors, local distributors to crowdsource), Yimidida adopts cutting-edge IoT and AI technology to make its software stand out from existing players.

Location: Beijing, China

Establishment: Mar, 2015

Key Members: CEO / Co-founder. Yang Xingyun

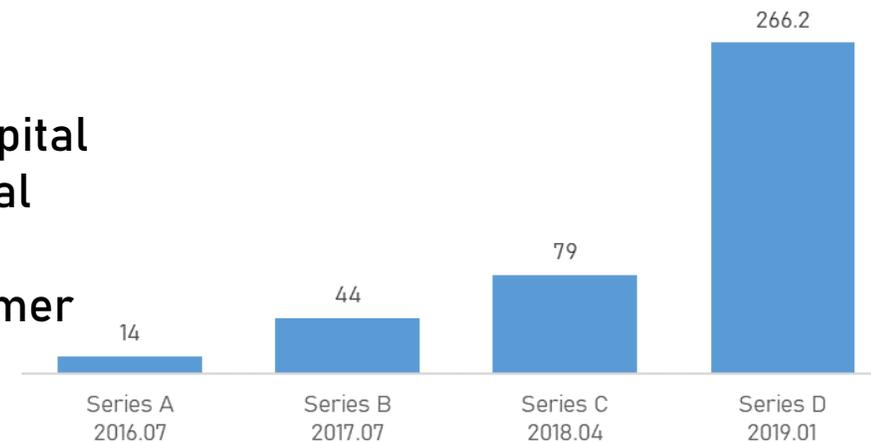
Funding Stage: Series D, Late stage venture

Total Funding: USD 403.6M (Valuation at \$1B)

Lead Investors: CDH Investment, Cathay Capital Private Equity, Boyu Capital HOPU Investment, China Development Bank International

Notes: With the latest investment, Yimidida further aims to differentiate from existing players by investing in customer acquisition, core unit (station or route) operation, and back-end technology such as automation equipment or logistics lifecycle management.

Fund Raised by Stage



Startup Highlight



Company Name: Benchling

Business Category: Enterprise Solution, Biotechnology, Health Care

Business Description: Benchling is a modern software cloud platform for life science R&D. Cutting-edge techniques like CRISPR, CAR-T immunotherapy, and genetic engineering are aggregated on Benchling's suite of cloud applications to design DNA, collaborate on experiments, manage research workflows, and make critical R&D decisions.

Location: San Francisco, U.S.

Establishment: 2012

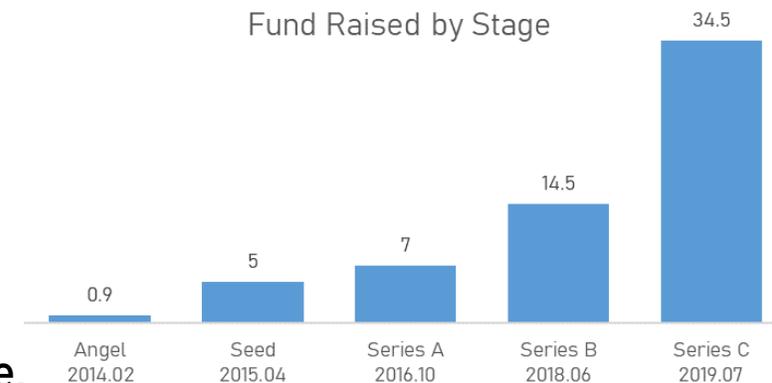
Key Members: CEO / Co-founder. Sajith Wickramasekara, MIT Computer Science, Researcher background
Co-founder. Ashutosh Singhal, MIT Computer Science, Ex-founder of Hotspots.io sold to Twitter

Funding Stage: Series C, Late stage venture

Total Funding: USD 61.9M

Lead Investors: Andreessen Horowitz, Benchmark, Menlo Ventures, Thrive Capital,

Notes: Benchling is successfully being nominated as next unicorn from various medias including Forbes and CB Insights. The service started off to replace the handwritten notes, and now its customers include labs of Harvard, MIT and more.



Startup Highlight



Company Name: Farmers Business Network

Business Category: Agriculture, Farming, Data Analytics SaaS, Social Network

Business Description: FBN utilizes data science and machine learning to provide members with unbiased and unprecedented insights about each of their fields, powered by billions of data points from our network. IT provides farmers with product performance, benchmarking and predictive analytics based on real world performance data

Location: San Francisco, U.S.

Establishment: 2014

Key Members: CEO / Co-founder. Amol Deshpande, Ex-Partner at Kleiner Perkins Caufield & Byers
Co-founder. Charles Baron, Dartmouth College, Ex-Googler

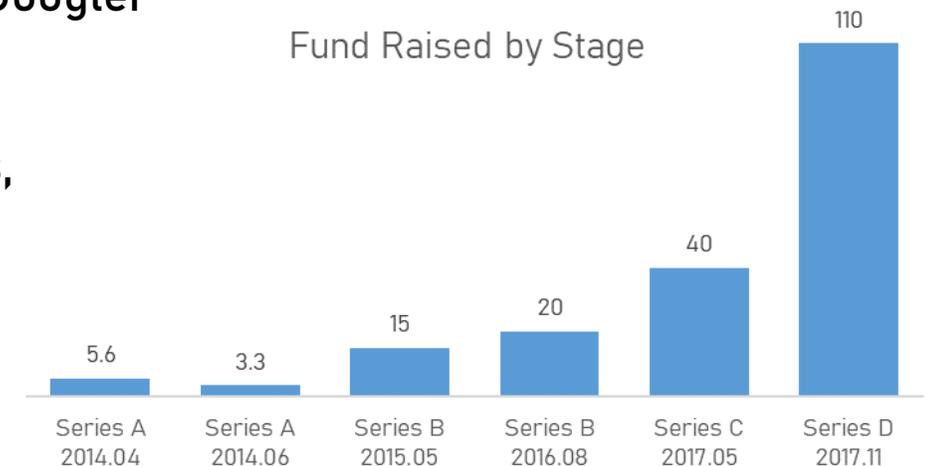
Funding Stage: Series D, Late stage venture

Total Funding: USD 193.9M

Lead Investors: Kleiner Perkins, Google Ventures, Temasek Holdings, T. Rowe Price, DBL Investors

Notes: Nominated as next unicorn by NY Times, Forbes and many more, FBN is represent the next wave of agritech startups with new concept of sharing knowledge among farmer to farmer.

Fund Raised by Stage



Startup Highlight



Checkr

Company Name: Checkr
Business Category: Enterprise Software, Internet, Legal Tech, Artificial Intelligence
Business Description: Checkr provides modern and compliant background checks for global customers with its service on either online access or an API that returns automatically generated background checks. The service aims to boost dynamics of the changing workforce, bring transparency and fairness to hiring, and ultimately build a better future for workers.

Location: San Francisco, U.S.

Establishment: 2014

Key Members: CEO / Co-founder. Daniel Yanisse, Ecole Polytechnique Federale de Lausanne, Software Engineer
CTO / Co-founder. Universite Blaise Pascal, Software Engineer

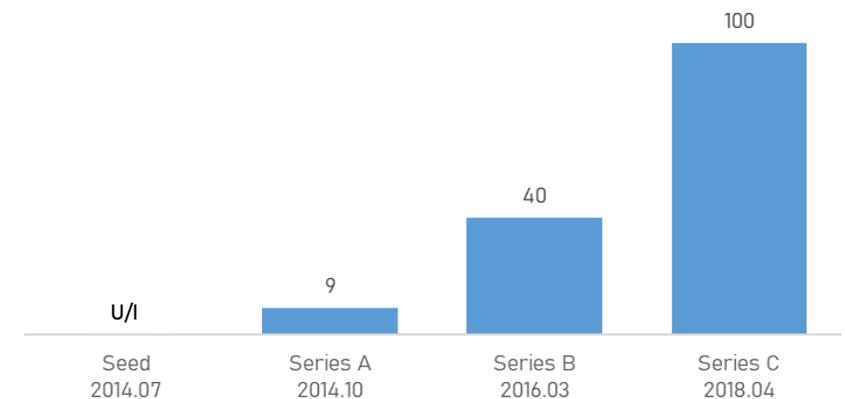
Funding Stage: Series C, Late stage venture

Total Funding: USD 149M

Lead Investors: Y Combinator, Accel, T. Rowe Price

Notes: CNBC describing Checkr CEO on disrupting the background check industry, challenging traditional companies like HireRight and First Advantage. One million background checks per month.

Fund Raised by Stage





End of Report