

Alteryx Continues to Outshine Competitors

Companies: AMZN, AIX, CRM, DOMO, IBM, MSFT, MSTR

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Research Question:

Is the competitive risk to Alteryx growing?

Summary of Findings

- [Alteryx Inc.'s](#) (AYX) data preparation and wrangling software remains unmatched for its ease of use, speed, and versatility, according to interviews with 13 Alteryx users and other data specialists.
- Seven of nine customer sources said their company's Alteryx license count was growing or was likely to do so. Alteryx is expensive but has room to raise prices, seven sources said, because it is so good and is saving companies so much money.
- Alteryx got better grades for its capabilities beyond prepping data, such as advanced analytics, than in Blueshift's [April 4, 2019, report](#), where users gushed about the platform but described its analytics tools as needing work.
- There are signs that [Salesforce.com Inc.'s](#) (CRM) [Tableau Prep](#) is improving, but 11 sources said it remains far inferior to Alteryx and mainly appeals to Tableau users with simple data needs.
- Seven sources see next-generation data warehousing solutions, like [Snowflake's cloud-built platform](#), as complementary rather than competitive to Alteryx. One said the combination of Alteryx and Snowflake is the most exciting development in data manipulation.
- Two sources said they have seen IT departments blocking further growth of Alteryx or rolling out heavier enterprise-wide tools for data analytics to keep control over company data. But neither consider it a broad trend that should worry Alteryx.
- There are numerous competing vendors with strong features in specific areas, such as [DataRobot Inc.'s](#) expertise with predictive analytics. But no single competitor puts the entire spectrum of tools at users' fingertips like Alteryx.
- Data visualization remains Alteryx's biggest shortcoming, five sources said.

Silo Summaries

1) Alteryx Customers

Nine users of Alteryx's data prep platform said they love the software, calling it easy to use, nimble, and able to handle a wide variety of data tasks. Seven said their company has been or will be buying more Alteryx licenses. Alteryx is increasingly being used for advanced analytics and not just data wrangling, according to six sources. **The software is expensive but still offers great value, giving the company at least some room to raise prices further**, five sources said. The software is sticky because it is beloved by users and becomes a key part of workflows. Its data visualization tools are poor, however. **Eight sources agreed that Tableau Prep is rudimentary compared to Alteryx** and represents no threat, though two sources said it has been improving. It will appeal mostly to devotees of Tableau's data visualization software who have very basic data needs. One source, however, said Salesforce's acquisition of Tableau could make Prep much more attractive to Salesforce users. No sources see Snowflake as a competitor to Alteryx, with five calling it a complementary tool. **Heavy enterprise tools tend to be more complicated and expensive than Alteryx, while offerings from smaller vendors do not offer the broad range of functions that Alteryx does.**

2) Data Specialists

All three sources in this silo praised Alteryx for its speed, flexibility, and ease of use. **License counts are growing with clients—deployments were up 33% last year, according to one source.** More and more users are relying on Alteryx for advanced data analysis. Its high price may keep some small- and medium-sized businesses away, but Alteryx provides good value to those that can afford it, giving it further pricing power with larger companies. **The platform is sticky because users love it and it would take multiple pieces of software to replace it.** None of the three consider Tableau Prep to be a threat. One said Prep may appeal to beginners just moving on from Excel, but some of those users may graduate to Alteryx. **Snowflake and Alteryx are a great combination for data processing and analytics**, two sources said. MicroStrategy is getting some interest, especially among IT departments, and DataRobot has some appeal as well. **Microsoft could turn its Power BI platform into a true Alteryx competitor if it chose to invest heavily there**, one source said. Dataiku is proving popular with data scientists.

	Alteryx's Quality	Alteryx's Pricing Power	Alteryx vs. Tableau Prep
Alteryx Customers	↑	↑	↑
Data Specialists	↑	↑	↑

Background

Blueshift's 2019 report found Alteryx in a great position to fend off competitors of its data preparation and analytics software. Alteryx customers and partners said the company's tools make it incredibly easy for business users with no technical expertise to gather and manage data for analysis. Sources also said the number of Alteryx licenses is growing within their companies, and organizations that adopt Alteryx are extremely likely to stick with it, mainly because Alteryx is so good that users are loath to change. Alteryx provides great value, despite its high price, eight sources said, and quickly pays for itself with the time it saves employees.

Since that report, Alteryx has continued to fire on all cylinders. Its [Q3 revenues shot up 65%](#) year to year to \$103 million, and its dollar-based net expansion rate—a measure of whether existing customers are spending more with the company—came in at an impressive 132%. Its customer count topped 5,600 at the end of Q3, a 30% increase from a year earlier. With the strong results, executives pushed their full-year revenue guidance to about \$390 million, which would represent more than a 50% increase over last year. The company said it is benefiting from increased automation of data science tasks. To that end, Alteryx announced in October that it was [acquiring Feature Labs](#), a data science software company launched out of MIT that automates feature engineering for machine learning and artificial intelligence applications.

Even with its recent success, Alteryx hardly has the data wrangling market to itself. The global market for data prep software is forecast to reach \$11 billion by 2026, [according to one report](#). Among the biggest names in Alteryx's competitive set is Tableau Software Inc., which rolled out its Tableau Prep tool in 2018. The early iterations of Tableau Prep were considered inferior to Alteryx, but in June Tableau was [acquired by Salesforce for \\$15.7 billion](#), giving it a deep-pocketed backer. It is not clear how the acquisition will affect Tableau Prep's evolution, but during its November user conference, [Tableau unveiled several updates](#) to its data prep tool. Multiple Blueshift sources said in April that, while Tableau Prep was primitive compared to Alteryx's comprehensive solution, they could envision it becoming a threat, given its significantly lower price and Tableau's broad customer base of data visualization software users.

Blueshift sources also identified [KNIME AG](#) and DataRobot as among the leaders of a group of smaller key competitors to Alteryx. One IT partner said he recommends KNIME over Alteryx to certain clients because it is free and just as powerful. Others said that smaller competitors like DataRobot and [Trifacta](#) perform certain tasks better than Alteryx, but none offer the breadth of Alteryx's platform. It is possible that next-generation data warehousing solutions, like Snowflake, could reduce demand for Alteryx's prep software.

Current Research

Blueshift Research assessed whether competitors were gaining ground on Alteryx. We employed our pattern mining approach to establish three independent silos, comprising 13 primary sources (including two repeat sources) and one secondary source focused on Alteryx's place in the data analytics market. Interviews were conducted January 6-20.

- 1) Alteryx customers (9)
- 2) Data specialists (4)
- 3) Secondary source (1)

Next Steps

Blueshift Research will continue to monitor the evolution of Tableau Prep as a possible competitor to Alteryx. We will also dig deeper into ways that data warehousing vendors like Snowflake could put pressure on ad-hoc analytics tools like Alteryx.

Silos

1) Alteryx Customers

Nine users of Alteryx's data prep platform said they love the software, calling it easy to use, nimble, and able to handle a wide variety of data tasks. Seven said their company has been or will be buying more Alteryx licenses. Alteryx is increasingly being used for advanced analytics and not just data wrangling, according to six sources. The software is expensive but still offers great value, giving the company at least some room to raise prices further, five sources said. The software is sticky because it

is beloved by users and becomes a key part of workflows. Its data visualization tools are poor, however. Eight sources agreed that Tableau Prep is rudimentary compared to Alteryx and represents no threat, though two sources said it has been improving. It will appeal mostly to devotees of Tableau's data visualization software who have very basic data needs. One source, however, said Salesforce's acquisition of Tableau could make Prep much more attractive to Salesforce users. No sources see Snowflake as a competitor to Alteryx, with five calling it a complementary tool. Heavy enterprise tools tend to be more complicated and expensive than Alteryx, while offerings from smaller vendors do not offer the broad range of functions that Alteryx does.

Key Silo Findings

Evaluating Alteryx

- 9 of 9 praised Alteryx's software as fast, easy to use, versatile, and flexible.
- 7 said their company's number of Alteryx licenses has been increasing or is likely to do so.
- 1 said his former company's IT department blocked further growth of Alteryx because it wanted to keep control over data and did not want to spend more money on tools aimed at business users.
- 6 said Alteryx is being used for more than just data wrangling, including advanced analytics and modeling.
- 3 said use of Alteryx is increasing among employees.
- 2 said Alteryx's online community is a great resource.
- 5 said Alteryx offers great value, despite a fairly high license cost.
 - o All 5 also said Alteryx probably has some room to raise prices further because it is saving companies money, mostly in time saved.
- 4 said Alteryx is sticky, especially as users become more advanced and workflows more complex.
- 5 said Alteryx's data visualization capabilities are its biggest shortcoming.

Comparing the Competition

- 8 said Tableau Prep is far inferior to Alteryx and not a competitive threat right now.
 - o 3 said Tableau Prep could steal some share from Alteryx only among a small subset of users who like Tableau and have very simply data wrangling needs.
 - o 1 said his company has 30 Tableau licenses and none of those employees are using Prep.
 - o 2 said Tableau Prep is improving.
- 1 said Salesforce integrating Tableau and Prep into its core CRM offering could give Prep a huge boost in adoption.
- 5 said they do not see Snowflake as a competitor to Alteryx but, rather, a complementary tool.
- 4 dismissed broader enterprise tools from the likes of [IBM Corp.](#) (IBM), [SAS](#), and [MicroStrategy Inc.](#) (MSTR) as threats to Alteryx.
 - o Such tools tend to be complicated, expensive, and not as effective.
- 3 said Microsoft Inc.'s (MSFT) [Power BI](#) needs a lot of improvement to replace Alteryx's data prep functions, but 2 others said its lower cost and visualization capabilities makes it a potential threat.
- 5 praised DataRobot for some of its machine learning and predictive analytics functions but 1 of those said it is more expensive than Alteryx and another said it does not have as broad a set of features.
- 2 said KNIME is difficult to use, but 1 other said it is the platform he would consider if Alteryx gets too expensive.
- 1 said her firm is unlikely to use open-source applications like KNIME because it wants enterprise-grade tools that are well supported and financed to be sure they will be around for a long time.

1) Senior data official for a major U.S. city government

Alteryx is enabling city workers to quickly do things they never could before, such as monitor water usage to look for leaks. The city has nearly quadrupled its Alteryx license count since first deploying the software five-and-a-half years ago. Alteryx's connectivity and user interface are among its strengths. The only drawback is weak visualization features; Tableau is used for that. However, Tableau is not impressive overall and its Prep tool is not a threat to Alteryx.

Evaluating Alteryx

- "We've been using Alteryx for about five-and-a-half years. We knew we wanted something to help consume data. Alteryx seemed like the most robust solution. I can't even remember the others we looked at, but we couldn't figure them out. Things that took hours now take minutes. It's so polished that it's hard to beat."

- “We started with three licenses and now we have 11. Every time I show it to someone, they want it. But it’s expensive. I could see scaling up, but not necessarily this year.”
- “I like the fact that we can connect to almost anything and write to almost anything. It really shines on user interface. It can pull in data and blend it, and then run some fiscal analytics.”
- “We are doing things we never would have tried—and quickly. For instance, by monitoring water usage, we might discover a leak.”
- “When we do road paving, we need to figure out whether we need to do something with the pipes below. In two minutes, we can pull up every ticket on every pipe. We’ve been able to replace a lot of old, slow processes. Our usage of Alteryx is increasing.”
- “Making pretty reports [in Alteryx] is hard. You can figure it out, but it’s the least intuitive function. Tableau is great for visualization, but I don’t like manipulating the data there. Alteryx is better.”
- “I think the retail price is about \$5,000 a year per license, plus \$30,000 for a server. You get a little discount as you ramp up and, like with a car, you can talk to them a little bit. We pay a little less than the retail price.”
- “You can buy it for three years, so you’re locked in on price. That’s what we did last year. They could get away with raising prices a little bit. We save so much time using it that it would be very hard to get away. But their prices are probably already at the top of the market.”
- “It’s absolutely worth what we pay. We are able to do analytics we never would have tried. We would have been too busy building a user interface. It would be very difficult to switch away from Alteryx. A lot of our business products are plugged into this.”

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Comparing the Competition

- “I played with Tableau, but it’s frustrating when you go in cold. I was working with some HR people and we couldn’t make it work. It doesn’t have the capabilities of Alteryx. It’s good for basic spreadsheets and summaries. If you try to blend in numerous spreadsheets and code names, it’s difficult.”
- “Tableau isn’t a big threat at this point. We have 30 creator licenses in Tableau, and no one is using Tableau Prep that I know of. I’m sure Tableau Prep will crank up, but it’s a niche product aimed at Tableau users only, while Alteryx is designed for people who use something else.”
- “My boss had 210 million rows of electric meter reading data. Snowflake was so fast. It does the processing. But what are you going to do with the data while it’s there, like looking at water leaks? You need Alteryx and Tableau to do analytics. Those are predictive tools that don’t come in Snowflake.”
- “A lot of the big competitors are too big and complex. I saw IBM’s product. It didn’t do everything that Alteryx does. It’s behind. The user interface is very rudimentary.”
- “We looked at [Olik \[Technologies Inc.\]](#), but Tableau is faster. SAS and Microsoft look okay, but not great. We were stunned by the data limits on Microsoft. Alteryx is way ahead of the curve. [Oracle \[Corp./ORCL\]](#) is a dying company.”
- “I have no direct experience with the smaller [competitors to Alteryx]. There will be more competition from smaller companies, where they can focus on this only.”

2) Senior data official at a European energy management firm

Alteryx users are incredibly enthusiastic about the software. Its online community can be quite helpful in answering questions. The software is easy to use and understand. It can aid in planning the smallest of details, such as where to place workers’ desks. Its machine learning capabilities are valuable. Free, open source software is often a good choice, but Alteryx offers great value. Neither Tableau nor other competitors are major threats.

Evaluating Alteryx

- “We started with a couple licenses two years ago and, after doubling at the end of last year, we’re up to 10. And I hope we can increase that.”
- “We were shopping around, as we had a lot of disconnected data systems. Alteryx was one of the few that had a tailored sales pitch for us with good examples. Everyone else just showed us a template.”

- “Their online community is really vibrant. Unlike most of the rest of the Internet, it’s a real haven of people helping others out.”
- “We are using Alteryx to centralize our data. We’re working with more people to blend in their own stuff. People who aren’t data experts can easily use it.”
- “I can take it in a meeting, put it on a projector, and walk someone through how I did it. You try to explain R code and their eyes glaze over. I can even explain Alteryx to the C suite, and they’re excited.”
- “Alteryx inspires almost religious fervor in people. We have a big chunk of work because our data is fractured. Alteryx is good at pulling data from different places. It cleans and prepares. It’s a quick way of building analytical models. If someone wants to add a column, it’s crazy fast. It can store data quickly.”
- “I use it for machine learning. We’re doing HR modeling. We have an old workforce and are doing attrition modeling. It can even help as to where to assign desks to people for the week. It connects to almost everything.”
- “We have physicists and engineers who can’t code, but they can use Alteryx easily. It’s a good way to have explainable workflows. You get rid of lines of text that blind people.”
- “Its weaknesses are minor. It’s a bit weird with posting dates sometimes, but maybe that’s us not using it right. They’re pushing cloud stuff, but security is big for us, so it will be interesting to see how that goes.”
- “When it comes to machine learning, Alteryx doesn’t really do imagery things. That’s not a core part of it. I could see a video feed being useful. We might fly drones looking for rust. But this is at the edges. These are all niggles.”
- “We use it a lot. Eight of our 10 licenses are in use all the time, and the other two are used frequently. When we break it out in a meeting, everyone wants it.”
- “It costs about £4,000 or £5,000 [\$5,225 or \$6,530] per license annually. I think we might get a deal on volume. I think it’s a great value. I’m an open source guy. I’m so offended spending money on software. But this has won me over. It’s the first time I’ve used paid software and not been disgusted.”
- “I don’t know if they have pricing power. For us, they could increase a bit. After a while, we would consolidate licenses. That’s what we’d do if they went beyond the cost of living in their increases.”
- “It would take a lot to get us away from Alteryx. It has gravity in that you can’t easily open your workflow somewhere else. It’s so helpful for us.”

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Comparing the Competition

- “I used Tableau a handful of times for its dashboard, but I don’t see it as a threat to Alteryx.”
- “Power BI would have to be improved significantly to become a threat. Microsoft accepting open source with embedded [R](#) could be transformational. R and [Python](#) drive data science.”
- “I’m not a Qlik fan. Its interface is 20 years out of date. It’s not user friendly. SAS and MicroStrategy seem like legacy products.”
- “Snowflake is more a complementary product to Alteryx. It pulls in data, but then you have to use the data.”
- “DataRobot does some neat stuff with messy data, but that’s only a bit of what Alteryx does and not with much more quality.”
- We have [Safe Software Inc.’s] [FME](#) and KNIME. They’re 10 years behind Alteryx—not user friendly.”
- “KNIME isn’t particularly impressive. It has a heavy user base, but it’s clunky. It doesn’t have the same level of connectivity as Alteryx. FME is pretty clunky. It’s more a spatial tool.”

3) Top data analyst at one of the country’s biggest retailers

Alteryx’s flexibility is unmatched. Employees are starting to use Alteryx for actual analytics and are excited about the prospects. Alteryx is easy to use and does not require any programming skills or much training. The cost savings from Alteryx is triple the cost of the licenses, though a large price increase would be a problem. Tableau Prep is fine for companies with simple needs.

Evaluating Alteryx

- “We’ve been using [Alteryx] since October 2015. We had a data prep problem we needed to solve, and I was able to do it within 15 minutes in a test of Alteryx. We quickly understood the power.”

- “Over the years, we have constantly monitored the landscape, looking at Tableau and [Domo \[Inc./DOMO\]](#), for example. Some of the tools overlapped. But, to this day, we haven’t found a tool with the flexibility to hit all use cases like Alteryx.”
- “We just re-upped a three-year deal, increasing our licenses to 250 from 200. Our first two or three years, we doubled the amount. Now we’re slowing down; 300 is probably our max.”
- “We use it heavily. We have users who run over 3,000 workflows in four months. Then it goes down to beginning users who are just a couple a day. As they begin to get more comfortable, they say, ‘What else can we automate?’”
- “We’re getting into the predictive area. That’s what’s exciting for us. The nice thing about the tool is that it allows people who aren’t coders to run linear regressions. It speeds up our process from wrangling and prepping data to analytics. Our usage will increase.”
- “The ability for all users to get in and go pick it up on the fly is great. Training is built into the tool. If you have a question, you can link to the community. There are thousands of users who can answer questions. There are live videos.”
- “You don’t have to document processes anymore; it’s in the tool. It’s helping us to advance to analytics in the supply chain.”
- “The fact that there are so many tools [that Alteryx includes]—a positive can be a negative. There’s a lot to learn. You have to download some things separately. Installation can be difficult for a global organization.”
- “They could clean up how add-ons—which do have benefits, especially for analytics—are put in so it’s more seamless. These were things we had to work through.”
- “Our contract is over \$500,000 a year for 250 licenses and two servers. We pay around \$2,000 to \$2,500 per license per year. The advertised rate is \$3,500 [per license per year] for three years.”
- “Their pricing power comes down to how much value customers see in the product. Some would tolerate an increase. Our three-year deal saves us a lot of money. We would pay three times more for our work without them. If all of a sudden they wanted a 10% increase, we’d ask why.”
- “It’s a very good value. To be able to automate, I don’t have to worry about the data prep line. Hundreds of hours are saved. It allowed us to get out from under a lot of manual steps. It makes us think differently about how to solve problems to make our processes more efficient.”
- “It’s changing the way we use data. That’s the predictive layer. Our data presentation used to just be descriptive, reporting history. Now we are looking at how we can automate things that weren’t available.”
- “It has given us more focus on how to roll out our analytic process. We aren’t spending all our time on prep and wrangling. We can get to diagnostics and machine learning. It has changed our mindset.”
- “It would be difficult to switch. Now our users are getting more advanced. Switching is doable as long as you have a strategy, but you would need one to one-and-a-half years.”

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Top data analyst at one of the country’s biggest retailers

Comparing the Competition

- “Tableau Prep is improving. It gives you a basic tool box. If your data is fairly clean, Tableau Prep is for you. If your organization has all kinds of data sets and databases, you need more than a basic tool kit. Alteryx has every tool.”
- “Tableau is good for visualization and dashboards, so we have as many Tableau users as Alteryx users. But we do a lot of other stuff as well. We look at Alteryx and Tableau as partnership tools.”
- “For complex needs, Tableau Prep isn’t a threat [to Alteryx]. If your things aren’t tied together, you can never use Tableau Prep. Otherwise, it might be a better option.”
- “We’ll probably continue to use Tableau Prep. At some point, we may just need one service, but we’re a long way from that.”
- “We’re dabbling with [Amazon.com Inc.’s/AMZN] AWS [Amazon Web Services]. They have the capability to simplify data, but that’s more ETL [extract, transform, and load]—moving data and processing it. There’s also the whole predictive space. They won’t take that away [from Alteryx].”
- “It’s a long-term strategy to move to the cloud. It may drastically reduce preparation work. But to get there is not a one- to two-year journey. That’s not an option for us now. Maybe we get there in five years. Then we have to see how Alteryx has taken predictive analytics further.”

- “The bigger companies aren’t really competitors [to Alteryx]. Bigger companies have a harder time developing the amount of things that Alteryx has created.”
- “Domo and DataRobot have certain things. But DataRobot is \$50,000 per license. That’s very advanced predictive analytics. I don’t see anyone taking on Alteryx.”
- “We demo-ed KNIME. It’s open source. Some will like it, some won’t. I used the 15-minute test. I tried the same things that take me 15 minutes on Alteryx. It took three hours.”
- “It’s not easy to use. For a global rollout, if things aren’t intuitive, it’s hard to get people to use it. KNIME has very advanced capabilities. But when it comes to building workflow with little to no knowledge, KNIME doesn’t pass the smell test.”
- “We do spend time learning new tools, because the analytics industry is evolving. But if we chase every shiny tool, it slows us down. Alteryx gives us everything we need.”

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4) Product manager for a software provider

Alteryx is easy to use and has strong data prep and modeling features. Alteryx and Tableau are complementary. Alteryx does not have room to raise prices, as there are cheaper alternatives, though they are not easy to use. If Salesforce fully integrates Tableau, that would be significant because his firm uses Salesforce for its customer relationship management. However, it does not seem like Tableau is a priority for Salesforce yet. Even the company’s Salesforce administrator is evaluating Alteryx. KNIME is getting a lot of buzz and would be a consideration if Alteryx gets too expensive.

Evaluating Alteryx

- “I’ve been using Alteryx for 10 years at several jobs. ... I started here six months ago. We have only one [Alteryx] license, which I brought with me.”
- “The trend at most places I left was to increase their [number of Alteryx] licenses. The problem is the cost model for small and medium-size businesses. It’s prohibitive at some point.”
- “Alteryx is great for its ease of use. The data prep is good for me. It’s good at heavy lifting. Most data isn’t clean. If you’re massaging data, Alteryx is probably the best.”
- “Building models [in Alteryx] that are predictive and descriptive is easy for someone who’s not a programmer. I’ve onboarded companies and, if they know Excel, it’s easy to pick up.”
- “We use both Alteryx and Tableau when we need a dashboard. We use Alteryx probably just once a week, due to the nature of our work.”
- “Alteryx’s weakness is that visualization isn’t very good.”
- “We pay the standard \$4,500 for a one-year license. I think they’re getting expensive. We’ve asked for a more spaced out payment—monthly or quarterly—but they weren’t flexible. It’s a lot, considering our usage and benefits, so we’ll see what happens.”
- “The value is great if you’re using all the tools.”
- “I don’t think Alteryx has pricing power. There are a lot of solutions and players out there. They can get creative with pricing—have a web model with a basic version. I have to justify the cost, and it’s hard. It’s getting so expensive that I can bring someone in-house and do it with Python or R.”
- “Alteryx is changing the way we do business. We have disparate data sources, so there’s not a whole view of data and customers. Tooling the data together is a big task, and that’s the key thing Alteryx is doing. That’s how I justify it.”
- “Stickiness depends on the organization. At my previous jobs it was sticky, less so now. That’s just a reflection of the work I have now.”

Comparing the Competition

- “Alternatives are cheaper, but more difficult to use. KNIME, Python, or R would take more work, but we could do it. KNIME is the big competitor.”
- “KNIME is the one I really hear about. That’s where I would look next if Alteryx got too expensive.”

- “Tableau and Alteryx complement each other. They don’t do well in each other’s specialty, even though they’re trying.”
- “Tableau Prep is improving, but I don’t think it’s great. It’s a souped-up Excel. It’s good at joins and basic cleaning. But it’s not at the same level of blending as Alteryx and doesn’t have the ability to do models.”
- “If Salesforce and Tableau can integrate, that’s a whole game changer. We use Salesforce for our CRM. If they integrate Tableau there, that changes everything, because our data is there.”
- “Salesforce would have to address the modeling part of it. I don’t know what Salesforce plans to do. It doesn’t sound like Tableau is a priority. Our Salesforce administrator is evaluating [Alteryx] even though she has Salesforce already.”
- “I don’t think Snowflake is easy to use. But the software-as-a-service model could be a major threat. It’s also cheaper; that’s a good niche for someone.”
- “The big guys aren’t really competitive against Alteryx. IBM and SAS are complicated tools. They can do a lot of the same things as Alteryx, but they’re incredibly expensive if you’re not a huge company.”
- “You also need to be a data scientist to onboard it. I’m not, and I couldn’t use SAS. If you buy IBM or SAS, it’s not just the software. It’s also a team to use it.”
- “DataRobot is an interesting machine learning competitor. Machine learning isn’t something we would use.”

Building models [in Alteryx] that are predictive and descriptive is easy for someone who’s not a programmer. I’ve onboarded companies and, if they know Excel, it’s easy to pick up.

Product manager for a software provider

5) Supervisor with a mid-sized accounting firm

There is no single competitor threatening Alteryx in the short term, but the many companies that replicate various Alteryx functions could chip away over time. The biggest threat is from deep-pocketed companies like IBM that are developing AI software. The speed and automation of the right AI software could make Alteryx redundant.

Evaluating Alteryx

- “I’ve been an Alteryx user for about four years. I began using the software at my previous company [one of the Big Four accounting firms], before moving to this company about 18 months ago. I use the tools both internally and for external clients.”
- “We still use other tools in addition to Alteryx; we’re heavily involved with the Microsoft suite of products, so [we use] Power BI, and I know there are other software products that I’m not familiar with that are used by different teams in the organization. And, of course, Excel is still used, as it’s also used across so many [clients and industries].”
- “Alteryx’s weaknesses are on the data visualization end. I don’t view Alteryx as a data visualization product, although it seems like they’re trying to enhance it somewhat. But, right now, they’re more the engine that produces the data that’s then going to be used in some kind of other data visualization tool.”
- “Our organization will definitely grow the number of [Alteryx] licenses this year; there is definitely some budget to expand there, but the exact number is unclear. I foresee an expansive team user base that would all be trained and thinking about Alteryx as a tool that they can use in their day-to-day operations.”
- “I’ve seen some of our larger clients see the value in Alteryx tools, and if they’re large enough—Fortune 500 clients—and have the resources, I’ve seen them trying to get some Alteryx licenses in-house to then leverage some of their cost to then lower their consulting fees.”
- “The time commitment that it takes to learn a new piece of software [has a lot of bearing on the stickiness]. The return on investment to learn a new software product is a big factor in the decision to move to something else.”
- “I have no reason to switch to another set of tools right now because Alteryx works great for me and I haven’t been shown a product with enough return on investment for me to learn a whole new program. My view is that we’re in a time where there is always going to be some kind of product or software attempting to gain market share by doing something faster or automatically—especially with the push towards AI. But I haven’t seen a product which does anything that Alteryx doesn’t. Maybe it does the same thing, but why switch if I’m already full versed in Alteryx?”
- “Even though Alteryx is somewhat established, it’s still a very specialized niche community in many ways. They have some first-mover advantage and they definitely have a [brand] name, but it’s early on and I think there’s a ton of

growth potential for them. I talk to all the companies that contact me in the space and I haven't found a product that has made me want to switch from Alteryx."

- "I'm using Alteryx for advanced calculations and modeling, and as a part of an overall business process automation, or robotic automation process."

Comparing the Competition

- "Tableau Prep, maybe for a certain piece of the market—maybe 10%—is maybe enough for them and they don't need the full build of Alteryx and they really want the visualization. So that could take a little piece of [Alteryx's] market share. And if you have 10 products all doing the same thing, and it's enough for the user bases, you could definitely eat away at [Alteryx's] market."
- "I have seen Tableau Prep's last updates. I think if you like Tableau and you like the visualization, and you don't need the full scope and scale and power of Alteryx, then I wouldn't recommend getting a license for both. If you more need the Tableau piece, Prep might be strong enough. But there are significant limitations [with Tableau's data prep tools] compared to Alteryx."
- "Power BI is an interesting one, because it's a low-cost solution that is pretty powerful, and people seem to like it. A lot of my colleagues use it."
- "What Alteryx does well that Power BI and Tableau don't is a tough question. It depends on what you're using it for. For me, I just see Alteryx as [having] the ease of use, the power of the tools, and the versatility and flexibility, versus Tableau Prep [that] can do only a small fraction of the same [data prep] functions."
- "SAS is doing a ton in the AI and automation space, but they don't have a product that comes to mind for me that says, 'Here's an Alteryx competitor.' Maybe they do have it, but I think of them more for AI builds, which are much more for in-depth."
- "I've done some data projects with Alteryx where the amount of data was astronomical; you couldn't even open it with Excel. It would be a learning project to see if I could do it in Tableau Prep, but I think the answer would be no."
- "Tableau is my preferred method of visualization. We use Power BI as well for some of the data visualization. For me, I think of Tableau as being the premiere product on the market on the visualization side. And I think of Tableau's data prep much in the same way that I think of Alteryx's visual capabilities: it's there so they have something, and I'm sure they want to expand it as much as possible, but it's not in their core line of service. I don't think it affects Alteryx negatively."
- "I don't foresee Tableau Prep or the smaller startups [being a major competitive threat]."
- "Where I do see eventual competition coming in is probably going to be on the AI side. There's such a push to AI—meaning increased speed and automation. I think those are the only areas where I could see potential competition coming in, where this would be a better viable product long term. But I haven't seen that yet."
- "AI has been a buzz term for years now, but it's not going away. The developments in powerful software mean that [it wouldn't be surprising] if something came on the market that made a lot of these other programs obsolete. It wouldn't surprise me because of companies like SAS and IBM with Watson. I think, long term, that's where the biggest threat and risk is for some of these [data prep software] products."

If you like Tableau and you like the visualization, and you don't need the full scope and scale and power of Alteryx ... Prep might be strong enough.

Supervisor with a mid-sized accounting firm

6) Former manager of analytics at a multinational logistics company; repeat source

The number of Alteryx licenses doubled to about 40 in the first half of 2019. Politics between departments stopped further growth beyond the tax department, where the new licenses are now being used. The IT department wanted to keep analytics functions from spreading out to other departments, an argument bolstered by Alteryx's high cost. There are no significant threats to Alteryx. Power BI and Tableau's data prep functions are inferior.

Evaluating Alteryx

- "The number of licenses went up last year because the tax department started using [Alteryx] and they re-upped for a pretty big increase [in the number of licenses]. I think they got 20 new licenses for their department, which brought the total to about 40 licenses for the whole company by the time I left."
- "The new company I'm with doesn't have [Alteryx], which I'm upset about. [My new company] uses Excel and SQL mainly, with some Power BI as well."

- “I like the Alteryx tools so much that I’m going to pony up the \$5,000 to buy a license for a side project I’m doing, a community-driven education project. I decided that if the company I work for doesn’t have the license available, I’m just going to get it for myself. I want to build an analytical tool to make the data better.”
- “[In my old company], the Power BI people won the data visualization battle. Alteryx stayed pretty strong within the departments, but IT remained pretty resolute in blocking Alteryx from growing a lot more. It’s hard to tell whether it was a cost-based decision or something else.”
- “I think if I had to read between the lines, it’s the IT department wanting to keep control over the data by not having too many tools [outside of IT]. Because data analytics is more flashy and more interesting, and since IT has the ability to get in on it—and if they can justify the company not spending money on additional software—then that’s not a hard case to make.”
- “There’s just a lot of turf protection happening, and whoever is demanding more resources to solve something, those are the people who don’t get their way.”

Comparing the Competition

- “At my new company, we have Power BI, but it’s such a waste of time [for data prep]. Getting something useful out of that tool is an absolute nightmare. ... I don’t see a lot of impressive change to Power BI.”
- “There’s an analytics department in this firm, but they seem more IT than anything, and there isn’t any space for lots of tools.”
- “I’ve been a Tableau user for five or six years. I haven’t seen or really worked much with the data prep function within Tableau, but I don’t see that really as a competitor. It’s like a playschool version of Alteryx from what I’ve seen and heard and read.”
- “It doesn’t seem likely that Tableau is going to encroach on Alteryx that much, although there are some basic functions that Tableau Prep has that, if that’s all you need, then you wouldn’t need to buy Alteryx. So maybe there’s a bit of competition, but [Tableau] data prep has been around for almost two years now.”
- “The truth is that [Tableau] is not really necessarily a lower price. From what I’ve seen, the pricing for these tools is not that transparent to most people interacting with them, and that’s particularly bad with Power BI, but it’s also quite bad with Tableau. So I actually don’t know how you would compare the prices.”

IT remained pretty resolute in blocking Alteryx from growing a lot more. ... It’s the IT department wanting to keep control over the data by not having too many tools [outside of IT]. Because data analytics is more flashy and more interesting, and since IT has the ability to get in on it—and if they can justify the company not spending money on additional software—then that’s not a hard case to make.

Former manager of analytics at a multinational logistics company

April 4, 2019 summary: Use of Alteryx is growing, though its price is an obstacle to faster adoption. Those who use it tend to love it and become reluctant to switch to something else. Tableau Prep is nowhere near Alteryx in terms of capabilities, and it would be difficult for Tableau to close the gap. Microsoft’s Power BI is the biggest threat to Alteryx, though not because it is a superior product. Power BI is much cheaper and is attractive to IT departments that want to maintain control over analytics functions, especially where larger Microsoft suites are already deployed.

7) Analytics associate for a mid-sized energy company

This oil and gas company of around 650 people has about 30 Alteryx licenses, and that number will likely stay steady or decrease. Alteryx is used as a supplement to Tibco Software Inc.’s [Spotfire](#) and to wrangle data sets which then go to either Power BI or Spotfire for visualization. There is no competitor likely to replace Alteryx any time soon. Many of the smaller, cheaper competitors with similar functions would be unlikely to meet the company’s insistence that enterprise software be well vetted, supported, funded, and scaled.

Evaluating Alteryx

- “We’ve been using Alteryx for a little over a year. It didn’t replace anything else; it just supplemented what we are currently using. We use Spotfire for visualization, data wrangling, and some of its data science capabilities. We also have Power BI, but trying to learn how to wrangle in that application in particular is not the easiest thing.”

- “We have a lot of engineering users in Spotfire, but there are lots of folks like those in finance who don’t use Spotfire, and for them [Alteryx] helps fill gaps.”
- “There is no limitation on who can use Alteryx; adoption is different across different groups—and we do very much try to keep our license count to a minimum, so there needs to be a very strong justification to use it.”
- “We have maybe 30 Alteryx licenses right now, for 600 to 700 people. I expect the number of licenses to be steady or decrease. I don’t expect it to increase.”
- “[The drop would be] because people move in and out of the company; if somebody drops a license, we don’t necessarily try to reallocate it. Our analytics within the company is evolving and changing, and so we’re still trying to figure out who should have licenses. If it’s going to go one direction or another, I expect it to go down.”
- “The first thing that I usually communicate to people when I talk about Alteryx is, it’s a pro and a con all at the same time. As you’re moving through [Alteryx], using different tools and thinking about how you’re going to architect things, you have to think in incredibly granular terms—that could be a positive or negative depending on who you are as a user or what you’re trying to do.”
- “On the positive side, because you have to think in such granular terms, I do feel like I understand my data sets a lot better than I did just doing data wrangling in Spotfire. And I’ve definitely learned a lot more about my data since I’m using [Alteryx]—which, if I’m trying to sell it as a good thing to someone, that’s the biggest strong suit: you get to know your data so much better than with other tools I have used.”
- “We’re using Alteryx to create data sets to deploy to visualization applications, like Spotfire or Power BI. With Spotfire, specifically, we have a lot of engineers, engineering techs, analysts who build these incredibly complex, really large Spotfire projects that do a lot of data wrangling. And while Spotfire has really good data wrangling capabilities, they take time. And so a couple of the projects I worked on in 2019 were Spotfire projects that were too slow to load. I would take all of the data wrangling out of Spotfire and put it in Alteryx and then feed the data set to the visualization application.”
- “It’s certainly making more data available to people and, whenever we got Alteryx, we put into place a business value tracker that tracks and quantifies the different values that we get from the application. A lot of that is time saved, it’s access to data sets that people didn’t have before, it’s speeding up stuff, it’s process improvement.”
- “[The degree to which] Alteryx is sticky depends upon the complexity of the workflows that you’ve built. I know the stuff that I’ve put into place—I’m a champion for certain technical or functional groups, so anything that they create I see. Some of it is really simple; we really like the scheduling stuff.”
- “But then I have this other workflow that, if we lost it, it would have a significant business impact, and I don’t know how we would recreate it, because we’ve never created it in Spotfire—never successfully. So the stickiness to some extent depends on those who are using it and also the underlying system.”
- “Where it’s especially helpful is if you’re working with highly normalized data bases, because when you start combining data from tables and views that are highly normalized, you start getting a lot of duplication of your records, and it’s being able to go through each of those steps and get rid of duplication and things like that where I find Alteryx is particularly helpful. It really shines where other applications have not.”
- “[Alteryx’s] pricing model is a bit weird. Pricing is, to some extent, built around your user count, but then they also charge you by the number of ‘cores’ that you buy, which influences how many workflows you can schedule at any one point in time. If you buy one core, you can only have two workflows running on the server at one time; that piece of their pricing model seems very strange to me.”
- “If you want to schedule workflows to run at specific times or intervals, you have to buy the server product, which isn’t a huge deal, and all of the other applications are that way. But when you do that, you have to buy ‘cores,’ and for each core, you can only schedule two workflows at a time. That, I feel, is annoying.”

As you’re moving through [Alteryx], using different tools and thinking about how you’re going to architect things, you have to think in incredibly granular terms—that could be a positive or negative depending on who you are as a user or what you’re trying to do.

Analytics associate for a mid-sized energy company

Comparing the Competition

- “I’ve used a little bit of Tableau. Spotfire is the one I know the best. I also know what the company is doing with Power BI and it’s definitely not a lot of data wrangling.”
- “All of the different visualization applications have different strengths and weaknesses. There are two things [Spotfire] is super weak on, and it’s why we filled the gap in with Power BI. One is that it’s not that pretty. Tibco has completely punted on adding visualizations or improving the quality of the visualizations; they allow you to connect

into Java visualization framework and then they sort of expect you to visualize it on your own. I feel like they're really going to get bitten by that in the end because developers do that kind of work, and it defeats the purpose of self-service."

- "The other thing with Spotfire is that it's not great on mobile; we could not get it up and running on mobile, and so Power BI was aesthetically more pleasing than Spotfire and it also has a better mobile component."
- "People really like the shiny visualizations of Power BI. ... Most of our Power BI is set by Alteryx data sets."
- "We do not use Alteryx at all for [visualizations]. I've tried to design some reports in Alteryx and it sucks at it."
- "I've seen people refer to a number of free versions of similar products [to Alteryx]. But, at the end of the day, the larger decision-making factor for purchasing decisions we make [is that] we're only going to say yes to applications that we think are enterprise grade: are they well supported? Are they well vetted? Are they well funded? Can they be scaled? We won't go for some open-source product that may or may not be around in five years. We're not going to sign onto that for some short-term cost savings."
- "I've seen a similar cycle with [competitors to the major] visualization applications. The [competitors] start out looking real cool, but when you get into the details of what you really need to do, and flush out how robust they are, a lot of them fall on their face."

8) Michael Chen, manager of HR analytics for Kattera, a construction company

Alteryx's strength is its wide capabilities when it comes to data manipulation and transfer. It is both user friendly and coder friendly. On the minus side, certain tasks require an extra step compared to Excel. Tableau's not a real threat, as it is not doing so well driving outside of its visualization lane. Big competitors have some strong tools, but not a complete platform like Alteryx.

Evaluating Alteryx

- "I've used [Alteryx] for five years. We have only three licenses so far, all in my department. As my team continues to grow and shows the value of Alteryx, I imagine every person I bring on the team will have a license. Data use for HR is on the rise. I'm trying to get other departments to adopt Alteryx as well."
- "Its strength is the capability for all sorts of data manipulation and transfer—putting it in a way that's readable in a variety of forms. It's very user friendly and coder friendly. It has everything from standard ETL features to more advanced statistical modeling capacity."
- "Its weakness is that sometimes it takes an extra step to accomplish something compared to another tool like Excel. Depending on the extra step, it can be worth it. But simpler tasks are sometimes easier in Excel."
- "We use it every day. I'm not sure the exact price we pay, but it's awesome value. I think they could raise prices. It's unique enough and does enough that they would retain customers. It would depend on how much they increased prices and how they rolled it out."
- "The route they seem to be going on is to provide add-ons that are pricier than the base tool."
- "I can't say it changes the way our company does business, because we're the only department using it. But it changes the way our department does business."
- "Stickiness depends on your use case."

Comparing the Competition

- "I've evaluated a lot of different tools, and so far I haven't seen anything with all the inclusiveness of Alteryx."
- "Tableau Prep isn't a big threat. They both play in their own areas, though there is some bleeding. Alteryx at its core is an ETL tool. It doesn't offer the same type of visualization as Tableau. Tableau has wonderful visualization, but isn't as robust on ETL as Alteryx is."
- "Snowflake isn't a threat to Alteryx. It isn't an ETL tool. There's [Informatica Cloud](#), but it doesn't have the capabilities of Alteryx."
- "The big competitors each have some powerful tools, but they aren't comprehensive like Alteryx."
- "As for [Dataiku](#), [Paxata](#), [Trifacta](#), DataRobot and KNIME, I haven't heard of any of them."

Its strength is the capability for all sorts of data manipulation and transfer—putting it in a way that's readable in a variety of forms. It's very user friendly and coder friendly. It has everything from standard ETL features to more advanced statistical modeling capacity.

Michael Chen, manager of HR analytics for Kattera, a construction company

9) Data analyst at a U.S. university

Alteryx is a good tool for data processing and wrangling, but weak for visualization. Tableau is the opposite, making the platforms complementary rather than competitive. Alteryx may have some room to raise prices but should not price itself as a full business intelligence service.

Evaluating Alteryx

- “I’ve been using Alteryx for one-and-a-half years and Tableau for six years. Tableau is great for data visualization and BI. Alteryx is good at ETL processing and data wrangling.”
- “Tableau is trying to build out Alteryx-like things, and Alteryx is building pieces for data vision. But, in my mind, those products are secondary. Neither does either one very well.”
- “Other than that, they both work well and pretty reliably. I view them as complementary. It’s not a matter of one or the other. We use Tableau much more than Alteryx, but that’s just because of the nature of our data.”
- “We have five [Alteryx] licenses, I believe. We will likely hold steady on that.”
- “We are using [Alteryx] mostly for data wrangling. There are a few cases where it is being used for predictive model training, though I’m in the process of converting some of those models into DataRobot, as they tend to fit better.”
- “A price increase by Alteryx would be difficult because we are an educational institution and money is harder to come by. But for a general business, Alteryx could probably go a little higher. They do have to be careful not to charge like a full BI service, when they are lacking those capabilities.”

Tableau is trying to build out Alteryx-like things, and Alteryx is building pieces for data vision. But, in my mind, those products are secondary. Neither does either one very well.

Data analyst at a U.S. university

Comparing the Competition

- “Tableau is perhaps a threat, but it would take a fair bit of work, because of the way Alteryx is set up. Its processes let you grab useful parts of data from different areas and utilize tools from different areas. That’s a challenge for Tableau. They don’t seem to have the architecture for that yet. Of course, everything can change.”
- “Alteryx doesn’t represent a threat to Tableau either. The way Alteryx’s visualization is set up at the moment is to create PDFs as the best case. I struggle to find a use for that, because you have to manually extract every piece of everything. It takes Alteryx an hour to do what Tableau can do in 10 minutes.”
- “There is room now for both platforms. It’s not as if one will erase the other.”
- “[Salesforce’s acquisition of Tableau] seems more beneficial for Salesforce to integrate Tableau into its service than for it to push Tableau to integrate Salesforce. That’s because Tableau already has a connector to Salesforce, but Salesforce doesn’t work the other way.”
- “Alteryx is more complementary than competitor [to Snowflake].”
- “I view Alteryx as a multi-tool and DataRobot as a specific tool. DataRobot is what you use for predictive analytics.”

2) Data Specialists

All three sources in this silo praised Alteryx for its speed, flexibility, and ease of use. License counts are growing with clients—deployments were up 33% last year, according to one source. More and more users are relying on Alteryx for advanced data analysis. The software appeals to a broad range of industries. Its high price may keep some small- and medium-sized businesses away, but Alteryx provides good value to those that can afford it, giving it further pricing power with larger companies. The platform is sticky because users love it and it would take multiple pieces of software to replace it. None of the three consider Tableau Prep to be a threat. One said Prep may appeal to beginners just moving on from Excel, but some of those users may graduate to Alteryx. Snowflake and Alteryx are a great combination for data processing and analytics, two sources said. MicroStrategy is getting some interest, especially among IT departments, and DataRobot has some appeal as well. Microsoft could turn its Power BI platform into a true Alteryx competitor if it chose to invest heavily there, one source said. Dataiku is proving popular with data scientists.

Key Silo Findings

Evaluating Alteryx

- 3 of 4 called Alteryx a great tool, especially for non-coders.
 - o It is flexible, fast, and easy to use.
- 3 said sales of Alteryx are growing.
 - o 1 said deployments among clients were up 33% in 2019, with deal sizes getting bigger.
- 2 said Alteryx is increasingly being used for advanced data manipulation.
- 1 said the major IT consulting companies are using Alteryx, raising awareness of the platform among top enterprise executives.
- 2 said Alteryx has broad appeal across retail, banking, government, and other organizations.
- 2 said Alteryx's high price is an obstacle to wider adoption, especially for small- and medium-sized businesses.
- 3 said Alteryx is a good value, despite its price.
 - o 2 said it has room to raise prices further, at least with larger companies, where it can leave the base license price alone but charge more for add-ons.
- 2 said Alteryx is extremely sticky.
 - o 1 said it would take multiple tools to replace Alteryx, adding complexity and cost.
 - o 1 said users love it so much they do not want to use anything else.

Comparing the Competition

- 3 said Tableau Prep is not a competitive threat.
 - o 1 said Prep may work for users just making the jump from Microsoft Excel but, as they get more advanced, they will want to move to something like Alteryx.
- 1 said Salesforce's acquisition of Tableau could give a small boost to Tableau Prep, but probably only in the small number of situations where a company uses Salesforce as its CRM and only has data needs for its sales team.
- 2 said Snowflake and Alteryx work together extremely well and are not competitors.
- 2 said MicroStrategy could be an option for some companies' data wrangling.
 - o 1 said some clients have complained about their IT department choosing enterprise tools like MicroStrategy over Alteryx, which business users prefer.
- 2 said DataRobot has some appeal.
 - o 1 said it is complementary to Alteryx.
 - o 1 said it is very easy for analysis to go awry with DataRobot.
- 1 said Microsoft's Power BI is nowhere near as nimble as Alteryx, but 1 other said Microsoft could be a competitor in the data prep market if it chooses to invest in a coherent offering, which he expects the company to do.
- 1 said Dataiku is gaining in popularity, especially among tech-savvy data scientists.
- 1 said use of tools like [Matillion](#) are on the rise at Alteryx's expense.

1) Founder of a U.K. firm that provides data analytics services

Alteryx will continue to gain traction as companies expand its use from simple data manipulation to more advanced work. Big consulting and auditing firms are using Alteryx, bringing it to the attention of C-suite executives. Companies in all different industries are utilizing it. Given its high price, Alteryx is mainly for large companies, but has pricing power with those bigger firms. Tableau is not a threat to Alteryx there, and the Salesforce acquisition does not change things. Snowflake and DataRobot can be used in combination with Alteryx. There are a lot of competitors offering pieces of what Alteryx does, but no one who competes with the whole ball of wax.

Evaluating Alteryx

- “[Alteryx] is still heavily underutilized. I think it will gain traction, moving from traditional data manipulation to more advanced use cases. I use it as a process automation tool. Its depth of integration makes it a strong contender.”
- “Its weakness is cost. That’s less of an issue for large companies. But for small and medium-size companies who just want prep and blend, it’s a lot. Tableau Prep and others can do that a lot less expensively.”
- “Our deployments of Alteryx are definitely going up—by one-third last year. Interest is stronger than ever. Deal sizes are getting bigger. We’re targeting more platform plays than individual analysts. We’re seeing bigger, broader deployment and think that trend will continue.”

- “We are seeing C-suite executives trying to see where Alteryx fits in automating whole departments and the business process. We use it as a tool to orchestrate the business process. That’s where the strength will be when people realize the output for Alteryx doesn’t always have to be a dashboard.”
- “Some of the big consulting companies and Big Four auditors are doing projects in Alteryx, and that’s helping to raise awareness in C suites. It’s helping to drive mindshare.”
- “Alteryx usage cuts across all different industries. We see a lot of retail companies, banking companies, finance offices across many companies, and HR departments. We are seeing both department and vertical solutions gaining.”
- “The retail price is about \$5,000 per seat. On bigger deals, the price can come down. The price prevents widespread adoption and makes it a niche tool. That’s been their strategy. Of course, six years ago, it was \$50,000 a seat. For bigger companies, the value outweighs the cost. It becomes a strategic sale.”
- “Alteryx has pricing power with bigger companies. What it will do is leave the core price the same, and then create additional features as add-ons, where it charges extra. It’s hard to raise base prices in this game. We’re seeing Tableau and other software companies unbundling services to raise prices without raising base prices.”
- “[Alteryx] is pretty sticky, more so than database architecture. If you use it at your maturity, it becomes the place where business logic sits. That becomes difficult to change. People can change the front and back ends more easily than they can change from Alteryx.”
- “With Alteryx and a creative analyst, you can do anything in the space. We’ve used it for robotic processes, analytics, data wrangling, and report creativity. We use it in so many ways that we can’t replace it with a single tool. You have to replace it with a stack of tools, which brings its own complexity and cost.”

Our deployments of Alteryx are definitely going up—by one-third last year. Interest is stronger than ever. Deal sizes are getting bigger. We’re targeting more platform plays than individual analysts. We’re seeing bigger, broader deployment and think that trend will continue.

Founder of a U.K. firm that provides data analytics services

Comparing the Competition

- “Tableau Prep is a threat for individual users. But it’s more of a threat to Excel. Individual users typically wouldn’t go for Alteryx anyway. Prep helps to advance the maturity of users, which could potentially help Alteryx. People start to realize what they can do and will look at moving up.”
- “Tableau Prep is a competitor for what Alteryx was three years ago. The way Alteryx is positioned, Tableau Prep is not much competition, in the same way that Alteryx visualization tools aren’t competition for Tableau either.”
- “The Salesforce acquisition could create competition. Salesforce is focused around CRM. If you have Alteryx in your CRM, that’s a threat. But Alteryx is used in so many different systems that the threat would probably be in very small numbers.”
- “If you’re using Alteryx just to manage your sales team, [switching to] a Salesforce-owned Tableau may make sense. But Alteryx is involved in all those other areas. It’s not something to ignore, but I don’t see Salesforce using its relationship to capitalize in that space.”
- “We partner with Snowflake. Snowflake and Alteryx together are the most exciting thing in our business. I don’t see them as competitors, more as enabling each other. I’m working on deeper integration of them. That gets people excited, because you can manipulate huge data sets with relative ease.”
- “In IT use cases, I’m finding people who really like [KNIME]. It’s got good features, but it’s very hard to use. Non-techies would struggle. It’s data scientists who like it. The No. 1 reason they go for it is cost.”
- “It may take some market share from Alteryx, but in a niche area. It’s for a coder who wants faster ways to do what he’s already doing.”
- “MicroStrategy is interesting. They are rebranding, taking a step back from visualization. They are focusing on data wrangling. A lot of customers love it, but they don’t have a huge market share. They were historically a tab company, but are gravitating more toward Alteryx.”
- “If you have any software, you should be worried about Microsoft. They are on the edges. If they decide they want a piece of the market, they can throw billions at it. But I don’t think they’re there yet in this case.”
- “They don’t quite have a coherent offering. But I think they ultimately will. Then it’s a matter of whether they position themselves as an Alteryx competitor. They have the resources to be a threat to anyone.”
- “We’re a partner with DataRobot. I think it’s quite complementary to Alteryx. We use the two together.”

- “Dataiku has mindshare. Some people like it. It’s a little niche. People who are data engineers and quite savvy with technology use it to deploy predictive solutions. We have a number of customers who love it. They are a competitor for some of what Alteryx does.”
- “There are a lot of competitors for parts of what Alteryx does, but no one who we’ve come across can do it end to end.”

2) Executive at a firm that helps companies with data; repeat source

Alteryx’s software is fast, flexible, and has a lot of capacity. The company did have a few snafus over the past year—some update releases were not fully tested and did not work properly—but Alteryx resolved the problems promptly. Many companies want to bring their data in house, and Alteryx allows them to do so. The software is extremely sticky. Alteryx and Tableau should stop trying to enter each other’s space; a merger would be spectacular.

Evaluating Alteryx

- “[Alteryx’s] strengths are flexibility, capacity, and speed. It can be used for data manipulation, spatial representation, report building, and automation. It’s easy to use compared to writing code, though there is a learning curve.”
- “I’ve been using Alteryx for 15 years, so I’m in Alteryx mode with a workflow mindset. It’s incredibly quick to make connections. If a client needs something, you can jump right on it.”
- “They had some missteps during the past year. It was more computer issues, not software. They didn’t fully test some releases, and that caused problems. There were updates where things didn’t work perfect. It was a little buggy.”
- “I got on the phone with their help desk, and they said, ‘We’re aware of it. Use this other version. In two weeks, we’ll release a new version that will solve all these things.’ That happened, and my colleagues said this was the fastest version ever.”
- “It was just a hiccup. I think it’s growing pains from a small private company to a large public company.”
- “We increased by one license last year to five, and we upgraded one we already had. We have quite a few users—the whole company. We help customers deal with data and we process global location data. With Alteryx, we can process terabytes worth of data.”
- “A lot of companies that have Alteryx are now able to challenge data providers, because they can check data. One client is rapidly expanding and gets a free report with mobile location data. But they want to bring it in house, so they can trust the results.”
- “More and more companies want to do it themselves. They can do that with Alteryx. Among the businesses we see using Alteryx are grocery stores, retailers, restaurants, real estate investment trusts, and municipalities.”
- “The size of [Alteryx license] deals depends on the sophistication of the company. Some just need a simple designer license. People with data science and spatial analytics get more advanced packages.”
- “Users at our clients pay retail prices. Alteryx has raised prices, making a lot of people angry. I still think it’s a bargain. A U.S. designer license is \$5,195. Spatial is another \$11,700—about \$17,000 total. Two years ago, that was \$15,000. With a business insights data set, the total goes up to about \$39,000. A few years ago, that was closer to \$33,000.”
- “But 15 years ago a designer license was \$80,000 itself, with add-ons the cost was \$230,000. So the price came down for a while. There is room for price increases. I don’t like it, but it’s still a bargain when the user is skilled.”
- “It’s sticky like fly paper or a rat trap. I know people who won’t go to a company that doesn’t use it. It allows you to do your job better than anything you’ve used.”

Alteryx has raised prices, making a lot of people angry. I still think it’s a bargain. ... There is room for price increases.

Executive at a firm that helps companies with data

Comparing the Competition

- “We haven’t even bothered to look at Tableau Prep. I think it’s two different animals. Tableau is trying to get into data prep and Alteryx is trying to get into visualization. I think both should stick to their knitting. If the two merged, it would be incredible. We use Alteryx for analytics, but deliver in Tableau Reader.”
- “One of our clients is bringing in Snowflake. But Alteryx and Snowflake will work together there. Alteryx already has a nice connection to Snowflake.”

- “Among the big [competitors to Alteryx], I’ve heard most about MicroStrategy. [Some clients are saying], ‘Our IT group wants us to use it, because someone up high decided on it.’ The sentiment is that it’s a step backward. [Some] clients are lamenting the fact that the non-business IT guys were making ‘strategic’ analytics software decisions without regard for the business users’ preference, [which is] Alteryx.”
- “I don’t think it is a trend [of IT departments wanting to take back data analytics functions]. I do think there are some old school IT departments that want to control everything.”
- “DataRobot has a lot of people’s interest, but if you don’t give [users] guard rails, some realistic guidelines [on using the software], who knows what kind of crap you’re going to get? [I have seen] DataRobot employees encouraging sales forecasting without regard to known statistical or spatial limits.”
- “For example, graduate-level retail geography programs teach a minimum of 30 stores for a sales forecasting model. For a regression model, the rule is at least 10 observations—stores—per variable. I saw a DataRobot model at one of my clients, with barely 20 stores, that had dozens of variables and split the sales by week—22 stores times 52 weeks equals a lot of observations. In my experience, that’s not kosher. On top of those issues, there was no regard for competition or market type, and they were using both mature and immature stores’ sales in the same model.”

April 4, 2019, summary: Alteryx is easy and quick to use and can handle a company’s entire workflow. It fits companies of all sizes in all industries. Visualization is its only weakness. Alteryx has changed the way businesses use data by allowing nontechnies to handle data. Nothing matches Alteryx for capacity and speed. It has room to raise prices further.

3) Data analyst for a global BI consultancy that is a Tableau partner

Alteryx will likely expand its presence with mid-sized companies in places like Singapore, India, and Canada. As an official Tableau partner, this source has provided corporate training sessions for Tableau Prep, but he does not see it as a threat to Alteryx any time soon.

Evaluating Alteryx

- “I’ve been using Alteryx for about a year. Alteryx is still on the top [for data prep], compared to Tableau Prep and others.”
- “Alteryx is a great tool for someone like me who doesn’t like writing code. It has a lot of easy drag-and-drop capabilities that make the data prep much easier than something like Informatica.”
- “We work with mainly mid-sized companies, many of which are starting to move into analytics and BI. It’s across a wide range of industry verticals. I expect to see more adoption overall [of Alteryx].”

Comparing the Competition

- “I’ve recently given trainings [to clients] with Tableau Prep and I haven’t seen a lot of the functionality that is there in Alteryx. Alteryx does a lot of advanced analytics that Tableau Prep cannot.”
- “If I look at the coming year, I don’t think Tableau Prep can be a competitor to Alteryx.”
- “Pricing [is relative]. It can take one day to do [in Alteryx] what you need a week to do in Power BI, so you get what you pay for.”

I’ve recently given trainings [to clients] with Tableau Prep and I haven’t seen a lot of the functionality that is there in Alteryx. Alteryx does a lot of advanced analytics that Tableau Prep cannot.

Data analyst for a global BI consultancy that is a Tableau partner

4) Director of a recruiting firm specializing in the data and analytics markets

Demand for workers with Alteryx experience has fallen slightly. The growing popularity of certain cloud warehouse software may be the reason.

Evaluating Alteryx

- Did not discuss.

Comparing the Competition

- “We’re seeing a little less demand [for people with Alteryx skills] over the last year or so and I put this down in part to a focus on the rise of the automated, fast-to-deploy, cloud data warehouse tools from the likes of Matillion.”

Secondary Source

This secondary source offered a deep dive on the data prep market, Alteryx's financial performance, and its outlook.

Jan. 14 Seeking Alpha [analysis](#)

Businesses' data needs have exploded to the point that spreadsheets are no longer sufficient, putting Alteryx in a prime spot to capitalize.

- "The amount and diversity of data (type, format, and source location) are rapidly increasing and this is driving the need for efficient tools to create and maintain data pipelines which convert raw data into monetizable insights."
- "Alteryx offers easy to use and intuitive self-service analytic software, which is targeted at business analysts not data scientists and primarily aims to replace tools like spreadsheets, not specialized data science software."
- "Self-service data preparation using spreadsheet software remains common today with [approximately 8% of employees](#) using spreadsheets for self-service analytics. There are an estimated 21 million advanced spreadsheet users worldwide, who on average spend 26 hours per week working on spreadsheets. These spreadsheets were not designed for modern big data requirements and as a result are inefficient, causing an estimated \$60 billion of lost productivity in the U.S. every year by advanced spreadsheet users."
- "The global market for big data and analytics software is large and growing rapidly. [IDC estimated](#) the market size to be \$49 billion in 2016 and projected it to grow at a rate of 10.5% annually through 2021. Within the big data and analytics software market Alteryx's software addresses the business intelligence and analytic tools, analytic data integration and spatial information analysis markets, which collectively represented approximately \$19 billion in 2016 and were projected to grow at a rate of approximately 8.8% through 2021."
- "Alteryx ([AYX](#)) offers self-service data analytics software which is designed to improve the productivity of business analysts by bringing a fragmented data analytic pipeline into one service. The functionality of Alteryx's platform includes accessing various data sources, cleaning and preparing data, and performing a variety of analyses. The software aims to replace traditional tools by offering ease of use, speed, sophistication of analysis and an intuitive user interface with a visual workflow. Alteryx's ultimate goal is to make their platform as ubiquitous in the workplace as spreadsheets are today."
- "Alteryx continues to achieve high revenue growth through increased customer numbers and expansion of revenue per customer. This revenue growth is yet to show significant signs of decline, indicating Alteryx still has significant room to grow before reaching market saturation."
- "The major cloud computing providers already offer an assortment of business intelligence and data analytics services and I expect these offerings to be expanded and more closely integrated with their cloud offerings in the future as these companies seek to offer customers holistic solutions. I believe Microsoft and Amazon ([AMZN](#)) are likely to be the most competitive in this area."
- "For Alteryx to be successful as a specialized provider of self-service data analytic software it must offer customers a compelling value proposition where the ease of use and efficiency of the software justify the higher cost relative to traditional tools. Alteryx must also ensure that their software offers customers sufficient benefit to justify the cost and complexity of having an additional service provider when they could use a cloud computing vendor as a one stop provider of all services."

Additional research by Emily Carr and Dan Weil.

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