



EQUITY RESEARCH

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AlphaSense

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AlphaSense

AI-powered market intelligence and search platform

#b2b

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Details

HEADQUARTERS

New York, NY

CEO

Jack Kokko



REVENUE

\$400,000,000

2025

VALUATION

\$4,000,000,000

2025

GROWTH RATE (Y/Y)

73%

2025

FUNDING

\$1,397,000,000

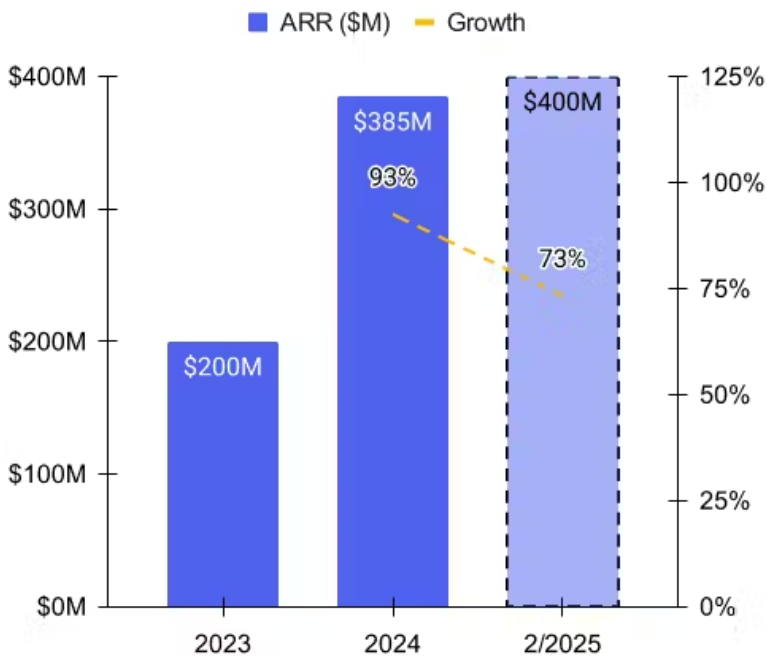
2024

Revenue



AlphaSense

Annual recurring revenue



Sacra estimates AlphaSense hit \$400M in ARR in February 2025, representing 73% year-over-year growth.

AlphaSense operates on a subscription-based model with annual contracts, charging \$10,000-\$20,000 per seat annually. Average deal sizes range from \$50,000-\$100,000+ for enterprises, with larger customers paying over \$1M. The company has successfully increased ARR per customer from \$28K to \$66K in less than three years.

Revenue is derived from multiple product tiers including Market Intelligence (external content access), Enterprise Intelligence (internal content integration), Wall Street Insights (premium equity research), and their Expert Transcript Library, significantly expanded through the \$930M Tegus acquisition in July 2024.

AlphaSense's customer base spans financial services (80% of top asset management firms, 75% of top hedge funds), corporate clients (85% of S&P 100 companies), consulting firms (80% of top consultancies), and healthcare companies (86% of top healthcare firms). Strategic acquisitions have been key revenue drivers, alongside expanding seat counts within existing enterprise accounts and upselling GenAI features.

Valuation

AlphaSense was last valued at \$4 billion in its Series E funding round in June 2024, led by Viking Global Investors and BDT & MSD Partners, with participation from Alphabet's CapitalG and Goldman Sachs Alternatives. At roughly \$292M in ARR at the time, AlphaSense was valued at a 13.7x forward ARR multiple.

Product

AlphaSense was founded in 2011 by Jack Kokko and Raj Neervannan. Kokko experienced the pain of manual research as an investment banking analyst at Morgan Stanley, spending hours using CTRL+F to search through thousands of PDFs to find relevant insights.

AlphaSense found product-market fit as an AI-powered market intelligence platform for financial services professionals who needed to quickly extract insights from vast amounts of business documents. Investment analysts, portfolio managers, and hedge fund analysts were the initial core users who valued the platform's ability to dramatically reduce research time.

The platform uses AI to intelligently search across millions of documents from thousands of sources, including SEC filings, earnings calls, research reports, and news articles. Its Smart Synonyms technology automatically expands searches to include related terms, ensuring comprehensive coverage without manual input. Users interact with a three-pane view that shows document lists, specific keyword mentions, and full document context simultaneously.

Corporate professionals now also use AlphaSense for competitive intelligence, market research, and strategic planning, with 85% of S&P 100 companies adopting the platform.

Business Model

AlphaSense is an AI-powered market intelligence platform that helps professionals find and analyze business information across millions of documents. The company operates on a subscription-based model with annual contracts, charging \$10,000-\$20,000 per seat annually.

The platform offers tiered subscription options including Market Intelligence (external content access), Enterprise Intelligence (adds internal content integration), Wall Street Insights (premium equity research), and Expert Transcript Library (150,000+ expert interview transcripts). Average deal sizes range from \$50,000-\$100,000, with enterprise deals reaching \$1M+ for larger customers.

AlphaSense monetizes by aggregating and providing AI-powered search across valuable content sources that would otherwise be difficult to access or require multiple subscriptions. This includes SEC filings, earnings calls, news, and proprietary content like equity research from major banks and expert interview transcripts.

The company employs a land-and-expand strategy, starting with a few seats in an organization and growing over time. This has proven effective, with average ARR per customer growing from \$28,000 to \$66,667 in less than three years.

AlphaSense serves two primary customer segments: financial services (80% of top asset management firms, 75% of top hedge funds) and corporate clients (85% of S&P 100 companies). The platform is also used by 80% of top consultancies and 86% of top healthcare firms.

Competition

AlphaSense operates in a market that includes established financial data providers, specialized research platforms, and emerging AI-powered solutions.

Financial data titans

Bloomberg Terminal dominates with 33% market share and commands premium pricing (\$27,660/year). Its strength lies in comprehensive financial data and the network effect of its messaging platform, making it indispensable for trading professionals despite the high cost.

FactSet (4.5% market share at \$12,000/year) excels in investment banking with superior Excel integration and financial modeling capabilities. While strong in quantitative data, it lacks AlphaSense's sophisticated search functionality.

S&P Capital IQ offers real-time market data and research tools primarily for investment bankers. It provides stronger quantitative analysis but weaker content discovery capabilities compared to specialized search platforms.

Specialized research platforms

Factiva (~\$5,000/year) from Dow Jones focuses on news and publication aggregation. It offers extensive media coverage but with less sophisticated search technology and minimal AI integration.

Before being acquired by AlphaSense, Tegus had built a formidable expert transcript library with over \$100M ARR. Its aggressive acquisition strategy (BamSEC, Canalyst) demonstrated ambitions to create a comprehensive research platform.

Sentio, also acquired by AlphaSense, had developed financial intelligence tools specifically for investors. The pattern of AlphaSense suing competitors (both Sentio and Tegus) before acquiring them reveals the competitive tensions in this space.

Emerging AI challengers

General-purpose AI tools like ChatGPT threaten to commoditize some search and summarization capabilities. While they lack access to premium financial content and domain-specific training, they're rapidly improving their financial knowledge.

The competitive landscape is evolving through consolidation, with AlphaSense's acquisitions of Stream (2021), Sentio (2022), and Tegus (2024) representing a broader trend of platforms expanding through acquisition rather than organic development.

Content licensing remains a critical competitive factor. While technology can be replicated, proprietary content libraries create defensible moats. This explains AlphaSense's focus on acquiring content assets like Tegus's expert transcript library.

The market increasingly segments between financial services users (who need deep financial data) and corporate clients (who prioritize competitive intelligence). This creates product development tensions as platforms try to serve both segments effectively.

TAM Expansion

AlphaSense has tailwinds from the explosion of unstructured business data and the AI revolution, with opportunities to expand beyond its current market intelligence platform into adjacent markets like enterprise knowledge management, specialized vertical solutions, and workflow automation tools.

Expanding the data universe

The volume of business information is growing exponentially, creating massive inefficiencies for knowledge workers. AlphaSense's core market of financial and market intelligence tools is estimated at \$13B annually, but the company's true opportunity extends far beyond this initial segment.

AlphaSense has already begun expanding from its financial services roots into corporate intelligence, now serving 85% of S&P 100 companies. This shift from serving primarily investment professionals to corporate strategy teams represents a significant TAM expansion, as the corporate segment has 10x more potential users than financial services.

The acquisition of Tegus for \$930M in 2024 demonstrates AlphaSense's commitment to building proprietary content moats. By controlling unique content assets rather than just aggregating third-party information, AlphaSense reduces licensing dependencies and creates defensible barriers to entry.

Enterprise knowledge management

AlphaSense's most significant growth vector lies in evolving from external content search to becoming the central nervous system for all enterprise knowledge. The Enterprise Intelligence offering, which allows companies to search their internal documents alongside external content, positions AlphaSense to capture a portion of the \$25B+ knowledge management market.

This expansion transforms AlphaSense from a supplementary research tool to mission-critical infrastructure. Companies that initially adopted AlphaSense for competitive intelligence can now use it as their primary knowledge repository, significantly increasing both seat count and annual contract value.

AI-powered workflow automation

AlphaSense's AI capabilities create opportunities to move beyond search into workflow automation. The company's Smart Summaries and Generative Search features demonstrate how AI can transform raw information into actionable insights.

The next frontier involves automating entire research workflows - from information gathering to insight generation to report creation. This positions AlphaSense to capture value from the \$15B+ market for business intelligence and analytics tools.

By embedding its technology deeper into user workflows, AlphaSense can increase switching costs and expand from its current \$66K average ARR per customer toward six and seven-figure enterprise deals. The company's rapid growth from \$100M ARR in 2022 to a projected \$400M by February 2025 demonstrates the market's receptivity to this expanded vision.

Risks

Content licensing dependency: AlphaSense's value proposition relies heavily on aggregating third-party content, including broker research, company filings, and news sources. If key content providers change terms, increase licensing fees, or terminate agreements, it could significantly undermine AlphaSense's core offering. While acquisitions like Tegos help build proprietary content assets, this fundamental dependency remains a structural vulnerability.

AI commoditization: As general-purpose AI tools like ChatGPT rapidly improve their finance-specific capabilities, AlphaSense's AI-powered search and analysis features risk becoming commoditized. The company's current differentiation through specialized AI could erode as competitors integrate similar capabilities and general AI models become more sophisticated in understanding business and financial contexts.

Supplementary tool status: AlphaSense functions as a complementary tool rather than a replacement for established platforms like FactSet or Capital IQ. This positioning creates vulnerability during budget reviews, as customers maintaining multiple subscriptions may cut AlphaSense first if established providers develop comparable AI-powered search capabilities.

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