

Magic Quadrant for Sales Force Automation Platforms

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The sales force automation platform market has added collaboration, proposal and quote; Internet of Things; and bot capabilities, while maintaining traditional SFA capabilities to support opportunity management. This evaluation supports the selection of solutions that meet your organization's needs.

Market Definition/Description

This document was revised on 3 October 2022. The document you are viewing is the corrected version. For more information, see the [Corrections](#) page.

Gartner has made substantial changes to the market definition, critical capabilities and scoring criteria for the 2022/2023 Magic Quadrant for Sales Force Automation (SFA). Therefore, do not evaluate year-over-year changes or make comparisons with the prior year's Magic Quadrant for this market.

Gartner defines SFA platforms as tools that natively support:

- The automation and capture of sales activities, interactions with prospects and clients, processes, and administrative responsibilities for organizations' sales professionals.
- The initiation, engagement and capture of buyer-seller interactions through multiexperience channels and devices.
- The dissemination of action-oriented insights to improve sales contact management, pipeline management, opportunity management and forecasting process execution.

Gartner considers SFA to be foundational technology, implemented to automate an organization's core sales processes while also improving the sellers ability to engage with buyers via customer interaction touchpoints.

The core capabilities of SFA systems include:

- Lead, account, contact and opportunity management

- Sales activity management
- Collaboration
- Opportunity-guided selling
- Pipeline, and forecast management
- Mobile, Internet of things (IoT) devices, bot capabilities
- Visualizations and analytics
- Partner relationship management (PRM) capabilities
- Platform capabilities and composability
- Proposal and quote builder (not formal configure, price and quote [CPQ] solutions)

SFA platforms are primarily delivered via cloud-based services, but may also include on-premises infrastructure delivery. Optional capabilities include:

- Digital content management for sales
- CPQ applications or suites
- Digital sales rooms

Magic Quadrant

Figure 1: Magic Quadrant for Sales Force Automation Platforms

Source: Gartner (September 2022)



Vendor Strengths and Cautions

Creatio

Creatio is a Challenger in this Magic Quadrant. Sales Creatio, its SFA platform product, uses a no-code approach to supporting sales organizations' needs. Thus, it can support a variety of sales processes and use cases. Creatio's product releases include a user interface/user experience (UI/UX) upgrade for SFA standard objects via the Freedom UI Designer. These include account, contact and opportunities sections, lead generation via LinkedIn and next-best actions for the financial services industry. Its roadmap contains sales engagement functions for omnichannel interactions, improved conversation intelligence features and no-code SFA solution capabilities for specific vertical industries with support for composable application experiences.

Strengths

- **Platform:** Creatio has improved its usability through the release of the Freedom UI Designer, which allows no-code drag and drop of UI components throughout the interface, as well as guided actions on business process flow building. Moreover, Creatio has added the ability to compose applications, place them in an internal company marketplace, and allow for reuse across different use cases and environments.
- **Market Responsiveness:** Creatio has delivered a number of relevant product releases meant to support virtual/remote selling. These include a new UI/UX to improve SFA engagement with sellers, lead generation via LinkedIn and collaboration capabilities through support for WhatsApp and Facebook. Further enhancements include support of different sales methodologies in opportunity management and a deal rooms tab for improving cross-functional alignment.
- **Innovation:** Creatio has several planned features that will further enable it to be more relevant to supporting digital buying. For example, it plans to augment sales cadences with the ability to measure interaction effectiveness in each channel. This will enable sales organizations to further optimize sales processes around buyer engagement.

Cautions

- **Implementation Services:** Creatio no longer provides in-house professional services support for implementations; instead, it serves as an ongoing consultant to third-party firms. This is a consideration for sales organizations that prefer to use the vendor as a one-stop shop software and professional services firm.
- **Market Strategy:** Creatio has a modest go-to-market approach, which centers on a one-platform approach. Although this bodes well for technology leaders, the same cannot be said of sales organizations, which are turning to vendors to help with concrete sales execution and effectiveness improvements with their SFA investments.
- **Visualization and Analytics:** Creatio's dashboard-building capabilities require many setup steps to generate needed visibility into performance metrics. Also, the dominant form for consuming analytics is via its dashboard layer, which lags some vendors in analytics consumption varieties. Although dashboards are oriented toward sales leadership, lower-level users may find it hard to correlate varying key performance indicators (KPIs) with actual performance.

CRMNEXT

CRMNEXT is a Visionary in this Magic Quadrant. CRMNEXT provides a set of CRM and SFA technologies that are primarily tailored for financial services, with traction in insurance and consumer packaged goods (CPG). Its sales CRM application, beyond the Gartner inclusion criteria for this Magic Quadrant, includes sales performance management and coaching, and it provides social media integration. During the past 12 months, CRMNEXT launched its Smart Relationship Manager (RM), empowering sellers with data to prioritize customers, their preferred interaction channels and topics to be addressed. CRMNEXT's roadmap includes microservices-driven architecture for more composability, capturing and management of fast-moving data

streams for real-time insights, and an advanced big data analytics approach for managing data volume, veracity, velocity and variety of data.

Strengths

- **Deployment Options:** CRMNEXT is developed on a single codebase on a Shape Shifting architecture. This provides unique commutable cloud capabilities that enable it to deploy CRMNEXT with its functionalities available on all deployment models. These include software as a service (SaaS), private cloud, cloud in its own data center or hybrid.
- **Customer Data Management:** CRMNEXT provides a one-stop database that stores all customer-related data. Its unified data platform manages all customer-related data generated or enhanced through third-party app integrations. The advantage is fast interaction times, especially for building customer relationships in real time when the interaction with the customer is happening.
- **Pipeline Management:** CRMNEXT's Catalyst Performance Modeler, which is part of its SFA offering, is an effective sales planning and forecasting tool. Its intelligent algorithms take past performance and current run rates into account to create strategies for meeting targets. CRMNEXT can support a high degree of sales process complexity with artificial intelligence/machine learning (AI/ML) models, with no code required.

Cautions

- **Extra Charge for AI:** CRMNEXT provides AI as an add-on through its product DATANEXT. As many vendors do, CRMNEXT charges extra for this add-on. It comes with a platform annual subscription fee and an additional cost-per-AI model.
- **Limited Independent Software Vendors (ISVs):** CRMNEXT does not provide a marketplace for complementing or extending its own functionalities. This limits the potential total value of investing in CRMNEXT, compared with vendors that have a vibrant marketplace.
- **Geographic Market Penetration:** Less than a quarter of CRMNEXT's customers are based outside of the Asia/Pacific (APAC) region. CRMNEXT only has small operations in North America, as well as Europe, the Middle East and Africa (EMEA). This is a consideration for sales organizations who value a broader customer presence in North America and EMEA.

Freshworks

Freshworks is a Niche Player in this Magic Quadrant. Its Freshsales product is aimed primarily at organizations with 50 to 1,000 sales users in multiple vertical industries, including professional services, retail and technology. As of 2021, Freshworks, in an effort to capitalize on the down-market appetite for tech stack consolidation, reduced the list price of its Freshsales product suite. Also, Freshworks introduced a forever-free edition of the product, making headway into product-led growth motions. It has plans to expand this go-to-market strategy into a product

offering for SFA customers that want to leverage data to identify product use and enable product-led growth motions.

Strengths

- **Sales Strategy:** Freshworks has released a forever-free edition of its Freshsales product, which allows small or midsize business (SMB) sales users to become familiar with the solution prior to committing to a larger rollout. Furthermore, it enables customer understanding using data and allows the vendor to more closely align releases and features with consumption behaviors using product-led motions.
- **Aggressive Packaging:** Freshworks reduced its product list pricing by more than 30% on all three paid editions, yet still retained all of the features from prior product packaging. This is an attractive option for sales organizations seeking improved total cost of ownership (TCO) and simplicity in the procurement of SFA solutions. Furthermore, it includes some common add-on items, such as a dialer, chat and Freddy AI, its predictive AI assistant, in a base package price of \$39 per user per month.
- **Geographic Strategy:** Freshworks has broad geographic reach, with well-proportioned implementation presence in North America, Europe and the APAC region. This is a strong consideration for SMB sales organizations that have global teams and want to unify on one vendor platform.

Cautions

- **Market Responsiveness:** Freshworks made several SFA-specific enhancements, with improvements in integration with Zoom video meetings solutions, sales forecasting hierarchies and categories, and Freddy AI visibility, which is a Kanban view of deals with deal-risk signals. However, these are all things leading vendors have had for some time and only brings Freshworks to parity with other vendors in the market.
- **Innovation:** Freshworks' product roadmap lags behind leading vendors in this Magic Quadrant. Planned releases, such as a full copy sandbox, additional integration options with the likes of ZoomInfo and Gong, and other low-level improvements, such as enabling an activity timeline, are present in many SFA platform vendors. This is a consideration for sales organizations looking for vendors at the bleeding edge of innovation.
- **Market Understanding:** Freshworks' differentiators and value proposition rest on an all-inclusive SFA with a unified standard data object model and view across other CRM suite modules, including Service and Marketing. However, these capabilities have reached market parity across almost 80% of the vendors evaluated in this Magic Quadrant, and are no longer differentiators. The Freddy AI assistant, its predictive AI/ML solution, has also reached market parity, as more than 60% of the vendors on this Magic Quadrant offer similar capabilities.

HubSpot

HubSpot is a Niche Player in this Magic Quadrant. HubSpot provides CRM suite capabilities spanning across marketing, sales and customer service technologies. Its SFA product is called Sales Hub. HubSpot sells mainly to SMBs in the U.S., followed by the EMEA, APAC and Latin America regions. Sales Hub is delivered as a SaaS product and is hosted over Amazon Web Services (AWS). During the past 12 months, HubSpot has introduced native conversation intelligence features, enhanced its administrative features and UI customization capabilities, and integrated a payment system. HubSpot's roadmap includes sales enablement features, sentiment analysis, customizable quote templates and enhanced messaging options.

Strengths

- **Content Tracking for Sellers:** Users of Sales Hub take advantage of HubSpot's deep marketing technology footprint, which enables sellers to create such content as templates, snippets, documents, videos and playbooks to augment sales outreach or progress. HubSpot provides sales enablement features, such as buyer engagement analytics on content open and dwell time.
- **Flexible Sales Revenue Models:** Sales Hub Enterprise edition can easily support multiple revenue models at once. For example, a brand may have a primary, sales-driven pipeline where it sells a subscription product, relying on HubSpot's native recurring revenue tracking. The brand may also have a completely separate second pipeline for its e-commerce business with its own attributes, products, reporting and data model.
- **Customization-Enabled:** Sales Hub Enterprise edition is built to cater to customers that often require customization of data model, CRM UI, workflow and content.

Cautions

- **Market Strategy:** HubSpot lags most vendors in this Magic Quadrant on its ability to successfully communicate its product to B2B, B2C and indirect channel sales needs. For example, it posits that B2B sales organizations' needs are highly focused on contact and account data enrichment or that Sales Hub supports account-based marketing use cases. This strategic positioning is representative of only a fraction of B2B sales organizations' needs, and it is not relevant to the majority of selling organizations that are not into account-based marketing programs.
- **Vertical Strategy:** HubSpot does not have an approach to tackling specific vertical use cases, nor does it intend to go into vertical markets. This is a strong consideration for sales organizations that are looking for a vendor that understands their industry selling processes and data models.
- **Partner Relationship Management (PRM):** HubSpot ranked among the lowest vendors on this Magic Quadrant in indirect selling features — specifically PRM. It does not have a module to support indirect selling, and it lacks understanding of indirect selling needs, often deferring such work to its partner program for custom-built solutions.

Microsoft

Microsoft is a Leader in this Magic Quadrant. Microsoft has a strong product suite that supports digital selling enabled by recent product releases. Its product, Dynamics 365 Sales, is relevant for industries and organizations of all sizes. Recent enhancements to the product portfolio include advanced Dynamics 365 and Teams collaboration capabilities, sales accelerator, their sales engagement product, and improved integration in the Microsoft ecosystem. The vendor's roadmap includes some high-level mentions of further collaborative capabilities with Dynamics 365 Sales and the Microsoft Office portfolio, with the potential ability to weave in next-best-action recommendations.

Strengths

- **Market Strategy:** Microsoft has continued to expand on embedding the Microsoft Office ecosystem of products into the Dynamics 365 Sales product and vice versa. This value proposition is evidenced in its Dataverse offering included in the Dynamics 365 Sales product, which allows for bidirectional or unidirectional synchronization of standard and custom entities across all Microsoft products.
- **Activity Management:** Microsoft has improved its conversation intelligence features, a part of activity management, with an included timeline slicer. It translates non-English calls into English, and has added a sales engagement tool to enable smart sequences for lead generation and nurturing. Admin capability improvements for the conversation intelligence feature also include configuring tracked keywords.
- **Marketing Execution:** Microsoft is consistently among the most shortlisted SFA vendors appearing in Gartner inquiries. Most often, clients will cite the vendor's ability to seamlessly interoperate with the Office product stack as a reason for their consideration.

Cautions

- **PRM:** Microsoft's PRM capabilities are limited. For example, it does not allow native Dynamics 365 Sales support for content distribution channels via its partner portal capabilities for distributing sales collateral, documentation and other communications between channel managers and partners. It often requires the use of Microsoft Office products and Azure. Lastly, Microsoft also often relies on a third-party ISV, Impartner, to fulfill these needs.
- **Roadmap Communication:** Microsoft has vaguely communicated upcoming feature releases to Gartner. Microsoft has opted for a high-level narrative on how it will use data, AI and collaboration to optimize seller processes. Sales organizations looking for a firm roadmap and vision, should press Microsoft for more concrete features and releases.
- **Product Strategy:** Microsoft is also releasing Viva Sales as an additional productivity product, an approach that uses Microsoft Teams, an SFA-vendor-agnostic platform (can also support Dynamics 365 Sales), and Office 365 to improve data capture and the seller experience. Microsoft is planning to market this product as part of its Viva product line versus augmenting and restricting this to the Dynamics 365 Sales product only. Customers should carefully assess which product line will best meet their requirements.

Neocrm

Neocrm is a Niche Player in this Magic Quadrant. Neocrm's customer base is concentrated in China, with a few implementations outside of the region. The vendor is well-suited to support implementations of all sizes, but is mostly targeting enterprises with more than 1,000 employees. It is mainly present in the manufacturing, technology, professional services and CPG industries. During the past year, it has increased ML-based capabilities of finding the next best customer using SFA and external data sources, a component library, and a self-service order portal for channel partners. Neocrm plans to continue building out its UX enhancements and CPQ functionality. Most of its implementations are on the Tencent Cloud infrastructure as a service (IaaS), and it also supports AWS.

Strengths

- **Market Understanding:** Neocrm has a solid market understanding focused on enabling B2B buyer and seller collaboration through WeChat, the instant messaging and social media platform that is a dominant mode of interaction in China's consumer market. Furthermore, it has a good vision for improving digital optimization with such capabilities as finding the next best customer and an intelligent enterprise graph meant to improve lead quality and conversion.
- **Visualization and Analytics:** Neocrm has good support of visualization and analytics, compared with other vendors in this Magic Quadrant. For example, its win/loss analysis capabilities use ML-driven statistical analysis to highlight win/loss data and top factors driving both outcomes, which is a differentiator from most SFA vendors.
- **Innovation:** Neocrm has made some quality innovations in the market by introducing next best customer, an ML-based feature that collects industry and commercial data and other competitive intelligence attributes to suggest the best customers to approach. In addition, it plans to introduce sales process support on WeCom, an enterprise communication platform most commonly used in China.

Cautions

- **Geographic Strategy:** Most Neocrm customers are based in China, although Neocrm is working on building partnerships in Southeast Asia. The company needs to do more to expand internationally and to sell to global businesses.
- **Product Offering:** Neocrm ranked among the lower tier of vendors in the scope of features included in its packaging without add-on purchases. For example, its guided selling playbooks, a core SFA offering, is an add-on product to the Sales Cloud product, whereas this is included in most SFA offerings in their base packages.
- **Application Marketplace:** Neocrm's application marketplace offers few sales-specific solutions that could enrich its SFA capabilities, limiting the solution's value. In addition, the marketplace is developed only in Mandarin (Chinese).

Oracle

Oracle is a Leader in this Magic Quadrant. Part of the Oracle Advertising and Customer Experience (CX) Suite, Oracle Sales is broadly focused on the core components of SFA, but also on adjacent areas, such as sales performance management (SPM), planning and revenue data solutions for sales. Oracle's customers and operations are geographically diversified, and Oracle tends to target midmarket to enterprise customers. It also sells prepackaged SFA industry applications. Oracle Sales offers a streamlined UX and a UI that is responsive and modern, making seller work easier. It also offers an Oracle Sales Assistant and Microsoft Teams integration to enable collaboration and guide seller actions.

Strengths

- **Market Understanding:** Oracle offers features that improve the seller experience by automating routine data entry. It does this through Routines, a programmable workflow automation capability designed to automate one-time or recurring tasks within the sales process. It also provides AI-based prescriptive guidance with configurable AI/ML through the Oracle Intelligent Advisor and the Oracle Sales Assistant products.
- **Market Strategy:** Oracle Sales offers functions tailored for a range of verticals including automotive, CPG, financial services, high tech, manufacturing and utilities. For B2C customers, Oracle offers customer data management (CDM) for contacts and households, subscription management, and e-commerce support. For indirect sales, Oracle Sales offers PRM, CPG retailer recruiting and quote-to-order visibility.
- **Sales Forecasting:** The forecasting features included in Oracle Sales scored well above-average in this year's Magic Quadrant. Oracle offers predictive analytics to improve the accuracy of seller and manager forecasts. The tool supports forecasting multiple revenue models and delivers an intuitive forecasting interface.

Cautions

- **Sales Strategy:** Oracle lacks a comprehensive Oracle Sales strategy specifically for SMB customers, deferring this segment to the NetSuite product. Where it does position Oracle Sales in the SMB segment, specific revenue thresholds must be met. This can pose serious challenges for smaller organizations that prefer to remain on a single product stack as they scale the business without having to shift to an entirely different product with the same vendor.
- **ISV Marketplace:** Compared with other Leaders in this Magic Quadrant, Oracle does not have a robust, third-party application ecosystem for sales-specific applications. Moreover, Gartner has fielded numerous complaints about Oracle's lack of prebuilt integrations to some common sales technology add-ons, such as the applications most common in the sales enablement market.
- **Activity Management:** Oracle Sales captures activities from Outlook and Teams and syncs this information with the interaction log; however, it does not natively support integration with Google email and calendar. A third-party connector is required. Conversation intelligence is not native but supported

via add-on from a third-party CTI solution. The lack of these features trails other Leaders in this Magic Quadrant in activity management features.

Pega

Pega is a Challenger in this Magic Quadrant. The Pega Sales Automation product is targeted at midsize-to-large and global enterprises, with functionality tailored for key industry verticals. Pega has traditionally focused on B2B2C and B2C use cases, with recent growth in B2B sales as well. Pega recently added Voice AI, its conversation intelligence product, and a who-knows-who relationship intelligence feature for the organization. It provides sales cadences, workflow designed to help sellers to connect with prospects and customers. Most of Pega's customer base subscribes to its managed cloud solution, although hybrid, on-premises and private cloud deployments are supported.

Strengths

- **Vertical Strategy:** Pega continues to focus on differentiating itself with vertical-specific solutions for insurance, healthcare, financial services and statutory health. Similarly, Pega offers AI/ML configurations for the healthcare, telecommunications, insurance and financial services industries. These solutions are supported by vertical-specific sales teams.
- **Activity Management:** Pega syncs with email, calendar, Webex, Teams and chatbot to capture and log customer interactions. A new Voice AI feature parses conversation recordings, and autofills SFA records during the conversation. Furthermore, it displays battlecards for sellers when faced with objections or competitor mentions.
- **Product Portfolio Depth:** Pega scored among the highest tier of vendors in having the most native features in its SFA platform. Pega prospects and customers will find core SFA capabilities, as well as features extending to support sales bots, proposal and quotation building, and lead management, all included in multiple editions of its SFA offerings.

Cautions

- **Market Strategy:** Pega's approach to implementation services, onboarding and customer success lags other vendors in the Magic Quadrant and has remained unchanged for a few years. For example, it has relatively few implementation services providers, compared with SFA platform leaders. Although it offers its own consulting services, Gartner clients have cited the inability to source third-party service firms with deep platform and architecture knowledge of Pega. Pega offers fewer than 20 sales-specific add-ons in its app marketplace.
- **Marketing Execution:** Despite Pega's strong SFA capabilities, it is not often included on a shortlist for sales organizations' evaluations in Gartner inquiries. Pega possesses a smaller quantity of SFA implementations compared to leading vendor solutions. Clients looking for a broad array of similar customer references and a strong SFA market presence may be deterred by Pega's lack of marketing execution. Pega has not shown an ability to establish itself more firmly in the minds of prospects and customers. Pega cites most

proficiency in B2B2C as its core go-to-market use case, even though it can support multiple use cases.

- **Market Understanding:** Pega does not communicate its capabilities for the optimization of sales processes well. Pega's appeal is limited to those well-versed in IT concepts such as the mesh app and service architecture (MASA) and data fabric. This is not something selling organizations will understand, nor will they immediately seek it when evaluating SFA platforms. It is a consideration for sales organizations that are looking for an SFA vendor with better sales business understanding.

Salesforce

Salesforce is a Leader in this Magic Quadrant based on its increasing market responsiveness. Its SFA product, Salesforce Sales Cloud, is suitable for all company sizes and segments and multiple geographies, ranging from North America to the APAC region and emerging markets. Recent enhancements to the Sales Cloud product include revenue intelligence capabilities, a pipeline inspection module, and improvements to its conversation intelligence product. The roadmap includes deeper integration with the Sales Cloud for Slack offering, which enables sellers to work solely from within the Slack UI. The vendor's deepened focus on the sales engagement module is notable for sales organizations looking to build a multiexperience customer channel strategy.

Strengths

- **Innovation:** Salesforce's ambitious roadmap includes adding a Slack-based SFA module to its traditional SFA UI and embedding sales training features from its LevelJump (sales enablement) acquisition. Both approaches will be welcomed by sales organizations looking to improve usability of their SFA applications.
- **Market Understanding:** Salesforce received high marks for its ability to tie the future of digital buying and selling into its SFA product offerings. It released subscription management and commerce cloud integrated within the Sales Cloud module, and makes the self-service API available for any application integration scenario. This is a strong consideration for sales organizations looking to exploit new revenue model types.
- **Sales Strategy:** Salesforce has a strong sales strategy aimed at supporting self-service and product-led growth motions. It is releasing a new way to onboard customers through Salesforce Easy, its program designed to modernize the onboarding and setup of Sales Cloud (among other aspects of Customer 360). It will also look to enable product-led growth motions with the future release of Sales Cloud for Slack app. This will provide for a different UX and will enable clients to reduce setup times and the SFA platform learning curve.

Cautions

- **Pricing Execution:** Gartner has fielded numerous inquiries in which clients cite concerns with cost and Salesforce not accommodating pricing sensitivities or demanding additional spend for further value realization. Furthermore,

complaints have arisen with the lack of customer support and its inability to directly help clients in need without support package upgrades.

- **Product Strategy:** Clients continue to express confusion about Salesforce's product offerings, with many unsure of differences between Sales Cloud and vertical industry solutions that include Sales Cloud components. Sales organizations considering Sales Cloud offerings need to be aware of product packaging differences.
- **Account and Contact Management:** Building account and contact scoring models depend on the procurement of Salesforce's Marketing Cloud Account Engagement product (formerly Pardot), other add-on products, or possess limitations on scoring accounts using custom objects with Einstein Predictions. Challenges also include the inability to view hierarchies in their entirety via the mobile application, as well as the inability to create visual hierarchy structures on desktop.

SAP

SAP is a Visionary in this Magic Quadrant. SAP Sales Cloud includes CPQ functionality and SPM features. The solution is deployed across many industries globally, such as by manufacturing consumer product goods and professional services. Recently, SAP has introduced workflow integrations with Microsoft Teams and dynamic visit planning based on visit history and account attributes. SAP enhanced its guided selling on external signals, engagement statistics, playbook effectiveness and ML-based activity recommendations. SAP's operations are geographically diverse, and its clients tend to be large, product-centric organizations across multiple vertical markets.

Strengths

- **Market Understanding:** SAP's go-to-market message stresses the importance of linking front- and back-office environments for sales teams. It has now matured to remove boundaries and put the customer at the center and to make CX easy. Its added ML capabilities support the identification of potential opportunities and leads, as well as the building of strong customer relationships throughout a sales cycle.
- **Embedded CRM Technology:** SAP Sales Cloud is part of its CX suite and it leverages additional SAP solutions, such as SAP Customer Identity and Access Management and SAP Enterprise Customer Consent Management. It integrates with SAP Data Intelligent Cloud for AI, ML and other analytical tools. SAP CX solutions work with the SAP Business Technology Platform (BTP), its ERP ecosystem, HR solutions and other SAP products. It supports a CRM- and ERP-connected CX journey.
- **Collaboration Through Teams:** As part of SAP's strategic partnership with Microsoft, SAP introduced Microsoft Teams integration, guided selling via Teams and the execution of sales workflows within the embedded application.

Cautions

- **Product Functionality:** SAP clients tell Gartner that they believe the vendor is not delivering the business value they want from their sales technology implementations. SAP recently increased its R&D investment, developed a new roadmap and began communicating its plans more clearly than in previous years. SAP announced a major upgrade for late 2022.
- **UI and UX:** SAP customers are reporting back to Gartner that specific functionality and customizations are often difficult to add. Some customers report complexities for quote builders and proposals that are confusing. They also report that the configuration of a new product is very slow. Social media integrations are missing such features as history or profile management. Overall, UI and UX releases are delivered more slowly than those from the other vendors in this Magic Quadrant.
- **Differentiation:** SAP's SFA capabilities are less differentiated in innovation and lag the leaders in this evaluation. Prospective customers looking to differentiate their sales technology stack efforts will not find functionalities (e.g., conversation intelligence) without buying Qualtrics IQ, a separate platform for employee experience management.

SugarCRM

SugarCRM is a Challenger in this Magic Quadrant. Its SFA solution, Sugar Sell, is often targeted at the midmarket, though the vendor is taking steps to secure more upper-midmarket customers. During the past year, SugarCRM updated its UI, including record views, dashboards and the administration console. Sugar Sell was expanded to include SugarLive, an omnichannel tool using Amazon Connect to enable calls and chats with automated activity logging. Also in the past year, SugarCRM enhanced SugarPredict to perform sentiment analysis on call transcripts from SugarLive. SugarCRM's roadmap includes plans to repackage its offerings for simplicity, enhance its advanced forecasting capabilities with SugarPredict, and launch a digital engagement center to facilitate customer and partner interactions throughout all phases of the customer life cycle.

Strengths

- **Market Strategy:** SugarCRM targets its value proposition not only to CSOs and CROs, but also CIOs, CFOs and COOs. SugarCRM has revamped its professional services to include a center of excellence (COE) for integrations, a data migration team, and an adoption and change management team.
- **Geographic Strategy:** SugarCRM has certified implementation partners to support deployments in any region, and it can deploy cloud (public or private), on-premises or hybrid environments. Also, SugarCloud is deployed on AWS IaaS, which helps for regional and data residency considerations.
- **Market Responsiveness:** In addition to four quarterly releases of the Sell product, SugarCRM produced multiple separate releases to its mobile app, Customer Journey Plug-in (Sugar Automate), Sugar Connect and Sugar Discover. The vendor released a significant amount of new features in the past year. The SugarCRM UI was revamped, and business process management with sentiment process definitions were added.

Cautions

- **Vertical Strategy:** SugarCRM does not offer vertical-specific products, but maintains several industry templates to address areas where it has a high affinity with customer needs — e.g., manufacturing, financial services, banking and credit unions, and professional services. SugarCRM relies on partners with strong domain expertise to meet industry-specific implementation needs.
- **Product Features:** SugarCRM scored among the bottom tier of vendors in this Magic Quadrant in account/contact management. Contact health scoring requires Sugar Market. Although Sugar Sell supports basic “know your customer” features out-of-the-box, an add-on using TrustSphere data is needed for relationship mapping. SugarCRM’s guided selling capabilities also scored lower than leading vendors in the Magic Quadrant, because its next-best-action guidance is based on conditional rules, rather than ML, and is mainly designed around static playbook steps.
- **Innovation:** Although SugarCRM has accelerated its pace of product development this past year, the impact of those enhancements does not distinguish SugarCRM as an innovator in key areas, compared with other Leaders in this Magic Quadrant.

Vtiger

Vtiger is a Niche Player in this Magic Quadrant. Its product, named VTiger One, is best-suited for SMBs, and is relevant for business to business (B2B), business to consumer (B2C), and lightweight, indirect channel sales use cases. It has a well-balanced mix of customers across three geographies, with 38% of customers in North America, 33% in EMEA and 22% in the APAC region. Key industries supported include high tech, manufacturing, professional services and financial services. In the past year, Vtiger introduced a low-code platform (VTAP), a deal room for buyer-seller collaboration, a visual process designer, enhanced integrations for seller productivity and AI-powered bots. It plans to enhance the low-code platform, guided selling capabilities and sales deal room. It also plans to introduce gamification for sales activities and learning.

Strengths

- **Application Marketplace:** Vtiger has made an effort to introduce an application marketplace from third-party providers. This evaluation period, it has initiated and introduced a program with 90 sales-specific apps available for download.
- **Virtual Selling:** Vtiger is improving on its roadmap to support AI-based guided selling with conversation intelligence and deal room for virtual collaboration, such as those seen with digital sales rooms, and is providing some prebuilt integration options. This would improve virtual selling capabilities.
- **Market Understanding:** Vtiger’s value proposition is a strong one, compared with leading SFA vendor solutions. It sells on a single view on all customer interactions with AI-guided selling and conversation-intelligence-enabled features, with the ability to create digital sales rooms. This is a consideration

for sales organizations looking for a vendor that understands future market needs.

Cautions

- **Vertical Industry Strategy:** Vtiger does not have a product offering geared for specific vertical industries. Although the vendor claims manufacturing and financial services editions, it does not have any publicly listed products to support such verticals.
- **Product Capabilities:** Compared with most of the vendors in this Magic Quadrant, Vtiger lacks the depth on many of the core capabilities evaluated. For example, its opportunity management functions do not support recurring revenue schedules, and its forecast management functions do not allow users to create forecasts by territory.
- **Customer Retention:** Vtiger scored among the lowest tier of vendors on this Magic Quadrant in its customer and revenue retention rates. This is a consideration for sales organizations looking for a vendor with more stability and a loyal customer base.

Zendesk

Zendesk is a Niche Player in this Magic Quadrant. Zendesk Sell is largely aimed at SMB sales organizations in North America, although the vendor has a presence in all geographic regions. The product has seen highest adoption in the manufacturing, technology and retail wholesale distribution verticals. During the past year, Zendesk introduced Suggest People AI capabilities to provide sellers with contact recommendations, Zendesk Custom Objects to customize Zendesk Sell's data model, and automated sequences for contacts to facilitate campaign execution and tracking. In the coming year, Zendesk plans to launch Slack and Microsoft Teams integration, unify the Zendesk Sell and Zendesk Support contact databases, and offer integrations with additional calendar providers.

Strengths

- **Sales Strategy:** Zendesk Sell targets small, but growing sales teams that are implementing their first SFA platforms or looking for better scalability than their current solutions provide. It offers a self-service-focused buying experience, with 14-day free trials and paid pilots for customers that need a more tailored proof of concept (POC).
- **Product Improvements:** Zendesk has added many relevant improvements to its SFA product in 2021. For example, it has introduced subscription management capabilities to track and report on recurring revenue, automated sequences for contacts, and the ability to suggest contacts to add to the account based on communication history.
- **Implementation Services:** Zendesk ranks among the highest tier of vendors for implementation support. It offers four implementation packages, from starter packages to custom support and configuration assistance. As part of this assistance, the vendor provides custom development and integration

services. This will be well-received by sales organizations looking for more-direct partnership with their SFA provider.

Cautions

- **Market Understanding:** The ability to support virtual and remote sales has become a high priority for many customers, including functionality to enable guided selling and buyer digital interaction capture. Zendesk's support for virtual and remote selling primarily consists of activity capture, internal collaboration features and mobile UIs, which lags other vendors that have invested in capabilities such as conversation intelligence and AI-guided selling.
- **Application Marketplace:** Zendesk lacks a robust community of app vendors offering third-party add-ons to the Zendesk Sell product, which limits the potential value realized by customers. Relatively few apps are available in its marketplace, compared with other vendors in this research. Zendesk does not offer a PRM capability, which is an obstacle for prospects with a channel-centric sales model.
- **Vertical Strategy:** Zendesk Sell offers features that are intended for specific sales roles (e.g., offline access on mobile devices for field sellers); however, it does not have products tailored for specific verticals or customer segments.

Zoho

Zoho is a Visionary in this Magic Quadrant. Zoho CRM is well-suited to the support of sales organizations of all sizes and segments, with emphasis in the technology, professional services, financial services and healthcare industries. In the past year, Zoho released a notable set of capabilities, including Canvas, a new UI/UX builder; Zone analytics, which can be useful for measuring sales performance against ideal areas of achievement; and a built-in telephony solution. Planned innovations from Zoho include buyer and customer journey orchestration, which will mine customer signals and create dynamic customer journeys and analytics, and a mood analysis, which looks to predict emotions from textual data.

Strengths

- **Innovation:** Zoho continues to innovate and lead the market in differentiating feature capabilities, namely its planned innovations around mood analysis and customer journey building through capture of signals (aka customer journey analytics). Moreover, it plans to release prescriptive analytics that can extrapolate outcomes, based on data attributes. If Zoho follows through, it will support sales organizations looking to become more proactive and data-driven.
- **Vertical Presence:** Zoho is one of the few vendors outside of the Leaders and large SFA vendors that has a broad vertical presence. Clients looking for alternative vendors to larger and leading SFA players should feel comfortable approaching Zoho during their preselection buying process.
- **Digital Optimization:** Zoho has a strong vision and support for digital optimization. Its blueprint process modeler, journey orchestration builder and

workflow automation tools, along with real-time alert and signal listening, may sit well with sales organizations. This is especially true of those looking to improve and modernize their sales organization by automating manual processes and capturing buying signals across external sources and systems.

Cautions

- **Vertical Product Strategy:** Despite Zoho's presence in multiple verticals, it lags leading vendors in offering native prebuilt vertical solutions, which is offered only through third-party partners.
- **Activity Management:** Among vendors in this Magic Quadrant, Zoho obtained the lowest scores for its activity management features. For example, most SFA vendors track engagement activity via a visual timeline, using a knowledge graph to make correlations. Zoho's, by comparison, depends on recency, frequency and monetary value segmentation scores, where the scoring parameters are human-determined and do not visually depict engagement flow. They serve up a conditional, rule-based score, rather than an ML-based determination on recency of communication and overall health of engagement. Furthermore, it has not released any conversation intelligence functionality, which is present in leading vendor solutions.
- **Sales Execution:** Zoho has fewer large-scale accounts, compared with other Leaders in this Magic Quadrant. This is a consideration for sales organizations looking to implement Zoho and seeking reference customers with large-scale global deployments.

Vendors Added and Dropped

We review and adjust our inclusion criteria for Magic Quadrants as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant may change over time. A vendor's appearance in a Magic Quadrant one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. It may be a reflection of a change in the market and, therefore, changed evaluation criteria, or of a change of focus by that vendor.

Added

No vendors were added.

Dropped

Insightly was dropped, because it did not meet the criteria for inclusion.

Pipelinier was dropped, because it did not meet the criteria for inclusion.

Inclusion and Exclusion Criteria

To qualify for inclusion in the 2022 Sales Force Automation Platform Magic Quadrant, providers must meet eight of the following nine criteria (i.e., without reliance on third-party add-ons):

- Account/Contact Management, Activity Management, Opportunity Management: Serve as a system of record for account and contact management AND sales activity management AND opportunity management; also be able to natively support systems of engagement for capturing and facilitating sales and customer interactions, tasks, and activities.
- Pipeline Management: Serve as a system of record for sales AND support sales-customer engagement journeys through multiple channels, including web portal, SMS/messaging, and email at minimum AND support predictive and/or prescriptive analytics for pipeline management (must include all three).
- Forecast Management: Serve as a system of record AND system of insights for capturing, auditing and recording forecasting processes, and be able to demonstrate the ability to automate the forecasting process.
- Lead Management: Serve as a system of record for lead management capabilities, which include functions for lead nurturing, lead conversion tracking and lead attribution analysis.
- Guided Selling: Provide guided selling capabilities in the form of formal sales playbooks and workflow-based recommendations that align with sales playbooks.
- Provide a platform for extending sales processes with custom user interfaces, custom data objects, custom data fields, and custom workflows, including but not limited to building engagement support with a diverse set of channel interactions.
- Provide a platform for extending sales processes into customer interaction channels for buyer-seller engagement support in at least three core channels (i.e., email, web/portal experiences, and SMS/text messaging).
- Provide native, open APIs that allow the solution to integrate with third-party applications, such as but not limited to ERP systems, BI tools, unified communication tools, etc., or as may be deemed relevant to a selling organization.
- Provide mobile and device capabilities, whereby sellers and their managers can manage their primary daily sales from either a natively provided mobile application, mobile web browser, IoT device, or low-code mobile application development SDK. Native applications should work without the internet, and end users should be given an option to sync the data manually.

If the provider meets this initial criterion, then they must meet both of these criteria to qualify:

- Have customers with live SFA implementations in at least two of the three use cases for Sales Force Automation Critical Capabilities: B2B sales, B2C sales, and indirect/relationship sales.
- Made at least two major CRM SFA releases with significant functional improvements during the 12 months from 1 March 2021 to 28 February 2022; a new or acquired offering from an established provider in this market is also considered, if Gartner established that offering was being sold to customers.

If providers meet both of these initial criteria, then they must meet at least four of the following five criteria:

- Provide native partner relationship management capabilities (PRM). To qualify for this criterion, providers must offer a portal-user license type, offer portal management capabilities for partners to manage leads and opportunities assigned to them, and offer partner life cycle management capabilities. All three criteria must be satisfied to qualify for this category of evaluation.
- At least 50 customers with live sales execution platform implementations as of 1 February 2021, spanning at least four industries, in accordance with industry definitions established by Gartner listed below (see Industry Definitions).
- Must have an average number of SFA paid users (not partner users or freemium users) per customer (not org/instance) of at least 25 users as of 1 February 2022.
- Revenue from SFA software of at least \$14 million during calendar year 2021.
- During the 12 months from 1 March 2021 to 28 February 2022, closed SFA contracts with at least 10 new logos (not new contracts sold to an existing client) on deals that exceeded \$750,000 in total contract value OR closed SFA contracts with at least 50 new logos on deals between \$50,000 and \$750,000 in total contract value.

Industry Definitions:

- Automotive (includes automotive manufacturers, distributors, or direct-to-consumer sales processes)
- Communications, media and services (e.g., telecommunications)
- Consumer packaged goods manufacturing
- Education
- Energy and utilities
- Financial services — includes commercial banking, retail banking, all forms of lending and wealth management
- Healthcare providers
- High-tech and software (includes IT hardware)
- Insurance (includes health insurance)
- Life sciences — includes pharmaceutical and medical device manufacturing or distribution
- Manufacturing and natural resources — includes all forms of discrete manufacturing and the forms of process manufacturing not already specified in this list
- Professional and business services services

- Retail — includes retailers and specialty retailers, restaurants, grocery, and hotels
- Transportation and logistics

Evaluation Criteria

Ability to Execute

In terms of capabilities, sales organizations require different levels of depth and complexity. Vendors that support a wide range of complexity have greater market potential, and are rated accordingly. Because this is a cross-industry Magic Quadrant, evaluation of a provider's offering is focused on the ability to serve several broad industry sectors, not to provide industry-specific solutions.

Product or Service: This criterion looks at core goods and services that compete in and/or serve the defined market. Vendors are evaluated on the quality of their native SFA capabilities, including both the core capabilities and SFA extensions. Vendors are also evaluated on technical considerations, such as ease of use and administrative functions. Gartner assesses information provided from the Gartner Peer Insights data, as well as other, publicly available sources, from the Critical Capabilities research and from observations collected from Gartner inquiries.

Overall Viability: This is an assessment of the organization's overall financial health, as well as the financial and practical success of the business unit. We consider the likelihood of the organization continuing to offer and invest in the product, as well as the product position in the current portfolio.

Vendors will be rated on additional factors, such as customer retention rate, and their ability to generate revenue specifically in the SFA market.

Sales Execution/Pricing: This includes an organization's capabilities in all presales activities and the structure that supports them. It considers deal management, pricing and negotiation, presales support and the overall effectiveness of the sales channel. The vendor must provide global sales and distribution coverage that aligns with its marketing messages. It must have specific experience and success selling SFA applications to sales buying centers (i.e., the VP of sales or sales operations) and to application leaders. Among the many factors in this category, Gartner evaluates the number of new customers acquired, growth in SFA revenue, average SFA deal size, average contract duration and customer retention. Gartner also evaluates clients' satisfaction with contracting and negotiation processes.

Market Responsiveness and Track Record: This criterion considers a vendor's ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. We also consider the vendor's history of responsiveness to changing market demands. Gartner evaluates the quality and depth of the vendor's releases, and the ability to release functions requested by clients.

Marketing Execution: The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message to influence the market, promote the brand, increase awareness of products and establish a positive identification in the

minds of customers. This “mind share” can be driven by a combination of publicity, promotional, thought leadership, social media, referrals and sales activities.

Gartner will measure the frequency and quality of the vendor’s marketing techniques, including its use of publicity promotions, and thought leadership in social channels or print publications. Gartner will also evaluate the vendor’s presence on the shortlists of Gartner’s clients and the scope of available third-party solutions.

Customer Experience: This criterion considers products and services and/or programs that enable customers to achieve anticipated results with the products evaluated — specifically, quality supplier/buyer interactions, technical support or account support. This may also include ancillary tools, customer support programs, availability of user groups and service-level agreements (SLAs). Feedback from active customers on generally available releases during the past 12 to 18 months is an important consideration. Sources of feedback include Gartner client inquiries and other customer-facing interactions, such as Gartner conferences, Peer Insights and research surveys. Customer experiences are evaluated based on the vendor’s ability to help customers achieve positive business value, as well as sustained user adoption, quality implementation and ongoing support.

Operations: The ability of the organization to meet goals and commitments.

Table 1: Ability to Execute Evaluation Criteria

Enlarge Table

Evaluation Criteria	Weighting
Product or Service	High
Overall Viability	Medium
Sales Execution/Pricing	Medium
Market Responsiveness/Record	High
Marketing Execution	Low
Customer Experience	High

Evaluation Criteria	Weighting
Operations	Low

Source: Gartner (September 2022)

Completeness of Vision

Gartner evaluates vendors on their ability to convincingly articulate logical statements. This includes current and future market direction, innovation, customer needs and competitive forces, as well as how well these statements map to Gartner's view of the market.

Market Understanding: This includes the ability to understand customer needs and translate them into products and services. Vendors that show a clear vision for their market listen, understand customer demands, and can shape or enhance market changes with this. Vendors must define how their SFA solutions improve clients' sales process execution and support sales effectiveness objectives. Vendors must also define their competitive differentiators, value proposition and the outcomes achieved by their clients. Vendors are also evaluated on their articulated and demonstrated ability to align with clients' customer experience, digital business and sales execution optimization objectives.

Marketing Strategy: In this category, we look for clear, differentiated messaging that is consistently communicated internally and externalized through social media, advertising, partner programs, system integrators (SIs), customer programs and positioning statements. Vendors are evaluated on their segmentation strategies and how their solutions appeal to selling organizations in multiple verticals, as well as prospects with 50 or more sales sellers. If the vendor derives a significant percentage of its revenue from recurring revenue-based products, it must also have a customer retention strategy.

Sales Strategy: In this category, we look primarily for a sound selling strategy that uses the appropriate direct/indirect sales strategy, as well as partners that extend the scope and depth of market reach, expertise, technologies, services and customer base. Vendors are evaluated on their ability to sell to both business and IT stakeholders, as well as to the segments defined in the marketing strategy.

Offering (Product) Strategy: This category includes the vendor's approach to product development and delivery that emphasizes market differentiation, functionality, methodology and features, as they map to current and future requirements. Gartner assesses the vendor's product and packaging offerings. The vendor should not only demonstrate a product vision that accounts for core SFA functionality (as defined by the market's core capabilities), but also one that offers new application functionality across the breadth and depth of product capabilities. The latter consideration is critical for meeting the needs of a maturing market.

Subcapabilities include the vendor's vision for:

- Sales enablement capabilities, such as content management, sales training and coaching
- B2B and B2C digital commerce
- Digital sales rooms
- Sales effectiveness capabilities (e.g., CPQ or order management)
- Integration with third-party sales applications, although primary focus is on native capabilities

Business Model: In this category, we look for how the design, logic and execution of the organization’s business proposition helps it achieve continued success. Vendors need to have clear business plans for how they will be successful in the SFA market. These business plans should include appropriate levels of investment to achieve profitability and healthy revenue growth during a three- to five-year period. Sales channels and partnership strategies are important components.

Vertical/Industry Strategy: In this category, we look for how the vendor deploys products to meet the specific needs of individual market segments, including verticals. Vendors will be evaluated on the scope of native-built applications that automate industry-specific sales processes in verticals such as financial services and life sciences. Vendors will also be evaluated on the scope of third-party partnerships with ISVs that offer industry-specific capabilities.

Innovation: This concerns direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or preemptive purposes. Vendors are evaluated on the quality of their enhancements and product releases. Vendors must show continued investment in improving core SFA capabilities. They must also show growth in new areas such as improving sales execution, analytics, collaboration or new devices such as IoT; or new technology directions, such as digital business and bot-building capabilities to support multiexperience.

Geographic Strategy: We look at the vendor’s strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the “home” or native geography. This can be direct or through partners, channels and subsidiaries, as appropriate for that geography and market. Vendors will be evaluated on the percentage of employees allocated to the regions, as well as the depth and scope of partners available in those regions.

Table 2: Completeness of Vision Evaluation Criteria

Enlarge Table

Evaluation Criteria	Weighting
Market Understanding	High

Evaluation Criteria	Weighting
Marketing Strategy	Medium
Sales Strategy	Medium
Offering (Product) Strategy	High
Business Model	Low
Vertical/Industry Strategy	Medium
Innovation	High
Geographic Strategy	Medium

Source: Gartner (September 2022)

Quadrant Descriptions

Leaders

Leaders have the Ability to Execute their vision through products, services and demonstrably solid business results, in the form of revenue and earnings. Leaders have significant successful worldwide customer deployments in a wide variety of industries, and with multiple proof points for deployments above 500 users. They demonstrate consistently above-average CX levels, product execution scores and sales execution scores.

They demonstrate product leadership, delivering new enhancements and innovations on a consistent schedule. They also provide thought leadership, showing customers and prospects how their SFA solutions improve sales execution and sales processes.

Challengers

Challengers are often larger than most (but not all) Niche Players, and demonstrate a higher volume of new business for SFA. They have the size to compete worldwide; however, in some cases, they may not be able to execute equally well in all geographies or segments. They often return stronger CX satisfaction scores. They

understand the evolving needs of a sales organization, yet may not lead customers into new functional areas with a strong functional vision.

Challengers tend to have a good technology vision for architecture and other IT organizational considerations, but have not won over the top sales executives and/or application leaders in the IT organization.

Visionaries

Visionaries are ahead of most potential competitors in delivering innovative products and/or delivery models. They anticipate emerging and changing sales needs, and move the market into fresh areas with solutions that improve sales execution.

Visionaries have strong potential to influence the direction of the SFA market, but are limited in terms of execution and/or track record.

Niche Players

Niche Players offer products for SFA functionality, but may lack some functional components. Some may not show the ability to consistently handle deployments of more than 500 users across multiple geographies. Some may lack strong business execution in the SFA market, even if they have strong critical capabilities. These vendors may offer complete portfolios for a specific industry, but face challenges in one or more areas necessary to support cross-industry requirements, such as complex forecasting and pricing and quotation features. They may have an inconsistent implementation track record, or they may lack the ability to support the requirements of large enterprises.

Niche Players often offer the best solutions for the needs of particular sales organizations or sales use cases.

Context

Given that there are more than 75 SFA vendors worldwide, the vendors in this research are a small part of the overall SFA vendor market. Hundreds more vendors provide basic contact management software, which is a subset of SFA. Dozens of vendors have built vertical-specific SFA solutions.

Because it is not possible to review every SFA provider, this Magic Quadrant evaluates SFA solutions that are broadly applicable to many differently sized sales organizations and verticals.

We place particular emphasis on vendors' core SFA capabilities, as described in the Market Definition/Description section of this Magic Quadrant. However, for the purpose of building as complete a picture as possible, we also evaluate their noncore SFA capabilities, such as sales engagement and sales enablement functionality.

SFA means different things to different types of sales organizations:

- Product-driven, transactional sales organizations, such as those with short-cycle B2B sales, value its basic lead and opportunity management capabilities to reduce sales cycles and improve sales management visibility.

- Product and service organizations selling enterprisewide deals, such as long-cycle B2B sales organizations, value account management and forecasting capabilities. These organizations often also value lead management, CPQ and sales content management systems. They often tie together proposals, bids, configurations and quotes with authorizations and order capture systems. Organizations operating in this space require granular forecasting and pipeline management features.
- Organizations engaged in relationship selling require SFA tools to manage their customer and prospect data, but also require sales enablement tools for content distribution and sales activity capture.
- Organizations that sell via indirect sales channels require PRM capabilities.

Sales Organization Sizing

In this Magic Quadrant, Gartner refers to sales organization customer sizes or vendor target segments. We define these segments as follows:

- Small business — fewer than 100 sales users
- Midsize enterprise (MSE) or business — 101 to 1,000 sales users
- Large business — 1,001 to 2,500 sales users
- Enterprise-size — more than 2500 sales users

Market Overview

The SFA market grew 14.8% to an estimated \$9.4 billion in 2021. Gartner continues to facilitate a large number of inquiries surrounding vendors, and their capabilities. Most notably, these inquiries involve clients revisiting their SFA investments/deployments to assess alternatives in the market, or out of the need to support a unified CX strategy and digital transformation efforts at their organizations. The increase in customer self-service capabilities and revenue models meant to support such engagements presents the SFA market with additional opportunities to expand with adjacent capabilities.

Example opportunities include via collaboration and support of digital sales room capabilities, proposal and quotation, where it can also be extended to self-service scenarios, not just limited to seller process execution. There is also IoT device support for the hybrid selling environments, whereby IoT devices are part of a comprehensive, multiexperience selling strategy, and bot capabilities used for internal sales process support and customer interaction mediation.

With the aforementioned opportunities, the SFA market is evolving to support composable seller and buyer experiences and, as such, rendering the market a platform play. For example, being able to create a proposal and quotation component to be reused in multiple scenarios that would be registered in an internal marketplace of the organization, using the SFA platform. The proposal and quotation component can then be downloaded into a business process flow to be reused, regardless of the use case, as long as it is in part of a process, and it leads to a new experience. The component would act independently and autonomously from its

intended initial creation. The components are business-user driven, require less technical skills to develop, and lead to new experiences and processes. Below are two hypothetical scenarios of the same component being used:

- ABC Corp. Sales Team A for Product Y: ABC creates a proposal and quotation component to be used in a conventional opportunity management playbook and process flow within the SFA platform. The component is registered in the company marketplace and available for reuse.
- ABC Corp. Sales Team B for Product Z: Accesses the ABC marketplace, sees a quotation and proposal component and downloads it for a video meeting setting with customers, whereby customers can be quoted and proposals generated during live video meetings. This same component supports independent and autonomous reuse of the same application component, creating a new process and experience.

Gartner has recognized this trend. Thus, we have renamed the Magic Quadrant for Sales Force Automation to reflect a platform approach, rather than a siloed application. The former is expected to usher in a new frontier of investment by vendors into SFA platforms to enable improved seller and buyer experiences, while augmenting traditional SFA capabilities via ML or hyperautomation use cases. Furthermore, platforms go beyond systems of record and enable new revenue model types and interoperability. Gartner expects SFA platform vendors to be the linchpins for buying journey orchestration and coordination in the future. Therefore, SFA must support multiexperience and multidevice interoperability.

Functionality Trends

The top market trend is continuation of expanding AI and virtual selling capabilities in SFA, whereby remote selling using collaboration tools and unified communications is becoming an essential part of the sales technology stack. Furthermore, SFA tools are increasingly moving from systems of record toward systems of engagement and insights, for fostering more seamless interactions and increasing effectiveness via analytics. To support more seamless experiences, SFA solutions will eventually extend their ability to act as a system of experience by decreasing friction in communication and collaboration with partners, customers and other sellers. (For more information on the emerging modern sales technology stack, see [Modern Sales Technology Emerges to Support the New World of Buying and Selling.](#))

Gartner has added several new capabilities meant to enable more-seamless buying and selling processes for remote sales use cases. New core SFA capabilities are described in the sections that follow.

Collaboration: The hybrid working environment has accelerated the need for collaborative capabilities in the SFA market and/or deep interoperability with collaboration technologies. Most companies will use the most prominent productivity tools (e.g., Microsoft Teams and Salesforce Slack). However, this does not alleviate the need for a more integrated set of functionality and capabilities, which exist in the UI of the SFA platform and incorporate the ability to update records in the natural workflow of communication. Therefore, functionality trends now emerging see SFA vendors placing more integrations with productivity and collaboration tools as a part of providing an improved seller and customer experience. This trend is expected to increase in the coming years.

IoT and Bot Applications: To further improve seller efficiency and effectiveness, modern sales organizations will venture into new business models, specifically self-service and digital commerce. This is where dominant uses of bot applications will help support seller-to-customer mediation. Bot applications are not new in the CRM industry, as many of the use cases are seen in customer service.

Sales organizations are expected to increase reliance on bot capabilities to capture buyer questions and needs, and, ultimately, use the data to feed ML algorithms for next-best-action recommendations. At the same time, the customer will be interfacing with the supplier website or in a messaging application. This is expected to increase lead generation efforts because it enables the buyer to have a higher degree of autonomy during a purchase decision. This is often a preference in the digital buying world, while providing the sellers context on buying intent and allowing sellers to personalize outreach efforts to improve the likelihood to purchase. This, in turn, is increasing in preference in both B2B and B2C business models.

IoT device usage is expected to proliferate with the vast array of “smart devices.” However, provided hybrid working and remote selling are here to stay, sellers working from home or anywhere else will expect to use smart-home devices to execute daily seller tasks. For example, the ability to update SFA records and initiate sales processes using Amazon’s Alexa or Google Assistant will improve seller efficiency through voice capture mechanisms. The employee experience will be an integral part of any sales organization’s approach to capitalizing on the “total experience” trend. As such, SFA vendors will be expected to innovate and enable their SFA platforms for multiexperience, multidevice use, not just confined to desktop and mobile applications.

Proposal and Quote: These capabilities have long been a staple through CPQ applications offered as a separate suite of products in the sales technology market. However, although proposal and quote capabilities will not be a replication of CPQ in SFA platforms, there will be an expectation among most sales organizations that vendors will provide foundational proposal and quote features. This is not a “new trend”; however, it reflects addressing the foundations of B2B and indirect sales process needs. These can be viewed as lightweight CPQ capabilities, because most sales organizations expect the ability to generate proposals and quotes in the SFA platform, without the procurement of add-on products.

Adjacent trends driving these capabilities will be self-service and digital sales rooms. Because they are contributing to a platform offering, SFA vendors will need to support customers in creating their own solutions and quotes while in a digital sales room. At the same time, they will provide sellers with visibility into proposals generated by the client and whether intervention will be necessary by sellers to improve pricing, discounts, or engage with the client while in proposal stages. This is especially the case when sellers see additional opportunities beyond the initial quote generated.

Platform Composability: This is the new nexus of the application platform landscape. SFA vendors will follow in a similar trajectory, whereby the future of applications is composable, meaning modularized, adaptable and interoperable with other platforms and applications. Sales users will be able to compose unique workbenches in accordance with their persona, or workstyle. This brings applications in the form of packaged business capabilities (PBCs) to the seller persona, rather than the seller

persona to the application, as is seen in today's monolithic approaches. This vast difference in approach will open many doors for SFA platforms that support interoperability and composition tailored to the business user or sales persona for business capability reuse across different workstyles, use cases and processes. (For more details on composable applications, see [Becoming Composable: A Gartner Trend Insight Report](#) and [Quick Answer: What Does It Mean to Be 'Composable'?](#))

These new capabilities are expected to complement existing legacy or traditional SFA capabilities, such as account and contact management, opportunity management, and forecasting.

Market Status of SFA Features and Capabilities

Prescriptive Next-Best Actions: One aspect of guided selling capabilities is rapidly improving in maturity and is considered a differentiator in the market. At the time of the writing of this Magic Quadrant, slightly more than 40% of the vendors evaluated used prescriptive next-best actions via ML algorithms. This number is expected to be at 60% or more within three years, and this will be at market parity.

AI/ML Predictive Analytics: These are present in almost all SFA vendor solutions in this Magic Quadrant. More than 60% of the vendors featured in this Magic Quadrant contain at least one product offering based on ML to drive predictions using activities on opportunities, forecasting, or lead records or all of them. Offerings differ on configurability and data ingestion and signal tracking elements, but these solution capabilities do not offer much differentiation for SFA products that only maintain out-of-the-box ML models that lack the ability to adjust the model's parameters.

Conversation Intelligence: Only a handful of vendors have released conversation intelligence platform capabilities, some to a limited degree of functionality. These have been top of mind for many customers inquiring about the effectiveness and ability of such solutions in the best-of-breed market. Gartner expects this trend to increase among SFA vendor offerings.

Unified CRM: Most vendors offer a unified CRM standard object model in which service, marketing and sales standard objects or entities are consistent across the application portfolio to improve business process visibility and better manage customer relationships. This approach has since reached market maturity, and it is no longer a differentiating value proposition. This is not the same as a common data model, which is an extensible set of standardized data schemas and metadata that enables data sharing across business applications beyond standard objects, which is still a unique differentiator.

Process Automation: Out-of-the-box process automation on activity management has reached market parity, and all vendors' features have the ability to do intermediate data capture. That is, they can capture emails, or other forms of communication signals, such as logging of inbound and outbound phone calls, calendar/meeting scheduled events.

Sales Engagement: A handful of SFA vendors offer sales engagement capabilities, which is the ability to create sales cadences or sequences used in sales development or business development efforts to improve lead generation and qualification efforts. They often simplify seller workflows for engaging prospects and customers by coordinating the use of engagement channels through a single console

(see Market Guide for Sales Engagement Applications for additional information surrounding this market).

Process Mining and Advanced Automation: Few vendors offer the ability to capture, automate or understand more-difficult or less-routine-specific, customer-designated processes using process mining and/or advanced automation, such as robotic process automation (RPA). This trend is expected to increase to reduce sales process friction in an effort to shift focus toward sales effectiveness measurements. Process mining will be a trend to watch in SFA, because it has a unique ability to bridge the outside-in customer/buyer journey with the inside-out sales processes when combined with the objective to improve the customer's experience.

Furthermore, process mining can pinpoint efficiency and coordination improvements in sales organizations more accurately and optimally than when tasks are left to humans alone. As more algorithmic guidance is embedded into the sales stack, process mining will become a key enabler of sales digital optimization efforts.

Evaluation Criteria Definitions

Ability to Execute

Product/Service: Core goods and services offered by the vendor for the defined market. This includes current product/service capabilities, quality, feature sets, skills and so on, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

Overall Viability: Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization's portfolio of products.

Sales Execution/Pricing: The vendor's capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support, and the overall effectiveness of the sales channel.

Market Responsiveness/Record: Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

Marketing Execution: The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This "mind share" can be driven by a combination of publicity, promotional initiatives, thought leadership, word of mouth and sales activities.

Customer Experience: Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include

ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements and so on.

Operations: The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

Completeness of Vision

Market Understanding: Ability of the vendor to understand buyers' wants and needs and to translate those into products and services. Vendors that show the highest degree of vision listen to and understand buyers' wants and needs, and can shape or enhance those with their added vision.

Marketing Strategy: A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the website, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling products that uses the appropriate network of direct and indirect sales, marketing, service, and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base.

Offering (Product) Strategy: The vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature sets as they map to current and future requirements.

Business Model: The soundness and logic of the vendor's underlying business proposition.

Vertical/Industry Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including vertical markets.

Innovation: Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

Geographic Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the "home" or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.