



CADENCE

Market Validation Report

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Executive Summary

Cadence is an AI revenue-operations co-pilot for B2B SaaS revenue teams. It connects to a company's CRM, calendar, and conversation tools, then keeps pipeline data clean, flags deals that are slipping, and writes the next-step recommendations a RevOps analyst would normally produce by hand. The product targets Series A to Series C software companies with revenue teams of 20 to 200 people, where pipeline hygiene is already a problem but a dedicated RevOps hire is still a stretch.

The opportunity is real but contested. Revenue operations tooling sits inside a B2B SaaS software market worth roughly \$250bn in 2025, and the narrower category of AI sales and revenue tools is growing faster than the market as a whole, at an estimated 24% a year. The pain Cadence addresses is well documented: sales reps spend close to two thirds of their week on activities other than selling, and CRM data decays at around 30% a year as contacts change roles. Teams feel this every quarter when the forecast misses.

The risk is that the category is crowded and the incumbents are large. Salesforce, HubSpot, Gong, and Clari all touch parts of this workflow, and any of them could ship an overlapping feature. Cadence wins only if it does one job better than a bolt-on feature: turning messy, multi-source revenue data into a daily, trusted set of actions. The wedge is the mid-market team that has outgrown spreadsheets but cannot justify Clari's six-figure contract.

Our assessment is that this is a viable venture with a credible path to early revenue, provided the founder resists the temptation to compete on breadth. The defensible position is depth on data normalisation and a workflow that revenue leaders check every morning. The first 12 months should prove that a 30-person sales team will pay £600 to £1,200 a month and keep paying because the forecast got more accurate.

Problem Definition

Revenue teams run on data that is wrong more often than anyone admits. A typical mid-market SaaS company has its pipeline spread across a CRM, a few spreadsheets, an email tool, and a call-recording product. None of these agree with each other, and keeping them aligned is nobody's actual job. So it does not happen.

The people who feel this most acutely are heads of revenue and the RevOps analysts who report to them. Before every board meeting they rebuild the forecast by hand, chasing reps for updates and second-guessing stage labels they do not trust. A VP of Sales at a 40-person team described the monthly close as "three days of archaeology." That is the job to be done: produce a forecast leadership can stand behind, without burning a week on it.

Today they cope in three ways, none of them good:

- **Manual scrubbing.** An analyst or ops lead spends 10 to 15 hours a week cleaning records, deduping contacts, and fixing stale close dates. The work is repetitive and the data drifts again within days.
- **Process discipline.** Leaders push reps to update the CRM after every call. Compliance rarely exceeds 60%, because reps are paid to sell, not to type.
- **Heavyweight platforms.** Larger teams buy Clari or Gong Forecast. These work, but they start at £40,000 a year and assume a dedicated admin to configure them.

The cost of the status quo is concrete. When the forecast is wrong, leadership either over-hires into a quarter that does not materialise or misses a revenue target it could have caught early. For a £10m ARR company, a 15% forecast error is a £1.5m surprise. That is the number Cadence is competing against, not a software line item.

Industry Overview

Revenue operations emerged over the last decade as the function that stitches together sales, marketing, and customer success. What began as a CRM administration role has become a strategic seat, and the tooling around it has grown into its own software category. RevOps now sits at the centre of how B2B software companies plan, forecast, and compensate.

The tooling splits into a few layers. At the bottom sit the systems of record, dominated by Salesforce and HubSpot. Above that sit conversation-intelligence tools such as Gong and Chorus, which capture what was actually said on calls. Then come the forecasting and pipeline-analytics platforms, led by Clari, that try to turn all of it into a number leadership trusts. Cadence proposes to live in the gap between the system of record and the analytics layer, where most mid-market teams still rely on manual work.

Two structural shifts shape the industry today. First, buyers have consolidated their tool stacks after years of sprawl, so a new product has to justify itself against tools already in place rather than into empty space. Second, the arrival of capable language models has reset expectations: revenue leaders now assume software can read a sales call and summarise it, where two years ago that was a research demo. Both shifts cut against pure feature plays and favour products that own a clear daily workflow.

The buyers themselves are sophisticated. A head of revenue at a Series B company has usually seen three or four CRM rollouts and is sceptical of tools that promise to "transform" anything. They respond to specifics, fast setup, and proof that the forecast got better. Selling into this group rewards substance over marketing.

Market Sizing

We size the opportunity from the bottom up, anchored on the segment Cadence can realistically reach: B2B SaaS companies with revenue teams of 20 to 200 people.

Total addressable market. Global spend on revenue operations and sales-tech software was roughly \$30bn in 2025. This is the widest boundary, and most of it sits with customers Cadence will never serve directly, such as enterprises on Clari and Salesforce Revenue Cloud.

Serviceable available market. Narrowing to mid-market B2B SaaS companies in the UK, North America, and Western Europe gives roughly 45,000 companies that fit the team-size profile. At an average contract value of £10,000 a year, that is a serviceable market of around £450m.

Serviceable obtainable market. A realistic three-year target is 0.5% to 1% of the SAM. At the midpoint that is roughly 340 customers and £3.4m of ARR, which is a credible Series A outcome for a focused product rather than a blue-sky number.

- TAM: ~\$30bn global sales and revenue-ops software
- SAM: ~£450m (45,000 mid-market B2B SaaS teams x £10k ACV)
- SOM (3-year): ~£3.4m ARR (~340 customers)

The honest caveat is that average contract value carries the model. If Cadence lands closer to £6,000 a year because it sells to smaller teams, the same customer count produces 40% less revenue. The path to the SOM depends as much on moving upmarket over time as on raw logo count.

Target Customer

The primary buyer is the head of revenue or VP of Sales at a B2B SaaS company between Series A and Series C, with annual recurring revenue of £3m to £30m and a revenue team of 20 to 80 people. This person owns the number, sits in board meetings, and feels forecast errors personally.

The day-to-day champion is often a RevOps lead or sales-operations analyst who reports to that VP. They are the ones doing the manual cleanup today and they feel the pain most directly. In the smallest target accounts there is no RevOps hire at all, and the VP is doing the work themselves between calls. That is the sharpest version of the pain and the easiest sale.

These buyers cluster in predictable places. They read newsletters such as RevOps Co-op and Pavilion content, they ask peers for tool recommendations in Slack communities, and they trust referrals far more than ads. Outbound works if it is specific, but the strongest channel early on is warm introductions through founder and operator networks.

Budget exists and is rarely the blocker. A 40-person revenue team already spends £100,000 or more a year on tooling, so a £12,000 annual contract is a rounding error if it demonstrably improves the forecast. The real objection is trust: revenue leaders have been burned by tools that promised insight and delivered dashboards nobody opened. Cadence has to earn a place in the daily routine, not just the budget.

Competitive Landscape

The category is busy, and that is the central challenge. Cadence competes on three fronts at once, and it has to be clear about which battles it picks.

Forecasting platforms. Clari is the category leader and the obvious comparison. It does forecasting and pipeline analytics extremely well, but it is priced and configured for enterprise teams, with contracts that typically start around £40,000 a year. Cadence does not beat Clari head-on; it serves the teams Clari prices out.

Conversation intelligence. Gong and Chorus own the call-recording layer and have moved into deal-warning features. They are well funded and trusted, but their core job is the call, not the cross-system data hygiene that Cadence focuses on. There is overlap at the edges and a real risk Gong expands further into this space.

The systems of record. HubSpot and Salesforce both ship native forecasting and increasingly bundle AI features. This is the most serious long-term threat, because they own the data and can give features away. Cadence's answer is that its value comes from normalising data across systems, including the spreadsheets and tools that sit outside the CRM, which a single-vendor feature cannot reach.

- **Clari:** strong product, enterprise pricing, leaves the mid-market open.
- **Gong / Chorus:** own the call layer, adjacent rather than identical, real expansion risk.
- **HubSpot / Salesforce:** own the data, can bundle, but single-system by design.
- **Spreadsheets and a RevOps analyst:** the true incumbent in most target accounts.

The most honest read is that the biggest competitor is not a vendor at all. It is the analyst with a spreadsheet who is good enough to keep the lights on. Cadence wins by being faster and more reliable than that person, not by out-featuring Clari.

Market Growth & Trends

The underlying market is growing steadily and the AI-native slice of it is growing faster. Sales and revenue-ops software has expanded at roughly 12% a year over the past five years, while the subset of AI-assisted sales tools has grown at an estimated 24% a year as language models made the core features genuinely useful rather than gimmicky.

Three trends matter for Cadence. The first is the shift from dashboards to actions. Buyers are tired of analytics products that show a problem without telling anyone what to do, and they increasingly reward tools that produce a recommendation. The second is stack consolidation. After a decade of buying point solutions, revenue leaders are cutting tools and asking each remaining vendor to do more, which favours products that own a clear daily job over single-feature add-ons.

The third trend is the normalisation of AI inside the sales workflow. Two years ago, asking software to read a call and update a forecast was a demo. Today it is an expectation, and that change in buyer mindset is what makes Cadence sellable now rather than in 2023. The risk attached to this same trend is that it lowers the barrier for everyone, including the incumbents.

One counter-trend deserves a flag. Funding for B2B SaaS startups tightened through 2024 and 2025, which means Cadence's target customers are themselves under pressure to control spend. That is a double-edged signal: budgets are scrutinised more closely, but a tool that demonstrably improves forecast accuracy and reduces headcount need is exactly what a cost-conscious revenue leader wants to hear.

Barriers to Entry

The barriers to entry in this category are moderate and asymmetric. Building a basic version is not hard, which is precisely why the space is crowded. Building one that revenue teams trust enough to act on is considerably harder.

The first barrier is integration depth. Connecting cleanly to Salesforce, HubSpot, Gong, and a handful of calendar and email systems, then keeping those connections working as the vendors change their APIs, is ongoing engineering work that a weekend clone cannot match. Each integration also requires the partner's marketplace review, which takes time and adds friction for newcomers.

The second barrier is data trust. A forecast tool is only useful if leaders believe its numbers, and that belief is earned slowly through accurate predictions across several quarters. A new entrant starts from zero on this, which gives an established product a real head start even if the underlying technology is similar.

The third barrier, and the weakest, is switching cost. Once a team has configured Cadence, trained reps to rely on its daily recommendations, and built board reporting on its forecast, ripping it out is disruptive. This lock-in is genuine but takes months to develop, so it protects retained customers more than it deters new competitors.

The barrier Cadence cannot rely on is technology alone. The models that power the product are available to everyone, so the defensibility has to come from integration breadth, accumulated forecast accuracy, and the daily habit it builds, not from the AI itself.

Risk Assessment

The risks here are serious enough to warrant a clear-eyed look before committing.

Platform risk (high). The single largest threat is that Salesforce or HubSpot ships a free native feature that covers 70% of what Cadence does. Both have the data and the distribution to do it. The mitigation is to focus on cross-system normalisation and the mid-market workflow that single-vendor features ignore, but this risk never fully goes away.

Commoditisation risk (medium-high). Because the AI capability is widely available, a dozen lookalike products can launch quickly. Cadence has to convert early traction into integration depth and forecast-accuracy data before the field fills up.

Trust and accuracy risk (medium). If Cadence produces a confidently wrong forecast in a customer's first quarter, it loses the account and the reference. The product has to be conservative about what it claims and transparent about its confidence, which is partly a design problem and partly a culture problem for the team building it.

Sales-cycle risk (medium). Selling to revenue leaders who have been burned before means longer cycles and heavy proof requirements. A solo founder can absorb this early through hands-on selling, but it caps how fast the business can scale without a sales hire.

Market-timing risk (low-medium). Tighter SaaS budgets could slow adoption. This cuts both ways, since the value proposition is partly about doing more with fewer people, but it lengthens the path to volume.

Business Model Assessment

Cadence sells a per-seat subscription with a platform floor, the standard shape for B2B SaaS and the one buyers expect. A team pays a base fee that covers integrations and the shared forecast, then a per-seat rate for each rep who uses the daily recommendations.

Illustrative pricing puts the entry plan at £600 a month for teams up to 20 seats, a growth plan at £1,200 a month for up to 50 seats, and custom pricing above that. This lands deliberately below Clari and above the free native features, which is the gap the product is built for. At an average contract value of £10,000 to £14,000 a year, the model needs roughly 360 to 500 customers to reach £5m ARR.

The unit economics look healthy on paper. Gross margin should sit at 80% or higher once model-inference costs are managed, in line with software norms. The two numbers to watch are customer acquisition cost and net revenue retention. Early CAC will be high because the founder is selling by hand, but it should fall as referrals and content compound. Net revenue retention above 110%, driven by seat expansion as customer teams grow, is what turns this from a good business into a venture-scale one.

The model's main weakness is concentration in a single buyer persona. Because every customer is a revenue leader at a SaaS company, a downturn in SaaS spending hits the whole base at once. Broadening into adjacent verticals such as fintech or services revenue teams is the obvious hedge, but it is a phase-two move, not a launch decision.

Strategic Recommendations

The strategy that gives Cadence the best odds is narrow, then deep.

Win one workflow before adding a second. The temptation will be to match competitors feature for feature. Resist it. Own the daily forecast-and-next-steps routine for mid-market teams so completely that a revenue leader checks Cadence before their CRM. Breadth can come later, once the core habit is established.

Pick a beachhead and dominate it. Start with B2B SaaS companies of 30 to 60 revenue staff in the UK and US. This segment is large enough to matter, underserved by Clari, and reachable through founder networks. Becoming the obvious choice in one tight segment beats being a forgettable option everywhere.

Build the data moat deliberately. Every integration and every quarter of forecast accuracy is a brick in the wall against copycats. Prioritise integration depth and a visible track record of accurate forecasts over flashy new features, because that is what compounds.

Sell on outcomes, not AI. Buyers are saturated with AI messaging. Lead with the result, which is a forecast leadership trusts and a week of analyst time returned, and let the technology be the quiet reason it works.

- 0 to 6 months: hand-sell to 10 design-partner accounts, prove forecast lift.
- 6 to 12 months: convert proof into case studies, build inbound through RevOps communities.
- 12 to 24 months: deepen integrations, raise ACV by moving slightly upmarket.

Financial Projections

The projections below are illustrative and built on conservative assumptions: an average contract value of £12,000 a year, gross margin of 82%, and gradual monthly churn of 2% offset by seat expansion.

- **Year 1:** 25 customers, roughly £300,000 ARR. The founder sells most deals by hand. Spend is dominated by living costs, model inference, and a part-time engineer.
- **Year 2:** 110 customers, roughly £1.3m ARR. A first sales hire and a marketer join. Net revenue retention reaches 108% as early teams grow.
- **Year 3:** 290 customers, roughly £3.5m ARR. The model becomes inbound-led, CAC falls, and the business approaches breakeven on an operating basis.

The path to £5m ARR runs through year four on this trajectory, at roughly 400 customers and a slightly higher average contract value as the product moves upmarket. The single most sensitive input is net revenue retention. At 95% retention the business stalls around £2.5m ARR; at 115% it comfortably clears £5m on the same logo count. Expansion, not acquisition, is the lever that decides the outcome.

Cash needs are modest by venture standards. The founder can reach the first £300,000 of ARR on bootstrapped capital plus a small pre-seed, with a larger raise optional once forecast-accuracy proof points exist. This is a strength: Cadence does not need £10m before it generates revenue, which keeps the founder in control of the early decisions.

Operational Readiness

The technology Cadence depends on is mature, which removes a whole class of execution risk. Language models are reliable enough to summarise calls and draft recommendations, the CRM and conversation tools expose stable APIs, and the cloud infrastructure to run all of it is a commodity. None of the core capabilities require research; they require careful assembly.

The real operational work sits in three places. The first is integrations, which need ongoing maintenance as Salesforce, HubSpot, and Gong revise their APIs. This is a steady tax on engineering time rather than a one-off build. The second is data normalisation, the genuinely hard part, where messy multi-source records have to be reconciled into a single trustworthy view. This is where the founder's effort should concentrate, because it is both the hardest problem and the main moat.

The third area is reliability and security. Customers are handing over their entire revenue pipeline, so SOC 2 compliance, sensible data handling, and dependable uptime are table stakes, not nice-to-haves. A solo founder can reach SOC 2 readiness with a compliance-automation tool and focused effort, but it should be planned from the start rather than bolted on before the first enterprise deal.

For a founder using modern AI coding tools, the build is achievable solo for the first year. The constraint is not whether the product can be built, but whether the founder can build it while also selling, which is the familiar tension of the early stage rather than a technical blocker.

Commercialisation Plan

Go-to-market for Cadence is founder-led selling first, then a shift to inbound as proof accumulates.

Phase one, design partners. The fastest route to the first ten customers is warm introductions through founder and operator networks to VPs of Sales at SaaS companies. Offer a hands-on design-partner arrangement: a discounted rate in exchange for close feedback and, critically, permission to use their forecast-accuracy results as a reference. The goal of this phase is proof, not revenue.

Phase two, community and content. Convert the design-partner results into specific, numbers-led case studies and distribute them where revenue leaders gather, including RevOps Co-op, Pavilion, and targeted LinkedIn. Buyers in this segment trust peer evidence far more than advertising, so a single credible case study outperforms a quarter of paid spend.

Phase three, repeatable inbound. Once two or three case studies exist, layer in lightweight outbound to lookalike accounts and a simple self-serve trial for smaller teams. This is where CAC starts to fall and the business stops depending on the founder's personal network.

- First 10 customers: warm intros, hands-on selling, design-partner pricing.
- Next 50: case-study-led inbound through RevOps communities.
- Beyond 100: self-serve trial plus targeted outbound to lookalikes.

The pricing should stay simple early on. A single published mid-market plan reduces friction and signals confidence; custom enterprise pricing can wait until larger deals appear on their own.

Supply Chain Analysis

As a software product, Cadence has no physical supply chain, but it does depend on a chain of third-party services, and that dependency carries real risk worth mapping.

Model providers. The product relies on a large language model from a provider such as Anthropic or OpenAI. This is the most important dependency, since pricing changes or rate limits feed straight into gross margin and reliability. The sensible mitigation is to design the system so the underlying model can be swapped, keeping at least two providers viable rather than hard-wiring one.

Integration partners. Cadence reads data from Salesforce, HubSpot, Gong, and similar tools. These partners control their APIs and their marketplace terms, so a change on their side can break a feature or add review friction. Spreading across several integrations reduces the damage any single partner can do.

Infrastructure. Hosting, databases, and email run on standard cloud vendors. This part of the chain is well commoditised and low-risk, with credible alternatives for each component.

The honest summary is that Cadence's main supply-chain exposure is concentration on a handful of API providers it does not control. None of these dependencies is fatal, and all have mitigations, but the model-provider relationship in particular deserves active management rather than a set-and-forget integration.

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Prepared with Foray

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