

CRM integration set to go

As CRM integrations become increasingly core to businesses, Dutch innovator Red Cactus has emerged as one of the sector's most influential frontrunners. Here, co-founder Mark Minnaard discusses how CRM integrations and AI will be key to MSP differentiation.

Minnaard began his career as a baker and pastry chef but his entrepreneurial spirit drove him to return to education and strengthen his knowledge of finance and business management. After graduating, he joined the automotive industry where he helped set up a new business unit within a large dealership group. He then moved into a business turnaround role but really wanted to build and grow his own venture.

"The next step was to join forces with a business partner and acquire a telecoms company that was financially underperforming, of which I am still a shareholder," he explains. "We saw how CRM integrations were becoming an increasingly important part of the telecom offering, and started to build our own integrations because the integration industry at the time was not fit for purpose. It fell behind in areas like innovation, security, GDPR compliance, user experience

and partner support, despite CRM integrations becoming an increasingly strategic component of telecom providers' offerings.

"In many ways we were almost forced to start Red Cactus. Not because we had always wanted to build a software company, but because we were convinced that the market needed a fundamentally different approach."

Minnaard co-founded Red Cactus in 2020 with Jason van Belzen who has a strong software engineering background. "Our ambition wasn't simply to develop another integration platform, but to change the way they were designed, secured and supported," stated Minnaard. "From day one we chose a different approach. We placed a strong emphasis on user experience, security-by-design, GDPR compliance, comprehensive documentation, enterprise-grade infrastructure, continuous product



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development and a partner-first philosophy."

Today, Red Cactus' integration platform, called Bubble, connects more than 100 telephony platforms with over 230 business applications. The same infrastructure also serves the rapidly growing AI market through the AI Data Hub, enabling AI voicebots, AI chatbots, workflow automation and other AI applications to access real-time business data. "Together, these solutions help organisations automate

business processes, deliver richer customer experiences, and are used by a global network of more than 2,000 direct and indirect telecom partners worldwide," explained Minnaard.

Rising UK demand

Red Cactus' turnover has grown circa 40 per cent year-on-year. And it was around three years ago that demand from the UK increased sharply, which led the company to invest in a local UK presence largely overseen by fellow shareholder Walter Kaan. "Over the past 18

months we've also seen a clear shift with some of the UK's largest telecom providers choosing Red Cactus," added Minnaard. "Our partners now range from small telecom resellers to large comms companies, including many white-label providers and international SPs that offer our integrations as a standard part of their portfolio."

Red Cactus' distributor network worldwide grew last year from 20 to 33, an increase of 65 per cent that accounted for circa 75 per cent of the 450 new partners

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welcomed by the company, bringing its total network to the aforementioned 2,000 partner figure. "By 2027 at the latest, we plan for the vast majority of UK telecom providers to have access to the Red Cactus product portfolio, primarily through distributors," said Minnaard. "Beyond that, we continue to expand our support for UK-specific CRM systems. We already cover a wide range of vertical markets, and as our presence in the UK deepens we're seeing increasing demand from partners to add more UK-focused business applications."

Innovation

This high demand level is remarkable when you consider that until recently, Red Cactus' annual marketing budget was only 800 euros, almost entirely spent on its LinkedIn page. "Our growth wasn't driven by marketing, it was driven by a market that was ready for a different approach," added Minnaard. "If a newcomer can gain that much market share in such a short period of time, it says at least as much about the state of the integration industry as it does about Red Cactus."

The company is seeing more and more technology vendors choose to integrate with it to complement their own solutions. One example in the UK is Tollring. Red Cactus' platform is a good strategic fit with Tollring's AI-powered analytics and conversation intelligence, creating more value for mutual partners and customers.

"Communication is becoming increasingly intelligent and deeply integrated with CRM and business applications," said Minnaard. "The providers

that embrace this opportunity will be in a much stronger position than generalists who will increasingly struggle to differentiate, especially when you consider the growing competition from companies in adjacent industries, such as CRM vendors."

Stronger proposition

This is reflective of a big shift Minnaard is seeing in the market, that customers are no longer investing in standalone telephony solutions, they're buying business applications that are expected to inter-communicate seamlessly. "By embracing CRM integrations instead of focusing solely on workplace services, telecoms providers can deliver a much stronger proposition while preserving the differentiation that has always been their greatest strength," stated Minnaard.

"Our concern is that many telecom resellers are focusing so heavily on becoming broader IT providers that they risk overlooking this shift. In doing so, they become less distinctive, more dependent on a single technology ecosystem like Microsoft, and move further away from the expertise that originally made them successful."

Having already witnessed these developments in other markets, Minnaard believes that UK telecom providers still have a 'tremendous opportunity' to stay ahead. He concluded: "Those that combine their communications expertise with best-in-class CRM integrations and AI will be able to differentiate, strengthen customer relationships and compete from a position of expertise rather than dependency." ■

Just a minute with Mark Minnaard...

Role model: I have great admiration for disruptors who, driven by a strong vision that initially only they truly believe in, have the courage to reshape an entire industry.

Tell us something about yourself we don't know: I get my best ideas in the shower.

Best piece of advice you have been given: Never compete on price, focus on quality.

In hindsight: I may have focused on building Red Cactus as a global business from the outset rather than focus primarily on the Dutch market.

Three ideal dinner guests: A Christian, a Muslim and an atheist. I believe a respectful, in-depth conversation between people with different world views is valuable for gaining a better understanding of one another.

Your greatest strength and what could you work on? My main strength is an ability to focus intensely on a goal. But too much multitasking can make my brain display a 404 Error message.

Today's big leadership priority: Ensuring that your organisation remains agile enough to keep pace with rapid technological and market developments.

Your favourite comedian: Max Amini.

If you weren't in comms what would you be doing? I'd be a Pastor.

What would you change about the industry if you could? I'd like to see the integration industry raise its standards.

The best idea you've had? Starting a relationship with my childhood sweetheart, who is now my wife.

Top tip: Stay focused on what you believe in rather than follow the market or your competitors.