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Crayon secures \$5m in venture capital funding with Baseline Ventures

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Steve Anderson,
Baseline Ventures

Boston, MA Crayon, the market and competitive intelligence platform company that enables businesses to track, analyze, and act based on market movements, has secured \$5 million in venture capital funding, led by Steve Anderson of Baseline Ventures. Anderson has landed on the Forbes Midas List, the definitive annual ranking of the world's best venture capitalists in technology, for the last four years and has led dozens of landmark investments including in Instagram, StitchFix, and Exact Target.

Crayon will use the new funds to double the team and accelerate growth. In 2017, the company grew its revenue by over 500%, tripled the size of its team, and saw its market and competitive intelligence platform adopted by tens of thousands of teams worldwide.

“Every company can benefit from market intelligence, and the Crayon team continues to execute to make that a reality for millions of businesses,” said Anderson. “Just as StitchFix started with humble beginnings and grew to \$2 billion market cap today, Crayon is on track to provide billions of dollars of value to businesses by giving visibility into their markets and competitors.” Anderson and his one-man firm was the largest shareholder in Stitch Fix, owning 28.1%, when it went public in November 2017. Those shares are worth about \$500 million as of April 2018.

The \$50 billion market research industry has relied heavily on human efforts, which cannot capture all the changes taking place in a particular market, nor capture them in a timely way. Crayon's software-driven approach to market intelligence allows businesses to get exponentially more data, surface the most critical signals, and act on that intelligence in real-time. Crayon tracks more than 300 million pages across 7.6 million domains and 2.4 million companies. It combines comprehensive data analytics with artificial intelligence (AI) to uncover relevant and timely insights for every employee, making it the most extensive competitive intelligence platform.

“Crayon is ripe for expansion now because today's digital footprints are much larger, massive in fact,

and continue to grow,” said Jonah Lopin, co-founder and CEO of Crayon. “Market intelligence has always been valuable for businesses, but it’s also been expensive because it’s human-driven, and the information most companies get lags the market and lacks action ability. Crayon is automating market intelligence to enable businesses to get off the sidelines and start capturing real-time, actionable intelligence so they can improve marketing campaigns, inform company strategy, and enable sales teams to close more business.”

Lopin joined Boston-based HubSpot as employee no. 6 and was on the management team for six years as the company signed its first 10,000 customers, going from \$0 to \$50 million in revenue. He co-founded Crayon in 2015, along with AdMob (acquired by Google) alumnus John Osborne. They had seen companies like HubSpot, Salesforce, and Google help businesses become data-driven in their sales and marketing by getting visibility into their internal environment. But those same businesses struggled to understand what was happening externally, missing significant opportunity to forge ahead of competitors and drive revenue.

"Crayon is 10 times better than hiring two full time people to do competitive intelligence,” said Crayon customer Dan Briscoe, chief revenue officer at SwoopMe and former VP marketing at HCSS. “In fact, even if you hired a team, there’s no way a person could find this level of broad intel, at scale, in real-time. The ROI of having a pulse on the market is massive. In just 30 minutes a day, I can keep up with my entire market, including competitors, customers, and our own company. If I’m in a competitive market, Crayon will be with me on day one.”

Crayon customers include Fortune 50 companies and mid-sized businesses across industries, including Intuit, Fuze, and Zendesk.

This funding round includes participation from existing investor and board member Eric Paley of Founder Collective, Maia Heymann at Converge, and notable angel investors. Crayon previously secured funding from Box Group and others including HubSpot founders Brian Halligan and Dharmesh Shah, Lean Startup author Eric Ries, Moat founder Jonah Goodhart, and Adobe chief product officer Scott Branson.