

Bizagi

Founded 1989 | HQ Buckinghamshire, UK | 500 employees (approx.) | \$75M revenues (est.)

Bizagi is a thought leader in cloud-based digital process automation with a significant, widespread installed base in business process modeling and a highly competitive platform for structured processes and case management. Bizagi is most differentiated by its process automation software, which is dynamic and built for fast, scalable deployments, and its business process modeling tool.



The Company

Bizagi, a privately held software company specializing in business process modeling and digital process automation, was founded in 1989 in Colombia and is now headquartered in Buckinghamshire, UK. The firm's founder and CEO, Gustavo Gomez, has provided steady management and technology vision while growing the company to approximately 500 employees in five locations over 30 years. In late 2017 Bizagi received \$48 million from Invus, an evergreen equity investor that partners with owner-managers to speed corporate growth. Bizagi has used the capital to accelerate expansion across the US and Europe. As a result, the company experienced 100% year-over-year growth in the US in 2018 and is on track to achieve 200% growth in 2019.

Bizagi launched one of its flagship products, Bizagi Modeler Services, in 2006, and by 2015 the free process modeling tool had been

downloaded more than 3 million times by over 1,000 companies. (The company also has 360 paying customers on the premium version.) As a result, Bizagi now has a vast customer footprint, driven by its freemium distribution strategy for Bizagi Modeler Services but also fueled by its Latin American origins, its European expansion strategy, and its eventual strategic focus on North America. The firm's flagship customers include Adidas, Audi, DHL, Gap, Citizens Bank, AON, and US government agencies including the Departments of Agriculture, Defense, Energy, HHS, and Homeland Security.

Bizagi's freemium business model is unique among process automation vendors and has nurtured the widespread deployment of Bizagi's process modeling tool. Other differentiators are Bizagi's early-stage support for automating dynamic business processes (e.g., case handling), its early-stage emphasis on fast deployments that deliver value quickly, a strong commitment to rapid process design

(using capabilities such as entity modeling), and its commitment to the Agile methodology (versus waterfall). The company's embrace of agility is no accident; Bizagi's corporate name is a contraction of "business agility." While focusing on agility, the firm's go-to-market strategy is built upon helping customers transform their business processes through great customer/digital experiences, and modernizing IT solutions by expanding upon, augmenting, and extending legacy applications.

Market and Technology Positioning

Bizagi's growth strategy is to target digital transformation opportunities within enterprises, SMBs, and government agencies that are striving to deliver great customer experiences. (For example, Bizagi's context engine allows customer experience businesspeople to define products and services for cross-selling and upselling.) Although some Bizagi projects start with an operational focus, such as order-to-cash, most implementations involve systems for customer touchpoints with external entities, such as the organization's customers or suppliers – and expand to supporting IoT devices. Ideally, Bizagi seeks out business executives leading CX initiatives, while also working with executives in digital operations and governance.

Bizagi's common horizontal (or functional) applications include customer or employee onboarding, contract management, and order-to-cash. Vertical use cases include financial services (e.g., loan origination, mortgage onboarding), insurance (e.g., policy administration, peer review, and claims processing), and manufacturing (e.g., supply chain efficiency and product innovation).

Users can download Bizagi Modeler for free to begin mapping their business processes, and they can test Bizagi's build environment by downloading Bizagi Studio. If customers decide to proceed with a further deployment, they must license Bizagi Automation in the cloud or on-premise in order to execute and deploy their process applications. Customers can start small, experiment, and iterate with a lower than usual up-front investment, and then scale up as needed. Companies often leverage Bizagi Spark, a framework for digital transformation journeys. Bizagi's offering also includes Bizagi Modeler Services and Bizagi Studio Collaboration Services in order to augment the functionality of the free applications.

Figure 1 provides a high-level overview of Bizagi's positioning. (Note: this radar graphic is not a product analysis or product rating; rather, it represents vendor positioning within the digital process automation market.)

A deeper analysis of the categories on the graph shows:

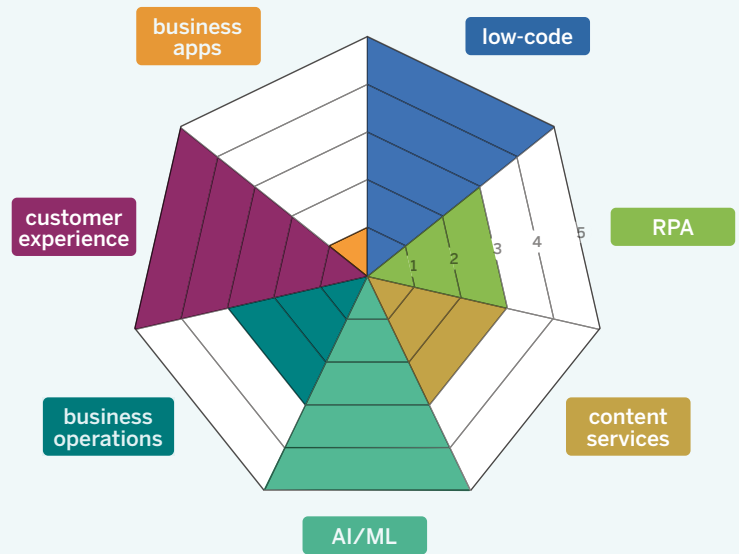
→ **Low-code is a key capability**, although the company carefully avoids creating an impression of offering a technical tool rather than software for empowering businesspeople. Bizagi tends to use the language of business with project teams and encourages collaboration between businesspeople and IT for quicker delivery and more experimentation. The company has a strong low-code position, with more than 150 out-of-the-box connectors (available through the Bizagi exchange), a connector editor, widgets, and pre-built process templates. Most are horizontal, but some focus on banking or insurance.

→ **Robotic process automation (RPA) is essential to Bizagi's strategy** and is vitally important to its customer base. The firm natively integrates with the leading RPA vendors. (Users call robot services from within the process development environment when building the process application, and the software automatically triggers robot scripts during process execution.) Bizagi integrates with Automation Anywhere, UiPath, and Blue Prism. Although RPA often conjures images of automating tasks within operational processes, Bizagi also sees an important role for RPA in delivering engaging customer experiences.

→ **Content services is not Bizagi's target market**, but it does integrate with on-premises ECM systems. Specifically, Bizagi supports Alfresco, IBM, Microsoft SharePoint, OpenText (Documentum), and Xerox DocuShare, as well as other content management vendors that comply with CMIS 1.0 Web Services. This level of integration allows process instances with document attachments to automatically send content to the ECM system and supports such functions as uploading documents, creating metadata, and performing check-in/check-out and document deletion. ECM systems without CMIS compliance can be integrated using a customized component or widgets.

→ **AI/ML is a key technology trend driving much of Bizagi's forward planning.** The platform already incorporates AI/ML for use cases requiring decision support. For example, Bizagi uses AI/ML to more effectively automate fraud detection. In 2019 Bizagi also updated its AI/ML services to support next-best-action scenarios. Bizagi believes AI/ML is best supported using its platform, but it also integrates

Figure 1
Bizagi's Positioning



Legend

low-code

- 0 – no emphasis on low code
- 1 – business developer focus
- 3 – extensive low-code tooling
- 5 – general purpose low-code market

business operations

- 0 – focus on CX only
- 1 – targeting the back office
- 3 – pre-built use cases for back office
- 5 – strategic focus on complex business operations

RPA

- 0 – no RPA offering
- 1 – custom integration
- 3 – 1+ partners/OOB connectors
- 5 – deep partnership/native RPA

customer experience

- 0 – focus on biz ops only
- 1 – focus on CX for biz ops
- 3 – targeting sales and marketing
- 5 – strategic focus on end-to-end CX-centric processes

content services

- 0 – no content support
- 1 – native content support
- 3 – partnership with 1+ content providers
- 5 – native content services/management

business apps

- 0 – no focus on business apps
- 1 – pre-built templates/forms for specific processes
- 3 – 1+ pre-built apps >50% packaged
- 5 – fully packaged apps

AI/ML

- 0 – no focus on AI/ML
- 1 – initial insights/experimentation
- 3 – multiple AI/ML deployments (e.g., capture, next best action, NLP)
- 5 – native AI/ML in DPA product

with third-party AI/ML services such as Microsoft AI and is used for wider plays than fraud detection or next best action.

→ **Business operations is a core market segment. This is particularly true because Bizagi was one of the first vendors with an early focus on case management for dynamic, long running processes.**

Important use cases for Bizagi customers include claims processing, compliance, branch banking, auditing, airline customer support, product repair, mortgage loan processing, and customer onboarding.

→ **Customer experience is a core focus,** with the company targeting the heads of customer service, sales, and marketing. Bizagi strives to help its clients deliver an “Amazon-like” experience for every industry, product, and service type. Its cloud capabilities provide clients with the flexibility to scale at their own pace. Bizagi appears to have internalized its CX marketing focus, explaining that its clients need greater agility in order to immediately respond to *their* customers and to deliver contextual experiences for their customers, partners, and suppliers. However, for transforming customer-centric processes, Bizagi relies on its platform and development framework (Bizagi Spark) and does not provide starter applications or process-enabled business applications.

→ **Packaged business applications are not on Bizagi’s current roadmap, but the vendor has begun providing a fast-start approach for the top 10 most common applications implemented by customers.**

Bizagi is tackling this initiative by improving, adding to, and bundling materials that (in some cases) already exist in the Bizagi Xchange, such as process templates, connectors, and widgets. While Bizagi has no plans to roll out and productize pre-baked applications for different verticals, the vendor does plan to accelerate customer journeys for its 10 most common use cases. Bizagi also provides selected process model templates that customers and partners can use when developing applications.

Our Opinion

Bizagi is a thought leader in cloud-based digital process automation with a significant, widespread installed base in business process modeling and a highly competitive platform for structured processes and case management. Bizagi has stayed current with its competitors by integrating with RPA, providing native and third-party AI/ML tools, and integrating with content systems. Bizagi is most differentiated by its process automation software, which is dynamic and built for fast, scalable deployments, and its business process modeling tool. The company has maintained competitive leadership in providing low-code tooling. Interestingly, Bizagi is one of the few digital process automation firms (other than Appian, Pegasystems, and Salesforce) that have targeted the customer experience market. With this strategy, Bizagi may be ahead of the curve compared to firms that have doubled down on business operations. Bizagi has a large customer base distributed throughout Europe, Latin America, Asia, and the US – another differentiator. Bizagi is committed to Agile deployments: start small, experiment, contextualize, iterate, and build on successes.

Advice to Buyers

Definitely consider a free download of Bizagi's business process modeler, which stands alone from the Studio and Automation products and is core to the overall digital process platform (modeling, design, and automation). Put Bizagi on the short list for

1. implementing digital process automation across a wide geographic spread,
2. scaling to support many processes, or
3. selecting a low-code automation tool that supports highly dynamic business processes.

Bizagi is a good match for organizations focused on digital transformation through exceptional customer experiences and for organizations that seek an Agile approach for process automation deployments.

Strengths

- Deep expertise in business process modeling, process automation, and dynamic, contextual processes (case management)
- Visionary founder and CEO
- Investment funding to support growth and expansion
- Long track record as a pure-play process automation firm
- Geographically diverse customer base
- Long-term commitment to freemium business model and Agile deployments

Aspirations

- Keep expanding the customer base in the US, Europe, and Asia
- Stay focused on process agility and Agile deployments
- Continue innovating the process modeler; operationalize the many opportunities for innovation in process modeling
- Expand upon the corporate strategy to target customer experience initiatives

Opportunities

- Capitalize more aggressively on AI/ML for the process platform and in targeted business processes
- Capitalize on the rapid growth of RPA and help companies struggling to scale those initiatives
- Consider starter applications (e.g., 50% out of the box) for targeted verticals by building upon the top 10 customer use cases

Results

- Moved from boutique start-up in 1989 to multinational presence
- Impressive customer base
- Leveraged the freemium model into related revenue-generating products
- More than 3 million downloads of process modeler, with an extensive user base

Research Series: Digital Process Automation State of the Market

This report is part of Deep Analysis's Digital Process Automation State of the Market research series, which includes these reports:

- State of the Digital Process Automation Market: Current Assessment 2019
- State of the Digital Process Automation Market: Trends 2020-2025
- Vendor Vignettes for Digital Process Automation Vendors

About Deep Analysis

Deep Analysis is an advisory firm that helps organizations understand and address the challenges of innovative and disruptive technologies in the enterprise software marketplace.

Its work is built on decades of experience in advising and consulting to global technology firms large and small, from IBM, Oracle, and HP to countless start-ups.

Led by Alan Pelz-Sharpe, the firm focuses on Information Management and the business application of Cloud, Artificial Intelligence, and Blockchain. Deep Analysis recently published the book "Practical Artificial Intelligence: An Enterprise Playbook," co-authored by Alan and Kashyap Kompella, outlining strategies for organizations to avoid pitfalls and successfully deploy AI.

Deep Analysis works with technology vendors to improve their understanding and provide actionable guidance on current and future market opportunities.

Yet, unlike traditional analyst firms, Deep Analysis takes a buyer-centric approach to its research and understands real-world buyer and market needs versus the "echo chamber" of the technology industry.

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About the Author

Connie Moore is Vice President and Principal Analyst at Deep Analysis. She joined the firm after four years as Senior Vice President, Research, at Digital Clarity Group, and more than twenty years as Research Director and Vice President at Forrester Research. Connie is a widely acclaimed speaker, advisor, consultant, and expert in digital process automation, customer experience management, digital experience platforms, and content services. In 2014 Connie received the Workflow Management Coalition's globally recognized Marvin Manheim Award for influence, contribution, and distinction based on standout contributions to the field of workflow and business process management.