



Workplace after COVID-19

COVID-19 changed employee experience forever. Before the pandemic, work was mostly office-based and location-bound. Most tasks required a shared workspace.

What happens in the market

Gradually work becomes increasingly flexible and less dependent on offices. We see more and more tools that allow us to organize a borderless world of work. The COVID-19 pandemic lockdown showed that your workspace is not only an office in a business center, your Zoom Room can be easily one.

At the beginning of 2020, less than 5% of employees were working remotely. Now more than half of workforce have moved to telecommuting. By 2025, 40% of employees around the world will work from home, according to a new report by Tata Consultancy Services (TCS).

Why this industry will grow

The workplace revolution was in the works for the past 5 years and was triggered by COVID-19. That doesn't mean that everyone will move to telecommuting, but that does indicate that workplace processes will be reinvented with remote employees in mind.

There are nearly 1.3B professionals worldwide who will move to new remote solutions. The growth of workspace infrastructure in the wake of COVID-19 will create a \$500B market over the next 10 years (RBC Capital).

Collaboration software companies benefited mostly from the remote work trend. Investments in this business are up 65% since the pandemic. Cloud technologies, business intelligence, AI applications and automation also demonstrate solid growth: organizations have increased spending on these spheres by 30-50% this year.

Likewise, cybersecurity has become high on the agenda of companies and users alike. Remote work makes cyberattacks easier to pull off. Home Wi-Fi is less secure, and people are more vulnerable to phishing and other cyberattacks. If working from home has become a routine, these problems must be effectively tackled.

Stocks to watch in the future

Cloud-Based Data Storage

Snowflake (SNOW) allows corporate users to store and analyze data using cloud-based hardware and software. Snowflake reported around \$242M in revenue for the six months that ended on July 31, 2020. That means revenue grew about 133 percent from the same period last year. The company went public this year, and its stock has increased by 200% since the public offering.

Cohesity web-scale platform consolidates all secondary storage and data services into one unified solution. The platform simplifies data protection, consolidates file and object services, provides instant access to test copies, and performs in-place search and analytics. The company has raised more than \$660M from investors such as Sequoia Capital, Cisco Investments, and SoftBank Vision Fund. Over the year 2019, the number of new Cohesity customers doubled, the size of processed data (Q1 2019 - Q1 2020) also doubled, resulting in 150% revenue growth over the same period.

Honorable mentions: K12 (LRN), New Oriental Education (EDU), GSX Techedu (GSX).

Task and Project Management

Atlassian (TEAM) develops software for collaboration, task tracking, testing, and project management. Its products, among others, include Jira, a bug-tracking, issue-tracking and project-management software application; Confluence, collaboration software for mission-critical projects; Trello, a collaboration platform to coordinate on projects.

Notion, a private company from Silicon Valley. Its application allows users to connect components (such as databases, kanban boards, wikis, calendars and reminders) to create their own systems for knowledge management, note taking, data management, project management, among others.

Honorable mentions: Airtable, Asana (ASAN), Lucid, Mavenlink, Microsoft (MSFT), Monday.com, Planview, Smartsheet (SMAR), Workfront, Wrike, Trello (TWLO), 8x8 (EGHT), Zendesk (ZEN).

Business-Focused Chat and Communications Apps

Microsoft (MSFT), **Salesforce/Slack** (CRM). Microsoft Teams and Slack (acquired by Salesforce) – the most popular corporate messengers with 75M active users and 12M users in 2020 respectively.

Honorable mentions – Alphabet (GOOG), Cisco (CSCO), Mattermost, Symphony.

Video Conferencing Software

Zoom (ZM) – provides videotelephony and online chat services through a cloud-based software platform.

Honorable mentions: Alphabet (GOOG), Cisco (CSCO), Fuze, LifeSize, LogMeIn (LOGM), Microsoft (MSFT), RingCentral (RNG), Verizon (VZ)

E-signatures/ Agreement Management

DocuSign (DOCU) pioneered the development of e-signature technology and today helps organizations connect and automate how they prepare, sign, act on, and manage agreements.

Honorable mentions – Adobe (ADBE) and Dropbox (DBX).

Robotic Process Automation

Automation Anywhere allows businesses to spend less time and resources on routine tasks and redirect high-value human capital to core activities. Its intelligent platform enables you to create software bots to automate any business process. Over 2017-2019, Automation Anywhere saw a sevenfold increase in its customer base, from 500 to 3500.

Honorable mentions – UiPath and Blue Prism (PRSM).

Business Analytics Solutions

After a run of strategic acquisitions (Slack, Tableau, Mulesoft) **Salesforce.com** (CRM) operates in several key markets. A leader in cloud computing, the company offers applications for all aspects of business, has partnership agreements with Apple, Amazon and Google, and strategic investments in tech startups.

Honorable mentions (public companies): Altair (ALTR), Palantir (PLTR), Oracle (ORCL), ServiceNow (NOW), Autodesk (ADSK), Workday (WDAY), Alteryx (AYX), Adobe (ADBE), Elastic (ESTC), Datadog (DDOG), Veeva (VEEV).

H2O.ai aspires to make artificial intelligence for everyone. Its industry-leading enterprise platforms are used by thousands of organizations globally. H2O Driverless AI provides organizations with a customizable platform that allows organizations to develop applications and analyze data, saving them time and money they would otherwise spend on outsourcing such tasks to data scientists.

ThoughtSpot is a business intelligence and big data analytics platform that helps you explore, analyze, and share real-time business analytics data easily. ThoughtSpot integrates data visualization and enterprise Google-like search capabilities into a single platform for data discovery. This makes it easier to analyze data and build predictive models.

Honorable mentions (private companies): Databricks, DataRobot, Algolia, Sisense, Afiniti.

Cybersecurity

CrowdStrike (CRWD) provides a leading cloud-based cybersecurity solution – Falcon platform, which offers real-time protection and visibility across the enterprise, includes 10 cloud modules and covers several cybersecurity markets.

Splunk (SPLK) produces software for searching, monitoring, and analyzing machine-generated big data.

Honorable mentions (public companies): (ZS), Dynatrace (DT), Ping Identity (PING), CyberArk (CYBR), Check Point (CHKP), FireEye (FEYE), Fortinet (FTNT), McAfee (MCFE), Okta (OKTA), Palo Alto Networks (PANW), Proofpoint (PFPT), VMware (VMW), Norton LifeLock (NLOK).

Exabeam provides an enterprise security software package that's designed to detect security risks and attacks by watching user behavior.

Honorable mentions (private companies): Tanium and Malwarebytes.