

IR-0064 Slack

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Private Draft Business: Slack Generated: June 02, 2026 **Identity & Overview** Slack is a messaging app for businesses co-founded by Canadian entrepreneur Stewart Butterfield and is now owned by Salesforce. The four co-founders — Stewart Butterfield, Eric Costello, Cal Henderson, and Serguei Mourachov — incorporated Tiny Speck on January 1, 2009, to build Glitch, a socially driven web game. Distributed across San Francisco, New York, and Vancouver, the team developed a bespoke, searchable internal messaging system to coordinate real-time development and overcome the limitations of IRC and email. The app was originally developed as an internal communication tool for Butterfield's company Tiny Speck, particularly for those working on the multiplayer game Glitch. Left with about \$5 million from investors but no product after Glitch's closure, Butterfield and his team considered marketing their internal communication app, which Glitch's developers had found especially useful for sending and receiving messages and for quickly searching through archives of past conversations. Slack's preview release appeared in app stores in August 2013; the app was an instant hit. On December 1, 2020, Salesforce announced its plans to acquire Slack for \$27.7 billion; this deal, which closed in July 2021, marked one of the largest software acquisitions in history. The core business model is SaaS-based freemium: Slack utilized a freemium business model, allowing teams to use a basic version for free — reducing barriers to adoption — while paid plans with more features, integrations, and support were offered to convert free teams into paying customers as they expanded usage.

Market Position The team collaboration software market sees Slack positioned prominently, recognized for its user-friendly interface and extensive integration capabilities. While specific market share figures for 2024–2025 can fluctuate, Slack consistently ranks among the top solutions, often cited alongside Microsoft Teams as a market leader. Statista's 2026 enterprise messaging figures place Microsoft Teams at approximately 37% market share and Slack at approximately 13%. Microsoft Teams is a dominant force, deeply integrated with the Microsoft 365 suite, offering video conferencing, document collaboration, and communication tools — and its bundling strategy gives it a significant advantage, particularly within enterprises already using Microsoft products. Beyond Teams, competitors include Google, Discord, Atlassian, monday.com, ClickUp, Zoom, Mattermost, and Rocket.Chat. Slack dominates tech startups and firms under 500 employees, with a 52% market share in that segment. It has a strong presence in the technology, media, and professional services sectors. The IDC MarketScape: Worldwide Team Collaboration Applications 2024 Vendor Assessment recognized Slack as a Leader, with the IDC Research Vice President of Collaboration noting that Slack enables an ease of channel-centric collaboration across different modalities in a way that few products can.

Traction & Scale Slack has become a powerhouse in workplace collaboration with an estimated 47.2 million daily users and 79 million monthly active users in 2025. Daily active users grew from 8.7 million in 2019 to 47.2 million in 2025, marking a 5.4x increase in just six years. Nearly 80% of the Fortune 100 companies use Slack. Slack has 200,000+ paid customers globally, including SMBs and enterprises. The platform operates in 150+ countries, highlighting its global footprint. The top three geographies by customer count are the United States (66.29%), United Kingdom (8.62%), and Canada (5.51%). To support rapid international uptake, Slack opened hubs in Dublin and Melbourne after Vancouver and San Francisco, reflecting expansion into EMEA and APAC markets.

Key milestones: On October 31, 2014, just eight months after its public launch, Slack achieved a \$1 billion valuation, making it the fastest company ever to reach unicorn status at the time. In July 2018, Atlassian announced the shutdown of its competing HipChat and Stride and the sale of its intellectual property to Slack — effectively ceding that competitive space. Slack currently has approximately 2,607 employees as of April 2026.

Financial Picture Tiny Speck received angel funding of \$1.5 million in 2009, followed by Series A funding of \$5 million in 2010 from Accel and Andreessen Horowitz. In April 2016, Slack raised another \$200 million, led by Thrive Capital, with participation by GGV, Comcast Ventures, and existing investors including Accel, Index Ventures, and Social Capital. In September 2017, Slack raised \$250 million, the majority from SoftBank Vision Fund, putting total fundraising at \$841 million and valuation at \$5.1 billion. In June 2019, the company announced its direct

public offering with an opening price of \$38.50 and a market capitalization of \$21.4 billion. Salesforce then acquired Slack for \$27.7 billion in December 2020. Post-acquisition, Slack no longer reports standalone financials. Slack generated approximately \$1.7 billion in revenue in FY2023, as part of Salesforce's Platform and Other segment. The segment that now houses Slack, Agentforce 360 Platform, Slack and Other, contributed \$2.655 billion in Q4 alone; per Salesforce CEO Marc Benioff, Slack's revenue is expected to hit approximately \$3 billion in fiscal 2026. Total pre-acquisition funding raised was \$1.22 billion over 11 rounds from 70 investors.

Public Sentiment is broadly positive on product utility but carries recurring complaints about cost and feature depth. Verified users cite that it enhances productivity with app integrations, automated workflows for repetitive tasks, robust search capabilities, and quick options for calls and file sharing. Long-term users note they have found it the perfect replacement for internal emails, and while Microsoft Teams is alright for meetings, Slack is perfect for internal comms. On the negative side, users flag that the notification management system becomes unmanageable because of its default settings, which create notification fatigue. Prices saw a hike in late 2024, making value scrutiny more pressing. Others note that the free version hides message history after a certain period, which can be frustrating. On Trustpilot (UK), many users expressed significant dissatisfaction with customer service, highlighting unresponsiveness, and frequently encountered problems with the website and login processes. Conversely, a portion praised the intuitive interface and effectiveness for team communication, appreciating quick message catch-up, smooth integrations, and the ability to reduce email chains.

Media & Press In November 2016, Microsoft announced the launch of Teams — a direct competitor — and in response, Slack took out a full-page ad in the New York Times welcoming Microsoft to the market with a mix of confidence and cheek, showcasing Butterfield's leadership style. In July 2020, Slack filed a lawsuit with the European Commission accusing Microsoft of anticompetitive behavior, alleging that Microsoft illegally bundled its competing Teams product with the Microsoft Office suite. In October 2020, investor plaintiffs filed a class-action lawsuit against Slack in California, alleging securities violations tied to statements in Slack's June 2019 direct public offering documentation. In December 2022, Butterfield announced his departure as CEO of Slack and left Salesforce in early January 2023. Salesforce appointed Denise Dresser as Slack's CEO in November 2023. In December 2025, Dresser left to join OpenAI as its first revenue chief; Rob Seaman, Slack's chief product officer, took over on an interim basis. On March 31, 2026, Salesforce announced 30 new AI features for Slack, described as the most ambitious update since the Salesforce acquisition.

Current Status Slack is actively pivoting — not declining, but restructuring around an AI-first identity. Slack's revenue growth has declined from 46% year-over-year in Q3 fiscal 2023 to only 19% in Q3 fiscal 2025, signaling a maturing core business. The strategic response is a deep AI integration play. At Dreamforce 2025, Salesforce positioned Slack as the enterprise's new agentic OS, embedding AI agents, workflows, and CRM apps directly into the platform. Slackbot now functions as an MCP (Model Context Protocol) client, connecting to Agentforce — Salesforce's AI agent development platform — and capable of routing work to agents or apps across the enterprise without human intervention. Starting summer 2026, every new Salesforce customer receives Slack auto-provisioned by default, with Slackbot positioned as the daily AI interface for the platform — a significant structural shift that could dramatically expand its installed base. Daily AI usage among Slack users increased by 233% within six months in 2025, signaling rapid adoption of AI features.

Leadership instability is a live risk: in December 2025, chief product officer Rob Seaman was named interim CEO, and no permanent replacement has been publicly announced as of mid-2026.

Summary Verdict Slack** is a foundational enterprise communication platform with genuine cultural staying power, but it is navigating a critical inflection point. Born as an accidental pivot from a failed gaming company, it grew into the defining workplace messaging tool of the 2010s, achieved a \$27.7 billion acquisition by Salesforce, and now houses approximately 47 million daily active users across more than 150 countries. The brand is strong; the product is deeply entrenched in Fortune 100 companies; and its 2,600+ integration ecosystem creates genuine switching friction. The core risk is structural. Microsoft Teams — bundled into the world's most widely deployed enterprise software suite — has roughly 320 million monthly active users versus Slack's estimated 79 million. Slack is winning the preferred tool conversation among tech-forward companies but losing the deployment numbers game to Microsoft's distribution machine. Revenue growth deceleration (from 46% to 19% YoY) confirms the core business is maturing. Salesforce's response is to reposition Slack not as a chat app but as the conversational OS for its entire Agentforce AI platform. The auto-provisioning of Slack to all new Salesforce customers starting

summer 2026, combined with deep embedding of CRM apps and AI agents, is a credible — if overdue — strategic bet. Thirty new AI features released in March 2026 and early AI usage data (+233% in six months) suggest the pivot is gaining traction. The leadership vacuum (interim CEO since December 2025) introduces execution risk precisely at the moment Slack needs to press its AI advantage. One-line assessment:** Slack remains an indispensable tool for enterprise teams that choose it, but without a permanent CEO and with Microsoft's bundling advantage holding firm, its long-term trajectory depends almost entirely on whether Salesforce can convert Agentforce momentum into Slack expansion before the window closes.