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Market Guide for Sales Performance Management

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Sales performance management is complex, requiring accuracy and timeliness in automating commission processing. Application leaders supporting sales technology should focus on operational excellence and use advanced analytics with machine learning to maximize operational and planning effectiveness.

Overview

Key Findings

- Incentive compensation management, being the primary purchase reason for sales performance management (SPM) solutions, must accommodate the complexity of crediting and compensation rules, as well as processing scalability.

- Administrative functions must be presented in a clear and easily understood manner and should be automated where possible.

- Sales organizations are looking to increase the value of sales performance management solutions in both the short and the long term. Areas such as streamlining operations and providing compensation insights are a priority.

- Scalability of the solution and compensation processing speed are key concerns for buyers.

Recommendations

Application leaders supporting CRM sales technologies should:

- Create a complete set of functional and technical requirements by working with business colleagues.

- Evaluate vendors for the depth and breadth of their products, as well as how key use cases are performed, by using a scorecard to compare the vendors' ability to meet requirements.

- Examine vendors' product roadmaps to understand areas of expansion that could contribute to better sales outcomes, such as planning capabilities that support sales forecasting, or broadening offerings to include more predictive analysis extending beyond sales to revenue.

Strategic Planning Assumptions

By 2026, 25% of organizations using a sales performance management (SPM) solution will optimize the design and maintenance of their sales compensation plans using advanced analytics solutions provided by their SPM vendor.

By 2022, 40% of B2B companies with more than 100 payees will employ sales performance management solutions to reduce their hidden incentive compensation overpayments by 3% to 5%.

Market Definition

This document was revised on 10 March 2021. For more information, see the Corrections page on gartner.com.

Sales performance management is a suite of operational and analytical functions that automate and unite back-office operational sales processes, and are implemented to improve operational efficiency and effectiveness. SPM core capabilities include incentive compensation management (ICM), territory management (TM) and quota management (QM). Additional capabilities may include objectives management, quota planning, territory planning, advanced analytics, natural language processing and exploration, gamification and mobile applications (see Figure 1).

Figure 1: Sales Performance Management Defined

Sales Performance Management Defined
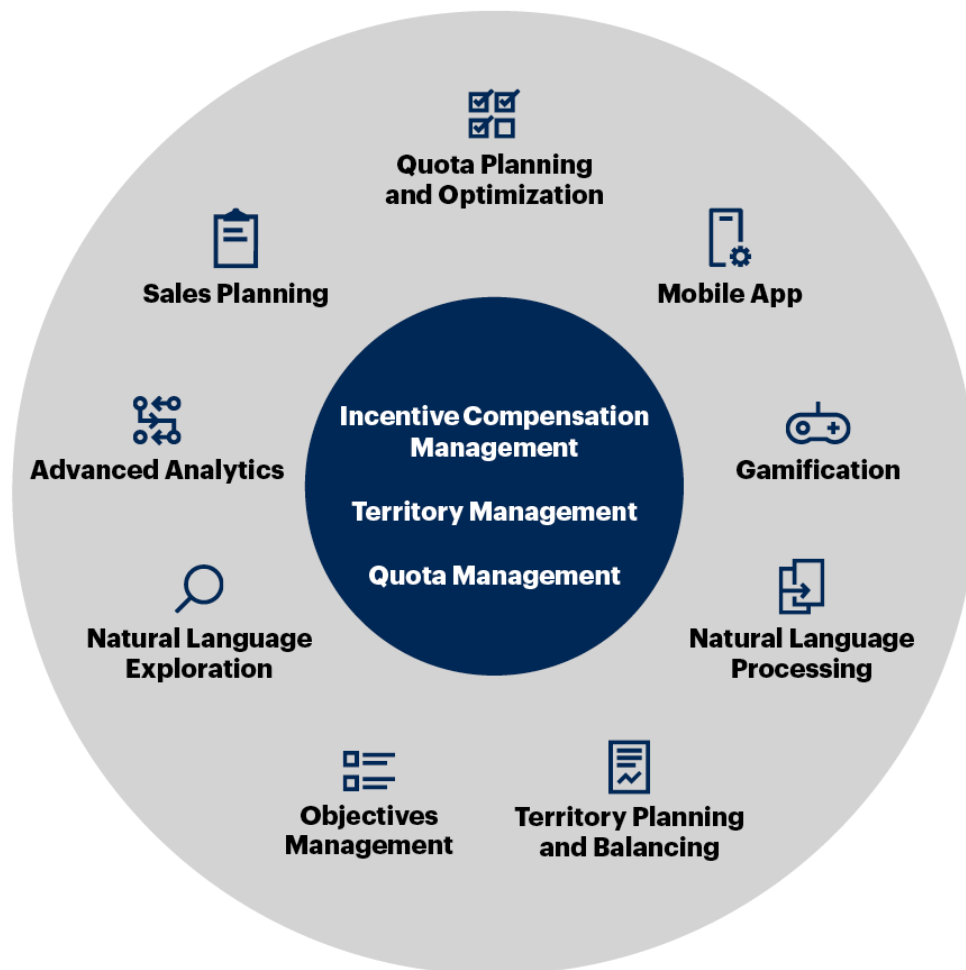
Source: Gartner
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Market Description

Gartner observes that the market continues to adopt sales performance management (SPM) as a core technology in the sales technology stack. Over 50% of organizations have adopted an SPM solution (see Hype Cycle for CRM Sales Technology, 2020). Each vendor varies in depth and breadth of functionality, and some vendors are more suited to a particular vertical or organizational size. In this research, we describe SMB (less than 150 payees), midmarket (150-1,000 payees) and enterprise (1,000+ payees). Buyers must document, at a granular level, their requirements, resources, skill sets and culture to select a vendor best suited to their organization.

Market Direction

The SPM market grew by 8%, to $1.187 billion, in 2020. SPM vendors have begun to broaden offerings while continuing to deepen core capabilities. Expansion areas include advanced analytics, as well as sales forecasting and revenue operations. Expansion in these areas strengthens the SPM connection to CRM, sales enablement and business planning within organizations. This market continues to focus on incentive compensation, and buyers should look for vendors with deep capabilities to meet their functional requirements. Additionally, buyers should look at interoperability with other common systems in the tech stack, such as CRM and finance, to support extended planning and analysis (xP&A). Vendors should provide a user experience that is modern and easy to work with for sellers, managers and administrators. The solutions must go beyond automation to actually improve the experience for back office workers. Look for the broadening of some of the more mature vendors to expand to complementary areas, such as sales forecasting and revenue operations.

While the COVID-19 pandemic has played a role in the scrutinization of the purchasing process for SPM solutions, organizations with over 50 sales people being paid on variable compensation on a frequent basis must evaluate these solutions for both efficiency as well as regulatory compliance.

Market Analysis

The SPM market is a mature market regarding core SPM capabilities, although there will be some differences in the depth of features and functions within each solution (see Note 2). However, the use of analytics and machine learning continues to expand, both for core SPM purposes, such as incentive compensation modeling, and for connected areas. Gartner sees vendors embracing planning for sales forecasting and sales capacity planning. Some vendors are also adding capabilities to support large operational functions, such as revenue operations or lead to revenue. These types of capabilities will help SPM to be more relevant and used to increase the frequency of better sales outcomes within organizations. Table 1 provides a list of capabilities or functions supported by different vendors (see Note 3).

Table 1: Vendors and Capabilities or Functions

Vendor	SPM (ICM, TM, QM)	QP	TP	ML Analytics	NLE	NLP	RevOps	M A
Akeron	X	X		X			X	
Anaplan	X	X	X	X	X	X	X	X

Vendor								
beqom	X	X	X	X			X	
Blitz	X	X			X	X		X
CaptivateIQ	X		X					
Incentives Solutions	X	X	X	X			X	X
NICE	X	X	X	X				X
Optymyze	X	X	X	X	X	X	X	X
Oracle	X	X	X	X	X	X	X	X
Performio	X							X
SAP	X	X	X	X	X	X	X	X
Spiff	X	X		X			X	X
Varicent	X	X	X	X	X	X	X	X
Xactly	X	X	X	X		X	X	X

Source: Gartner (March 2021)

Representative Vendors

Market Introduction

The vendors listed in this Market Guide do not imply an exhaustive list. This section is intended to provide more understanding of the market and its offerings.

Use Table 2 as a quick reference guide to representative vendors and their SPM solutions (see Note 1). Note that many vendors offer tiered licenses or multiple product versions that affect their licenses. These solutions are generally delivered as SaaS. There are, however, some exceptions, in which an on-premises, hybrid (in the customer's cloud) or PaaS may be offered.

Table 2: Vendor Products

Vendor	Product Name
Akeron	Akeron Sales Performance Management (Akeron SPM) Modules: ■ Sales Planning ■ Quota Planning ■ Trade Promotion Planning ■ Incentive Compensation Management ■ Trade Promotion Management ■ Analytics and Performance Reporting
Anaplan	Anaplan for Sales: ■ Anaplan Sales Planning ■ Anaplan Sales Incentives ■ Anaplan Sales Insights
beqom	beqom

Blitz	Blitz Modules: ■ Incentives Management ■ Incentive Tracking
CaptivateIQ	CaptivateIQ
Incentives Solutions	JOOPY Basic JOOPY (on-premises) JOOPY Incent (Cloud-based or on-premises Employee Centric SPM platform) JOOPY EPM JOOPY Tech JOOPY Merit JOOPY Insurance (Previously called INCENTIVES PRO) JOOPY PRM
NICE	NICE Sales Performance Management (SPM) Modules: ■ NICE Incentive Compensation Management (ICM) ■ NICE Territory and Quota Management (TQM) ■ NICE Sales Compensation Analytics ■ NICE Performance Management (Employee coaching)
Optymyze	Optymyze Sales Performance Management
Oracle	Oracle Sales Performance Management

Performio	Performio
SAP	SAP Commissions SAP Territory and Quota SAP Agent Performance Management
Spiff	Spiff
Varicent	Varicent Incentive Compensation Management The broader components include: Symon.AI, Lead to Revenue, and Territory and Quota Planning
Xactly	Xactly sales planning software Xactly Advanced Quota Planning Xactly AlignStar Xactly Incent — Incentive Compensation For The Enterprise Xactly Objectives Xactly Commission Expense Accounting Xactly Insights Xactly Forecasting Xactly Connect Xactly Forms Xactly Show Me Xactly Operational Sales Management (OSM) Xactly SimplyComp

Source: Gartner (March 2021)

The vendors listed in this Market Guide do not imply an exhaustive list. This section is intended to provide more understanding of the market and its offerings.

Vendor Profiles

Akeron

Akeron's SPM solution is deployed as SaaS or on-premises. Akeron's customers are typically midmarket to large businesses in consumer packaged goods (CPG), wholesale trade, retail, manufacturing and financial services. Representative customers include Randstad, Decathlon, Dr. Oetker and HDI Global.

Akeron SPM includes six modules that cover incentive compensation management, sales planning, quota planning, trade promotion planning, trade promotion management, and analytics and performance reporting. Besides addressing the needs of sales teams, Akeron SPM supports other departments, including finance and HR. Its unified management of trade promotions and sales force incentives offers an integrated view of those functions, especially for CPG companies. Administration includes both advanced data visualizations and areas with Microsoft-Excel-like functionality, such as quota planning. The low- and no-code platform also focuses on planning, data management and reporting capabilities through its OEM agreement with CCH Tagetik.

Over the past year, Akeron's product developments focused on UI/UX improvements and third-party integrations, including CCH Tagetik and SAP S/4HANA. Improvements were made to the incentive plan setup optimization and graph of conditions.

Pricing is based on the module chosen, number of users, size of the company and whether the deployment is on-premises or cloud. Akeron supports out-of-the-box integrations with CCH Tagetik, Salesforce, SAP S/4HANA, SAP Analytics Cloud and Microsoft Power BI.

Anaplan

Anaplan's SPM solution is deployed as SaaS. Anaplan's customers are typically midmarket to large businesses in communications, media and services, retail, manufacturing and high tech, banking and securities, and life sciences.

Anaplan for Sales supports solutions for sales planning, sales incentives and sales insights. It helps to connect go-to-market strategy with sales performance, with the goal of driving growth. The xP&A platform works with Anaplan's other solutions to create a connected view of sales performance, including workforce planning, financial planning and analysis and the supply chain.

Over the past year, Anaplan's product developments focused on its platform and integrations, specifically a new console-based user experience, unified mobile application designer and Power BI, as well as Hypermodel, which enables customers to scale their models and workspaces while maintaining real-time calculation. Anaplan also added its Anaplan PlanIQ with Amazon Forecast and snapshotting of predictive insights intent.

Anaplan's pricing is based on the number of users and the persona of the users, with an additional variation for the tier of offering (Basic, Professional or Enterprise). Anaplan provides standard

integration templates to common CRM and ERP systems, and includes a native connection with Salesforce.

beqom

Beqom's SPM solution is deployed as SaaS. Beqom's customers are typically large businesses in the banking/financial services, manufacturing/technology, retail and automotive industries. Representative customers include PepsiCo, Syngenta and Fujitsu.

Beqom's solution supports midmarket to large business scalability, flexibility supporting not only variable sales compensation, but end-to-end total compensation. Beqom provides a template-based solution for financial services. Its Rapide package for midmarket provides solutions with quick deployments and easy step-by-step configuration. Its mobile application provides visualizations and detailed information for sales users.

Over the past year, beqom's product developments focused on improving the administrative user experience and calculation processing performance, as well as adding new compensation functionality. Specific improvements included an AI package for churn and pay equity. This package utilizes machine learning to create detailed visualizations for exploration. The Rapide package has been improved, providing clear step-by-step configuration and data mapping via Microsoft Azure Data Factory or API, and is useful for businesses of all sizes. Customers can configure dashboards for end users with drag-and-drop data features for visualizations.

Beqom's annual per-user pricing is based on the total number of users of the platform. Additional modules are priced separately and dependent on volume. Beqom leverages Microsoft Azure Data Factory for API-based integration, providing connectors with 284 solutions or sources.

Blitz

Blitz's SPM is delivered as SaaS. Blitz's customers are typically midmarket to large businesses in insurance, retail, high-tech software, banking and professional services. Representative customers include Prudential, ProFuturo, Bancolombia and Renters Warehouse.

Blitz's low-code platform employs a natural language processing (NLP) rule engine to support ease of use in plan configuration. Blitz also supports real-time commission calculations. It offers two modules. Incentives Management is used by the compensation manager to create compensation plans, including quota, territory, crediting and payout. It is also used to manage and process incentives or commissions, including draws, clawbacks, splits, chargebacks and adjustments. Incentive Tracking is used by team leaders and individual team members to track their incentives.

Over the past year, Blitz's product developments included white-labeling capabilities, as well as electronic invoice consolidation (for LATAM customers). The UI has been improved overall, and analytics widgets are filterable and drillable. In addition, Blitz released a mobile app for both iOS and Android.

Pricing is based on a per-user cost. Pricing for enterprises with more than 1,000 users depends on whether one or both modules are licensed. Out-of-the-box integrations are supported for QuickBooks Online, Xero, Oracle-NetSuite, Salesforce, Microsoft Dynamics 365, HubSpot and Bullhorn.

CaptivateIQ

CaptivateIQ's SPM solution is deployed as SaaS. CaptivateIQ's customers are typically small and midmarket businesses in the high-tech, business services, financial services and manufacturing industries. Representative customers include Gong, Udemy, Qumulo and Clari.

CaptivateIQ designed its administrative function to complement the Excel skills of its users. The UI has an Excel look and feel but is designed for compensation needs. Compensation administrators can easily map and transform data within the application while having audit capabilities. Data sources can be joined together without needing IT skills. CaptivateIQ's no-code solution enables rapid deployment and ease of use for business users. Its flexibility allows for the handling of any type of commission plan structure and statement report through configuration within the UI. End users can manage plans and receive payout reporting.

Over the past year, CaptivateIQ's product developments included adding approval workflow, inquiry management, advanced reporting (including ASC 606) and SSO with Salesforce and Salesforce Visualforce component/page.

Pricing is on a per-user basis over an annual contract. Premier support is available for an additional cost. Integrations are supported for Salesforce Microsoft Dynamics, Workday, BambooHR, Oracle-NetSuite, Sage Intacct, Stripe, QuickBooks, Snowflake, Autodesk (Redshift), other SQL databases and SFTP.

Incentives Solutions

Incentives Solutions' SPM platform is JOOPY. It can be delivered as SaaS, PaaS or on-premises. Incentives Solutions' customers are typically midmarket to large businesses in insurance (including health insurance), communications, media and services (including telecommunications), automotive and transportation, government and high-tech industries. Representative customers include DHL, Nestlé, Amdocs, Coca-Cola, Swisscom and Checkmarx.

JOOPY offers predictive modules that provide next-best-action advice, self-simulations and user-defined dashboards to aid sales teams. There is a module for case and dispute management. A separate agreements module is available, aimed at organizations working with external partners, dealers and agencies in the finance and insurance sectors.

Over the past year, JOOPY's product developments included an added BI layer to integrate with customers' BI tools and comparative capabilities in data analytics. Improvements were made to goal sheet management, workflow approvals, digital signatures and retroactive calculation management.

The retroactive module was made an integral part of the platform, and a dedicated module for supporting accounting in the finance sector was added.

Pricing is composed of a license fee plus a one-time setup fee. The license fee is tiered based on number of payees. The pricing model can be proposed to customers as a perpetual license or a SaaS model.

NICE

NICE's solution is NICE Sales Performance Management. It is deployed as a SaaS or on-premises solution and offers two modules: NICE Incentive Compensation Management (ICM) and NICE Territory and Quota Management (TQM). NICE's customers are typically large businesses in the banking, manufacturing, business services, professional services and high-tech software industries. Representative customers include Apple, Royal Bank of Canada, Shaw Industries Group and Mazda Motor Corp.

NICE SPM allows organizations to adapt to frequently changing business requirements and make necessary adjustments to sales territories, compensation plans and crediting rules. The solution also automates complex business rules and processes, and is scalable.

Over the past year, improvements to NICE SPM included a new UI design that allows TQM users to create complex layered crediting rules, combining territory base rules, plan component rules and specific variations for combinations of both in a straightforward interface. NICE ICM now fully integrates with MicroStrategy 2020 to enable customers to create sophisticated statements and dashboards using MicroStrategy Dossiers. NICE Incentive Compensation Management (ICM) data transfer service now enables NICE ICM to transfer data between the ICM database and an external customer application using a REST web service interface.

Pricing is on a per-user basis and is dependent on which modules are licensed, along with the number of users. There is a separate maintenance fee for on-premises deployment. NICE's data ports include connections to HR, CRM, ERP and data marts.

Optymyze

Optymyze's solution is Optymyze Sales Performance Management. It is available as a PaaS solution and contains three offerings, including SPM Apps (out of the box), SPM Platform (expand to create SPM and other apps) and SPM Mobile (mobile application developer). Optymyze's customers are midmarket to large businesses, typically in the insurance, life sciences/pharmaceutical, banking and securities, manufacturing and natural resources, and telecommunications industries. Representative customers include Umpqua Bank, ICU Medical, Kforce, Harvard Pilgrim Health Care and Valassis.

Optymyze provides a gallery of SPM and other automation applications out of the box. The platform allows companies to develop applications for SPM or beyond sales via a no-code platform.

Over the last year, improvements to Optymyze's products include Mobile Comp Plan Builder, Mobile Model Application Builder for compensation models, Excel-based models for collaboration, and requests for centralized location to enter and manage any request type. An automated governance and compliance model provides users with reports to monitor and track usage, processing and storage.

Pricing for the SPM platform and sales apps is on a per user basis, with specified purchase of capacity for storage, usage and processing. Out-of-the-box integrations include Salesforce, Veeva, Microsoft Dynamics and Oracle CRM.

Oracle

Oracle's solution is Oracle Sales Performance Management. It is deployed as SaaS. Oracle's customers are typically midmarket to large businesses in the banking and securities, telecommunications, retail, high-tech software and hardware industries. Representative customers include Equifax, Motorola Solutions and American Financial Group.

Oracle's SPM solution can connect to other modules in a united platform, including HCM, ERP and CX Sales. This enables customers to take advantage of real-time CX through a unified platform, customer intelligence and guided experiences. For example, when connecting SPM to Oracle Cloud Human Capital Management, automated territory reassignment, plan membership and quota assignment occur when an employee onboards or is transferred, as captured by the Oracle Cloud Human Capital Management system.

Over the last year, improvements include a new UI and reporting capabilities for compensation administrators and end users, automation for data mapping and input, and performance optimization for territory-based account assignment. In addition, changes have been made to enable a seamless connection between Oracle Analytics Cloud and Sales Planning Cloud. Background processes were also optimized to automatically determine a full or incremental processing mode and set a multithreaded batching size based on available capacity.

Pricing is based on three tiers: Standard, Enterprise and Premium. Oracle provides prepackaged connectors to many of the market-leading SFA, HCM and ERP solutions. Customers can manage integrations of Oracle SPM with other cloud-based or on-premises applications through Oracle Integration Cloud Service.

Performio

Performio's solution is deployed as SaaS. Performio's customers are typically small to midmarket businesses, with some large businesses in the software, media services, financial services, business services and medical devices industries. Representative customers include Vodafone Group, Johnson & Johnson, AstraZeneca, Grubhub and Draeger.

Performio focuses on core SPM components including incentive compensation, territory and quota management. Performio offers advanced extract, transform and load (ETL) capabilities for handling data. The platform includes preconfigured components to make it easier to use. Performio focuses on improving the UX for both sales and administration. Customer service and success are foundational, with a focus on improving time to value for Performio's customers.

Over the last year, improvements to Performio's solution include the release of its Built for Oracle-NetSuite connector, which allows any Oracle-NetSuite data to be imported into Performio. Performio has improved its Salesforce connector to access any object. In addition, performance improvements have been made to key calculation run times to improve performance. Changes to the administrative UI improve the user experience via a no-code visual editor without requiring SQL.

Pricing is based on a per-user annual software fee. There are additional costs for the Salesforce and Oracle-NetSuite connectors, as well as for a sandbox environment. Support is free, and professional services can be engaged on an hourly basis. Performio provides out-of-the-box integrations for Salesforce, Oracle-NetSuite and GoodData.

SAP

SAP's SPM offerings include SAP Commissions, SAP Territory and Quota, and SAP Agent Performance Management. They are deployed as SaaS solutions. SAP's customers are typically midmarket to large businesses in the insurance, telecommunications, media and services, high-tech, professional services, banking and securities industries. Representative customers include Expedia Group, Haven Life and Toyota Motor Manufacturing Canada.

SAP's three SPM products integrate to enable a unified user interface. SAP uses a hyperscaler and microservices architecture to enable SAP Commissions to allocate resources and complete complex compensation calculations.

Over the last year, improvements made by SAP include adding Advanced Workflow to SAP Commissions. Advanced Workflow includes embedded analytics and AI functionality to expand the capability of the system in many areas, including inquiries and disputes, analytics and effectiveness of compensation people and plans. SAP Territory and Quota was improved with advanced geospatial capabilities powered by Google Maps and SAP S/4HANA's geospatial query engine. This allows planners to create territories directly on a map by "drawing" geofenced boundaries.

Pricing is on a per user basis, dependent on the number of users and the modules chosen. Integrations are available natively within SAP, as well as a full catalog that includes the most common integration requirements.

Spiff

Spiff's SPM product is deployed as SaaS. Spiff's customers are typically in the small to midmarket range with some large companies. They serve mainly the high-tech software, business services,

professional services, utilities and media and services industries. Representative customers include Qualtrics, PubMatic, SimilarWeb, Personio and LUCID.

Spiff's SPM solution can be deployed within two to four months and managed without professional services. The Spiff designer uses a no-code approach to create and manage compensation. Calculations can be traced by both sales and compensation administrators, creating transparency. Automation includes sellers' statements, which can be updated and recalculated in real time, as well as complex commission structures.

Over the last year, improvements to Spiff include the addition of commission expensing, a turnkey ASC 606 and IFRS 15 module. Also added was Spiff Analytics, an embedded business intelligence platform that enables in-depth reporting and analysis.

Pricing is based on three tiers: Starter, Growth and Enterprise. A monthly fee and an implementation fee are assessed based on the number of users. Advanced analytics is sold separately. Out-of-the-box integrations are provided for Salesforce, Oracle-NetSuite, Workday, Microsoft Dynamics, QuickBooks, Stripe, Looker and Tableau. Spiff also partners with Workato, an integration platform as a service (iPaaS), which allows Spiff to connect with over 100 other systems.

Varicent

Varicent's solution is Varicent Incentive Compensation Management. It can be deployed as on-premises or SaaS. Varicent's customers are typically midmarket to large businesses in the banking and securities, insurance, high-tech software, retail and telecommunications industries. Representative customers include T-Mobile, Siemens Healthineers, Thermo Fisher Scientific, United Rentals and Shopify.

Varicent's solution consists of Varicent ICM, Symon.AI, Lead to Revenue and Territory and Quota Planning. Symon.AI uncovers patterns in complex and sophisticated sales systems to improve decision making. It includes Ask Varicent for inquiry automation.

Over the last year, improvements to Varicent include acquiring Symon.AI to expand into advanced analytics. Symon.AI includes applications to analyze customer churn, seller performance, seller churn, gender pay and diversity. It also includes blueprints to guide customers through creating outlier analysis, seller ramp, forecasting and a natural-language-driven workbench that connects and analyzes data. Varicent also acquired Lead to Revenue (previously FunnelCake), an application that provides insight into pipeline health and lead progression. Other improvements include adding Presenter Adaptive, a drag-and-drop Varicent ICM reporting tool.

In April 2021, Varicent plans to launch a pricing packaging model that will be priced per payee and will include the standard entitlements, such as environments, data history and return to operations. The pricing packages will be Standard, Professional and Enterprise. Out-of-the-box integration is provided for Salesforce.

Xactly

Xactly's SPM solution consists of products in four categories, and is deployed as SaaS. Xactly's customers are typically midmarket to large businesses in the high-tech software, manufacturing, telecommunications, life sciences/medical devices and business services industries. Representative customers include Flowserve, Hyatt, NI, ServiceMax and Vodafone Group.

The four product groups within Xactly's solution are Go to Market (Operational Sales Management solution), Incentives, Decisioning and Platform. Products in these groups help customers be agile through continuous planning, automated incentives and delivering field reporting. The solutions provide insights through pipeline analytics and forecasting, benchmarking, scoring, AI and machine learning, and predictive analytics. They enable companies to better manage their complex processes around SPM functions.

Over the last year, improvements to Xactly include the launch of its Design System, which lays the foundation for a modern UI and simpler UX throughout the suite. Xactly's suite now includes collaborative sales forecasting, pipeline analytics and revenue operations functions. A number of enhancements were made in the area of large enterprise complexity, including performance enhancements to the calculation engine, data storage and search capabilities. In addition, the Incent product now includes Slack integration.

Pricing is based on modules purchased and level of service desired. Xactly has direct integration with Salesforce, Microsoft, Oracle-NetSuite, HubSpot and Workday.

Market Recommendations

Application leaders and business leaders evaluating SPM solutions should:

- Investigate the depth of capabilities of each vendor based on their requirements.

- Create a data map from master sources, such as ERP, CRM and HCM, to compensation and related reporting, and estimate ETL requirements and data integration.

- Evaluate vendors' pricing models to understand TCO and ROI.

- Understand vendors' geographic coverage and depth of expertise within their vertical.

- Evaluate advanced machine learning capabilities for incentive, territory and quota planning.

- Make the connection to related systems, such as CRM and FP&A, for better data sharing and planning.

Acronym Key and Glossary Terms

SPM	Sales performance management

ICM	Incentive compensation management
TM	Territory management
QM	Quota management
QP	Quota planning
TP	Territory planning
NLP	Natural language processing
NLE	Natural language exploration
ML	Machine learning

Evidence

Vendor primary research surveys

Vendor briefings

Gartner client inquiry

Note 1
Representative Vendor Selection

Vendors were selected for this Market Guide based on client inquiry as well as their ability to be representative of the following attributes that Gartner considers representative of this market:

- At least 55% of revenue of the vendor comes from SPM software sales.

- Vendor offers a native ICM product inclusive of sales incentive compensation crediting and includes out of the box reporting and analytics, plus at least one other SPM capability: territory management, quota management, gamification, objectives management, advanced analytics (e.g., predictive, prescriptive, machine learning, benchmarking insights), territory planning, quota planning, sales comparative benchmarking (benchmark and analysis of sales execution including traditional and non-traditional data e.g., sales activities, sales enablement activities including structured and unstructured data from non SPM sources).

- Vendor has an SPM product in general availability for at least 12 months.

- Vendor supports a live customer base of at least three (3) different industries e.g., banking, financial services, retail, insurance, telecommunications, media, travel and transportation.

- Vendor offers a native cloud (SaaS) solution.

- The SPM product has at least 20 active (live) named accounts (logos, not subsidiaries or business divisions).

- Private organizations with more than 50 employees.

Note 2
Gartner's Initial Market Coverage

This Market Guide provides Gartner's coverage of this mature market and focuses on the market definition, direction of the market and market drivers.

Note 3 SPM Capabilities or Functions Descriptions

SPM — Sales performance management is a superset of all three core capabilities: incentive compensation management, territory management and quota management.

ICM — Incentive compensation is the management of variable pay incentive and bonus plans, generally for sales, to provide commissions.

TM — Territory management is the management and distribution of territories within an incentive compensation system.

QM — Quota management is the management and distribution of quotas within an incentive compensation system.

QP — Quota planning is the use of mathematics, generally machine learning algorithms, to perform scenario planning for quota changes.

TP — Territory planning is the use of mathematics, generally machine learning algorithms, to perform scenario planning for territory changes and resulting assignments. The goal is to provide a balanced territory structure that will enable sellers to be able to meet resulting quotas.

ML analytics — Analytics provided to compensation administrators or end users, driven by machine learning algorithms.

NLP — Natural language processing of data and compensation logic.

NLE — Natural language exploration is usually a subset of NLP for which the user is able to explore data visualizations with natural language.

Rev Ops — Revenue operations is a concept that moves operations work beyond sales to other functional areas, such as marketing, lead management, sales forecasting, customer support and customer success.

Mobile apps — Applications provided on mobile devices for sales compensation.

Predictive ICM modeling — ICM scenario planning that uses predictive models and algorithms to assist with the planning process and provide recommendations on compensation plan components.

Language localization — The ability to provide both the application itself and the elements within the application in a user's local language.

Sales capacity planning — Optimization and planning for resources to meet sales goals.

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