# FROST & SULLIVAN

# Transformational Growth Leadership

## An Interview with Mani Vembu, CEO at Zoho

# Understanding Zoho's Approach to Growth and Innovation

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In this inaugural discussion, Krishna Baidya, Growth Expert and Director, ICT at Frost & Sullivan interviews Mani Vembu, the newly appointed CEO at Zoho, to shed light on the company's future vision, evolving growth strategies, innovative solutions, and competitive strategies.

# An Overview of our Conversation

**Krishna Baidya:** *Mani, congratulations on your new role as the CEO of Zoho. Let's talk more about that transition. Sridhar Vembu, the founder and longtime CEO, has been synonymous with Zoho, and now you're stepping into his big shoes. What are your early thoughts about getting into this new role?*

**Mani Vembu:** We look at this transition as a continuation of what we are doing. Most of the foundational blocks have been set, prioritizing research and development (R&D). Sridhar is progressing into a new role (as Zoho's Chief Scientist) in an era of rapid technological transformation. We've seen transitions from on-premises to cloud, cloud to mobile, and now we are entering another era of transformation. To make this successful, we want to delve deeper into R&D. We see this as continuity rather than a shift in how we do things.

**Krishna Baidya:** *What's Zoho's strategic roadmap for the next 1 to 5 years – which growth initiatives are in the pipeline and which ones are being fast-tracked?*

**Mani Vembu:** Over the past 5-7 years, our focus has been on customer relationship management (CRM) and **customer experience (CX)**. We are evolving from being a product vendor to a platform vendor, thereby increasing capabilities for our customers and partners. We are also moving towards a vertical-first approach, focusing on segments like banking, financial services, and insurance (BFSI) and dealer management systems (DMS) in India. So far, we have been successful in mid-market and large businesses segments, but now we want to replicate this across different geographies.

Frost & Sullivan's Transformational Growth Leadership Program aims to honor visionary business leaders who possess the foresight and leadership acumen to drive positive change within their organizations and industries. The leaders we celebrate hail from diverse sectors and company sizes, yet they all share an unwavering commitment to innovation and excellence.

Going forward, we aim to integrate new technologies seamlessly into our platform to enhance CX. Further, we will invest more in talking to customers, identifying their business problems, and integrating multiple journeys within the platform.

**Krishna Baidya:** *Zoho's sweet spot has traditionally been in the small and medium businesses (SMB) segment. As you move upmarket, how will large enterprises contribute to growth?*

**Mani Vembu:** We are seeing growth in enterprise or upmarket deals with higher adoption rates, inquiries, and closure rates. Now, we need to scale this momentum across regions while maintaining our strength in the SMB segment.

Our go-to-market (GTM) strategy focuses on three core layers—**Point products** for SMBs; **Application platforms** for mid-sized businesses; and **Developer platforms** for large enterprises requiring customization.

Our broad portfolio has the advantage of creating land opportunities with new enterprise customers, where we successfully land with one offering and then expand further, modernizing enterprise legacy systems, and building long-term relationships, while ensuring a strong SMB base.

**Krishna Baidya:** *With 55+ apps in Zoho's portfolio, how do you balance out-of-the-box functionality with customization. What role do external partners play?*

**Mani Vembu:** This varies across different segments. For SMBs, out-of-the-box solutions work well. For large enterprises, customization is essential as their processes are deeply embedded in organizational culture, unique processes, and governance requirements. For example, processes like approval workflows and data permissions differ widely in CRM and enterprise resource planning (ERP).

Large enterprises also have legacy systems, often without modern application programming interfaces (APIs), necessitating custom integrations. To address this, we have:

- **Zoho Enterprise Business Solutions** (EBS), a dedicated in-house consulting team
- An expanding **global network of implementation partners**.

Moreover, for horizontal applications like survey tools and e-signatures, plug-and-play adoption is easier. But for platforms like CRM, HR, and information technology service management (ITSM), we see extensive customization needs, making our partner ecosystem critical.

> **"Different market segments like CRM, HR, and ERP have varying needs. This implies that such segments won't benefit from readymade solutions with plug-and-play use. There is a structured process flow to this that is unique to each organization, based on organizational culture, permission layers, visibility needs, and approval processes."**
>
> — Mani Vembu, CEO at Zoho

**Krishna Baidya:** *How does Zoho's AI and data strategy stand out from others, and what can customers expect?*

**Mani Vembu:** We started investing in AI over a decade ago, providing contextual functionality like best time to contact, voice of customer, anomaly detection, and sentiment analysis. With generative AI (GenAI), we added summarization, contextual insights, and other capabilities.

Now, we're moving into Agentic AI, where AI actively assists with workflows, helping sales teams refine responses with AI-powered suggestions for customer service. Moreover, our AI framework is built on a central search layer that consolidates data across all Zoho apps.

Our privacy-first AI approach ensures that user permissions and governance are strictly enforced, and that AI models operate within a structured and secure data framework, complete with guardrails and input knowledge to make AI meaningful and contextual for their use case.

**Krishna Baidya:** *How does Zoho differentiate itself in a market where every vendor has a similar AI message?*

**Mani Vembu:** Zoho stands out in three ways. First, ease of implementation—our low-code tools make deployment faster and reduce the learning curve. Second, we own our technology stack, including cloud, messaging, and AI infrastructure, ensuring long-term control and cost advantages. Third, we maintain customer-friendly pricing—we do not charge extra for new features within Zoho One. Operational efficiency is our key value proposition.

**Krishna Baidya:** *With so many different product lines and platforms, what should customers remember Zoho for?*

**Mani Vembu:** Zoho enables operational efficiency and delivers cost-efficient, powerful business solutions. Our entire ecosystem is built for ease-of-use and seamless adoption, empowering businesses with a privacy-first, AI-driven approach.

**Krishna Baidya:** *Thank you for explaining this. Zoho's customer-centric strategies and the value you deliver is truly inspiring. Once again, congratulations on your new role, and I hope Zoho continues to thrive and achieve even greater success going forward.*



# Next Steps on Your Growth Journey

As businesses face constant tech change, staying ahead requires **innovation**, **agility**, and the **right strategic partners**. Frost & Sullivan's **Transformational Growth Leadership** program provides the intelligence and expertise organizations need to thrive through this change.

To uncover new growth opportunities, technology strategies, and best practices

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**Mani Vembu | CEO at Zoho**

Mani Vembu is the CEO of Zoho, a role he assumed in 2025. He joined Zoho in 1996 as a software developer and has since held various leadership positions within the company. Mani has been instrumental in driving Zoho's transition from on-premises solutions to cloud, mobile, and AI. Under his leadership, Zoho continues to focus on customer-centric success metrics and regional-led growth strategies.

**Krishna Baidya | Growth Expert and Director, ICT at Frost & Sullivan**

Krishna Baidya leads customer experience and connected work r esearch for the Asia Pacific region. Krishna has extensive experience in the technology sector, particularly in areas like contact center solutions and customer experience management. He is known for his thought leadership and strategic insights, making him a respected voice in the industry.

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