

Insights & Data Analytics M&A Report – Q2'21

Insights & Data Analytics Market Expands Despite Unprecedented Headwinds

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Private equity and strategic buyers spent more than \$1.7 trillion on mergers and acquisitions involving U.S. companies during the first six months of the year – the highest amount in four decades – according to data provider Refinitiv. Total U.S. M&A deal volume was also higher than comparable periods in 2019 and 2020. Driving M&A in 2021 are factors such as record sales and earnings that resulted in cash-rich companies, continued low interest rates, and a record level of dry powder held by the private equity industry.

According to the 2021 *Insights & Analytics Market & Top 50 Report* published last month, U.S. Insights & Data Analytics revenue grew almost 4% in 2020. This is slower than prior years when the market registered nearly 7% and 8% growth, but remarkable considering U.S. GDP contracted 3.5% in 2020. Overall growth was driven by new and emerging segments such as Self-Service Platforms and Enterprise Feedback Management, each of which registered double-digit growth. In contrast, the more traditional market research segments posted a slight revenue loss during the period. The relative outperformance for the Insights & Data Analytics market catalyzed M&A activity, which we saw play out in the first quarter of 2021 and continue into the second quarter.

The first half of 2021 saw several players complete noteworthy M&A deals in the Insights & Data Analytics space. In the Established Market Research segment, Kantar acquired consumer and market intelligence company Numerator in a deal valued at \$1.5 billion, extending its leadership in shopper insights into the U.S. and Canada. In Enterprise Feedback Monitoring, Thoma Bravo announced that it was taking Medallia private for \$6.5 billion. In the Self-Service Platform segment, Qualtrics acquired conversational analytics firm Clarabridge in a deal valued at \$1.1 billion. In the Industry Reports & Research segment, Verisk subsidiary Woods Mackenzie expanded its energy transition expertise by acquiring Roskill, a metals and materials supply chain intelligence leader.

We hope this newsletter provides some helpful insights as to what happened in 2021 so far. As you evaluate your opportunities, please feel free to call us at 310.478.9000 for more pointed insight.



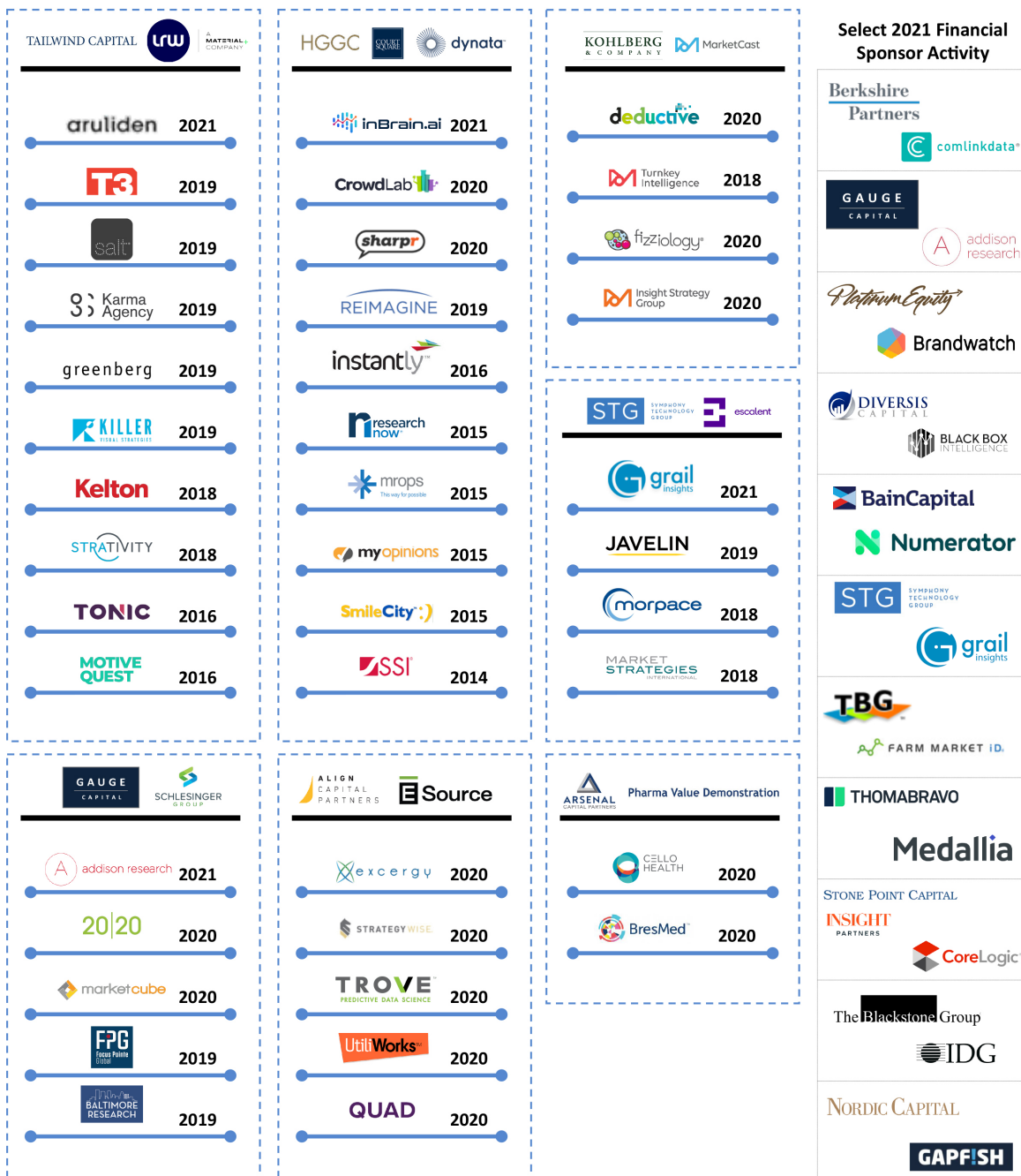
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Active Interest from Private Equity Firms

Small- and mid-sized firms are increasingly open to joining “buy and build” private equity platforms for long-term, sustainable value creation through organic and strategically acquired growth. Private equity’s buy-and-build strategy has created many sizeable sponsor-backed agencies with capital to invest in exciting new capabilities.

Selected Private Equity Platforms

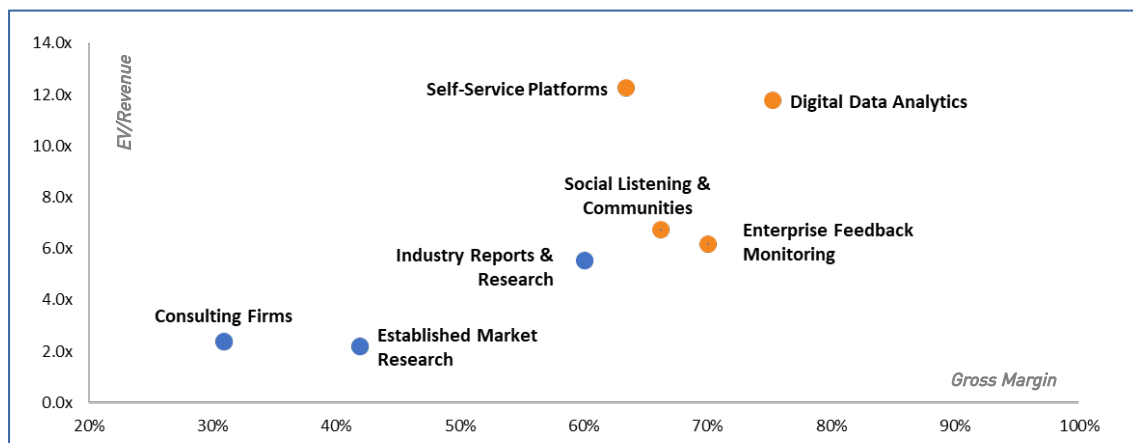


Strong Valuations Observed in Public Markets

Investors are placing premium valuations on companies in new Insights & Analytics segments such as Digital Data Analytics, Self-Service Platforms, Social Listening & Communities, and Enterprise Feedback Monitoring, compared to the more traditional players in the industry.

(\$ in millions)

Company	Segment	Enterprise	Last Twelve Months			Revenue Growth		Ent Value/
		Value	Revenue	Gross Margin	EBITDA Margin	1-Year	2-Year	Revenue
HubSpot, Inc.	Digital Data Analytics	\$31,474	\$1,073	81%	NM	44%	36%	29.3x
Qualtrics International Inc.	Self-Service Platforms	\$23,349	\$894	75%	NM	33%	27%	26.1x
Adobe Inc.	Digital Data Analytics	\$272,991	\$15,099	88%	40%	22%	19%	18.1x
salesforce.com, inc.	Digital Data Analytics	\$272,882	\$23,539	74%	15%	24%	22%	11.6x
IHS Markit	Industry Reports & Research	\$52,398	\$4,589	64%	38%	8%	6%	11.4x
Medallia, Inc.	Enterprise Feedback Monitoring	\$5,587	\$524	63%	NM	20%	19%	10.7x
NICE Ltd.	Digital Data Analytics	\$16,247	\$1,755	67%	25%	12%	11%	9.2x
Sprinklr, Inc.	Social Listening & Communities	\$3,756	\$430	69%	NM	NM	NM	8.7x
Momentive Global Inc.	Self-Service Platforms	\$3,507	\$408	79%	NM	19%	19%	8.6x
YouGov plc	Digital Data Analytics	\$1,785	\$211	84%	17%	11%	11%	8.5x
Oracle Corporation	Digital Data Analytics	\$301,852	\$40,840	80%	44%	4%	4%	7.4x
Gartner, Inc.	Industry Reports & Research	\$28,016	\$4,379	69%	22%	13%	13%	6.4x
Ascential plc	Industry Reports & Research	\$2,625	\$424	63%	15%	39%	31%	6.2x
LiveRamp Holdings, Inc.	Digital Data Analytics	\$2,759	\$463	69%	NM	18%	19%	6.0x
IQVIA Holdings Inc.	Established Market Research	\$57,177	\$12,931	34%	17%	20%	14%	4.4x
Zeta Global Holdings Corp.	Digital Data Analytics	\$1,703	\$418	59%	NM	NM	NM	4.1x
Accenture plc	Consulting Firms	\$201,748	\$50,533	32%	19%	13%	11%	4.0x
Meltwater B.V.	Social Listening & Communities	\$1,297	\$360	71%	3%	11%	14%	3.6x
Verint Systems Inc.	Enterprise Feedback Monitoring	\$3,587	\$1,299	69%	13%	(32%)	(15%)	2.8x
Forrester Research, Inc.	Industry Reports & Research	\$1,013	\$472	59%	11%	9%	9%	2.1x
Nielsen Holdings plc	Established Market Research	\$12,917	\$6,361	58%	19%	(44%)	(24%)	2.0x
Concentrix Corporation	Self-Service Platforms	\$10,747	\$5,421	37%	17%	18%	13%	2.0x
Booz Allen	Consulting Firms	\$13,502	\$7,892	24%	10%	8%	8%	1.7x
comScore, Inc.	Industry Reports & Research	\$523	\$356	46%	2%	3%	5%	1.5x
ICF International, Inc.	Consulting Firms	\$2,290	\$1,566	36%	10%	4%	5%	1.5x
Macromill, Inc.	Established Market Research	\$499	\$385	12%	19%	10%	8%	1.3x
Ipsos SA	Established Market Research	\$2,432	\$2,366	64%	13%	15%	10%	1.0x



Established Market Research

Kantar Acquires Market Intel Company Numerator for \$1.5 Billion

Kantar is buying consumer intelligence firm Numerator from Vista Equity Partners for approximately \$1.5 billion, or 9.0x revenue. Kantar's Worldpanel division provides shopper insights in more than 45 countries, and the acquisition of Numerator will extend its leadership in the U.S. and Canada. The combined dataset will provide insights into the shopping habits of almost five billion consumers globally. Kantar has sold several of its businesses since Bain Capital acquired 60% of Kantar, including its paid search intelligence unit, global health division, employee insights business, SRDS (Standard Rate & Data Service) business, and tracking and monitoring business. With acquisition budgets presumably more robust under Bain stewardship, look for Kantar to continue being aggressive on the acquisition front.

Buyer

Targets



KANTAR



Ipsos Acquires Intrasonics

Ipsos, the third-largest market research company globally, is acquiring Intrasonics for approximately \$11.4 million. The acquisition is part of an effort by Ipsos to increase its expertise in digital audience measurement and expand its offering in audio, digital, and TV content recognition. London-based Intrasonics provides audio watermarking and digital fingerprinting technology used for audience measurement. The rise of digitally streamed media makes audio watermarking a crucial component to understanding how and where audiences consume different content types. Intrasonics already served as a critical partner to Ipsos, helping to develop their proprietary passive measurement solution, MediaCell, which is at the heart of Ipsos' recent success in audience measurement.



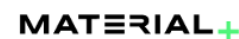
NielsenIQ Inks Three Deals

NielsenIQ, which was sold to private equity firm Advent International for \$2.7 billion in 2020, is buying Label Insight, TVTY, and Cornerstone Capabilities. Label Insight is a Chicago-based metadata platform of consumer product preferences that enables brands and retailers to help customers find products based on their preferences. TVTY is a French television attribution provider and ad monitoring firm, and Cornerstone Capabilities is a Canadian revenue management optimization solution for consumer goods companies. With former Transunion CEO Jim Peck at the helm and the backing of Advent, look for NielsenIQ to grab headlines with its acquisitions in the years ahead.



Material Holdings Acquires Design Agency Aruliden

Material is buying Aruliden, a global design agency specializing in building purposeful brands from product to launch. Material's combination of insight-led consulting and technology-driven marketing services will expand Aruliden's front-end and back-end offering for its roster of clients. In addition to its New York headquarters, the Aruliden acquisition will expand Material's existing presence in Silicon Valley and Europe. Material Holdings, formerly known as LRW Group, began its acquisition spree in 2015 with funding support from Tailwind Capital. Since then, it has acquired more than ten agencies, including Karma Agency, Kelton, Killer Visual Strategies, LRWGreenberg, LRW, LRWMotiveQuest, LRWTonic, Salt, Strativity, and T3.



Phoenix Marketing International Acquires Communicus

Advertising and brand specialist Phoenix Marketing International, a portfolio company of ZS Fund, is acquiring research-based advertising consultancy Communicus, which provides insights into how advertising campaigns build brands and motivate purchasing. The acquisition will allow Phoenix to integrate Communicus' longitudinal advertising research system into its end-to-end advertising solutions. Communicus marks the first major transaction for Phoenix Marketing since it acquired Nielsen's TV Brand Effect business in 2018.



YouGov Acquires Banking Startup Lean App

YouGov is acquiring London banking startup Lean App to expand its data set in the U.S. and U.K. Lean App's technology allows consumers to share financial transaction data and provides advice for managing individual finances more effectively. Along with the recently announced launch of YouGov Safe, an entirely opt-in, GDPR and CCPA compliant, ethical cross-device tracker and data marketplace, this move aligns with one of YouGov's broader strategic goals to enrich its stream of observed behavioral data. YouGov also acquired Faster Horses, an Australian online-focused data insights consultancy.



Established Market Research

Escalent Acquires Grail Insights from NewQuest Capital Partners

Escalent, a platform company backed by Symphony Technology Group, is acquiring Grail Insights from NewQuest Capital Partners. Escalent was formed in 2019 through the combination of Market Strategies International and Morpace and is a human behavior and analytics advisory firm specializing in industries facing disruption. Grail Insights is a strategic insights consultancy that helps clients use data-driven insights to respond decisively to market changes. The combination will accelerate growth for its clients by creating a seamless flow between primary, secondary, syndicated, and internal business data streams. The Grail Insights deal is the first for Escalent since it bought Javelin Strategy & Research, a research firm with expertise in the digital financial ecosystem, in late 2019.

Buyer

Targets



Next Fifteen Makes Two Strategic Acquisitions

Next Fifteen Communications, the parent company of research firm Savanta, is acquiring Shopper Media Group (SMG) for approximately \$22 million, or 1.4x revenue. London-based SMG connects retailers and brands with customers at the point of purchase, both online and in-store. The transaction will enable Next Fifteen to bring global scale to SMG's service offering while continuing to develop its existing customer base. Next Fifteen is also acquiring YouthSight, a provider of research and insights within higher education and young professional organizations.

NEXT15

SMG.
Shopper Media Group
YouthSight

Nordic Capital Backed Cint Inks First Post-IPO Deal

Nordic Capital-backed Insights firm Cint is buying market research company Gapfish for \$35 million, or 2.5x revenue, marking the company's first acquisition since completing a successful initial public offering earlier this year. Gapfish runs an online panel community across Germany, Austria, and Switzerland and conducts out-of-home research, customer journey tracking, and advertising impact measurement. With the acquisition, Cint will offer its customers enhanced access to audiences in the regions covered by Gapfish.

NORDIC CAPITAL

Cint

GAPFISH

Industry Reports & Research

Woods Mackenzie Expands Energy Transition Expertise

Natural resources consultancy Wood Mackenzie, a subsidiary of Verisk Analytics, is acquiring Roskill, a leader in metals and materials supply chain intelligence. Roskill adds market-leading analysis, data, and insight on raw battery materials metals, an integral component of the energy transition. The company's capabilities increase Wood Mackenzie's ability to provide comprehensive, integrated analysis across the energy, metals, and mining value chain. Additionally, green growth stimulus packages and commitments to net carbon neutrality by many of the major economies are accelerating the pace of the energy transition, with metals and materials being a critical enabler.

 Verisk

Wood Mackenzie

Roskill

Stone Point Capital, Insight Partners Acquire Real Estate Giant CoreLogic

CoreLogic, a global property information, analytics, and data-enabled solutions provider, is being acquired by Stone Point Capital and Insight Partners for approximately \$6.0 billion, or 3.3x revenue and 10.0x EBITDA. CoreLogic's data and software platforms help power the housing and insurance industries, both of which are undergoing a digital transformation. Stone Point and Insight Partners believe their financial services domain expertise can accelerate CoreLogic's momentum under private ownership. It is a surprising end to an auction triggered by a pair of activist shareholders focused mainly on two other competing suitors, CoreLogic rival CoStar Group and private equity firm Warburg Pincus. Acquisition activity has picked up as digitization sweeps the homebuying market.

STONE POINT CAPITAL

INSIGHT
PARTNERS

 **CoreLogic**

Thoma Bravo Pays \$6.5 Billion to Take Medallia Private

Thoma Bravo is taking customer and employee experience firm Medallia private for \$6.5 billion, or 13.2x revenue, less than three years after its initial public offering. Medallia is an enterprise cloud platform that tracks customer sentiment by analyzing online reviews, surveys, social media posts, and other sources. Its algorithms distill data into statistics that decision-makers use to assess customer expectations. Since the IPO in 2019, Medallia has acquired digital experience analytics provider Decibel, consumer insights platform Sense360, quality management firm Stella Connect, voice-to-text specialist Voci Technologies, video feedback platform LivingLens, and several other businesses. With the resources of Thoma Bravo at its disposal, Medallia is likely to create more competition for rival Qualtrics in the customer experience management segment where the two firms compete.

 **THOMABRAVO**

 **MEDALLIA**

Self-Service Platforms

Qualtrics Acquires Clarabridge for \$1.1 Billion

Experience management giant Qualtrics International is acquiring conversational analytics firm Clarabridge in an all-stock deal valued at \$1.1 billion, or approximately 11.0x revenue. Clarabridge is an AI-powered platform that captures and analyzes customer feedback from indirect sources such as social media, email, support calls, chats, and product reviews. Clarabridge has raised more than \$200 million in funding from venture investors such as General Catalyst and Summit Partners. The acquisition will enhance Qualtrics' understanding of customer experience and complement its product roadmap and go-to-market strategy.

Buyer

Targets



Sample Panel Providers

Dynata Buys Survey Experience Platform inBrain

Dynata, a platform company of HGGC and Court Square Capital, is acquiring inBrain. Dynata is the world's largest first-party data platform for insights, activation, and measurement and reaches 62 million consumers and business professionals globally. Atlanta-based inBrain is a mobile-first insight and survey monetization platform that rewards users for participating in surveys. inBrain will strengthen Dynata's rich first-party data by engaging directly with consumers, particularly amongst hard-to-reach audiences. With larger amounts of data and insights required to capitalize on growth opportunities, the acquisition of inBrain positions Dynata to offer high quality and deeply profiled data to its customers.



Digital Data Analytics

NICE Expands Contact Center AI with Acquisition of ContactEngine

Contact center technology vendor NICE is buying contact center AI tool provider ContactEngine. By acquiring ContactEngine, NICE adds natural language AI to automate customer self-service and route calls to agents when needed. ContactEngine's specialty -- which made it an acquisition target -- is its ability to anticipate customer questions and reach out proactively in certain situations with outbound text. The acquisition of ContactEngine on two other purchases made by NICE earlier this year, including MindTouch, a knowledge management tool, and Brand Embassy, which connects social media to virtual agents for customer self-service.



News Corp Acquires Oil Price Information Service from IHS Markit

News Corporation is acquiring U.S. oil pricing agency Oil Price Information Services (OPIS) from S&P Global and IHS Markit for \$1.2 billion, or approximately 10.0x revenue. OPIS will become a part of Dow Jones' Professional Information Business, which includes Dow Jones Risk and Compliance, Dow Jones Newswires, and Factiva. OPIS provides real-time and historical spot, wholesale/rack, and retail fuel prices for refined products, renewable fuels, and natural gas and gas liquids industries. S&P Global agreed to acquire IHS Markit for approximately \$44 billion in a landmark deal that could combine two of the largest providers of data to Wall Street. Earlier this year, S&P Global and IHS Markit announced they were exploring the sale of certain assets following feedback from regulators.



Other Insights & Data Analytics Transactions

ZoomInfo Makes Two Acquisitions

ZoomInfo Technologies is buying conversational sales intelligence tool Chorus for approximately \$575 million. Chorus uses AI to “listen” to sales conversations to help improve interactions between sales representatives and customers. ZoomInfo is mainly known for providing a database of contact information for sales, marketing, and recruiting professionals. With the acquisition of Chorus, ZoomInfo aims to bring together different parts of the sales process by combining its top-of-the-funnel strength with customer conversation insights captured in the middle of the funnel. ZoomInfo is also buying website chat platform Insent for \$34 million. Insent identifies prospects on websites and routes them to real-time conversations rather than waiting for calls to action. The combined offering, ZoomInfo Chat, will allow marketers to identify previously anonymous prospects on their websites, route them to the correct account owners, and arm them with ZoomInfo’s intelligence about their buyers.

Buyer

Targets



CHORUS



Clarivate Acquires ProQuest in Largest Library Sector Transaction in History

Information and insights leader Clarivate is acquiring ProQuest, a software and data analytics provider, from Cambridge Information Group, a family-owned investment firm, for \$5.3 billion, or 6.1x revenue. ProQuest provides content and technology solutions to over 25,000 academic, corporate, and research organizations in more than 150 countries. The acquisition brings together two complementary assets to meet the expanding needs of researchers, learners, and innovators in academia, governments, schools, and libraries. ProQuest will strengthen Clarivate’s subscription revenue base and deepen its client relationships with research-focused universities, governments, and corporations. Clarivate is also acquiring BioInfoGate, a leading provider of analytics solutions to the life sciences and producer of the OFF-X portal.



Smartly Acquires Viralspace

Providence Equity-backed automation software firm Smartly is acquiring digital advertising firm Viralspace. Smartly allows customers to publish ads across formats and social channels and uses predictive algorithms to boost conversion rates. Stanford, California-based Viralspace uses AI to help make data-driven decisions about advertising and predict advertising performance. Viralspace.ai uses AI to replace guesswork with data-driven decisions. By tagging custom creative elements for each brand ranging from object to actions to text styles, it has developed a custom, brand-specific model to understand the factors that drive conversions and predict the performance of ads before they are posted. Using this model, Viralspace suggests optimizations before, during, and after an ad is launched.

PROVIDENCEEQUITY



Select Transactions

 <p>has received a growth equity investment from</p>  <p>Advisor to DataSential</p>	<p>Kelton</p> <p>has been acquired by</p>  <p>a portfolio company of</p>  <p>Advisor to Kelton</p>	 <p>has obtained a majority investment from</p>  <p>Advisor to LRW</p>	 <p>has completed a recapitalization and growth financing with</p>  <p>Advisor to CourtCall</p>	<p>PITCH</p> <p>has been acquired by</p>  <p>Advisor to Pitch</p>
<p>BarringtonMedia GROUP</p> <p>has received an investment from</p>  <p>Advisor to Barrington Media</p>	 <p>has received an investment from</p>  <p>(HKG: 752)</p> <p>Advisor to Infinity Marketing</p>	 <p>a portfolio company of</p>  <p>has completed a debt financing with</p>  <p>Advisor to Mercury Media</p>	 <p>adexchange</p> <p>has completed a growth financing with</p>  <p>Advisor to Ad Exchange Group</p>	<p>Money 20/20</p> <p>has been acquired by</p>  <p>Formerly known as</p>  <p>Advisor to Money2020 *</p>
<p>Education Technology Events of</p>   <p>have been acquired by</p>  <p>Advisor to 1105 Media *</p>	 <p>has been acquired by</p>  <p>Advisor to FRA *</p>	 <p>a portfolio company of</p>  <p>has acquired</p>  <p>from</p>  <p>Advisor to Vendome Group *</p>	 <p>has been acquired by</p>  <p>a portfolio company of</p>  <p>Advisor to Innovation Enterprise *</p>	<p>Electronics Media Portfolio of</p>  <p>has been acquired by</p>  <p>Advisor to UBM *</p>

*Transactions executed by principals of Intrepid while at prior firms.



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About Intrepid's Insights & Data Analytics Sector Focus

Our **Insights & Data Analytics sector focus** is part of our Digital Media practice and covers traditionally defined service-based organizations that sell research to corporate insights departments as well as analytics businesses whose areas of expertise and specialization reflect the breadth of the expanding research industry, like data analytics, strategic consulting services, technology services and platforms, and market, opinion, social and survey research.