Magic Quadrant for Integrated Marketing Management

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VIEW SUMMARY

We evaluate vendors that provide applications that integrate executional, operational and analytical marketing processes. Companies seeking a solution that integrates campaign management, marketing resource management and analytics should review this research.

Market Definition/Description

Integrated marketing management (IMM) represents the marketing strategy, process automation and technologies required to integrate people, processes, campaigns, channels, resources and technologies across the marketing ecosystem. IMM supports closed-loop marketing by integrating operational, executional and analytical marketing processes. The closed-loop process starts at the concept/idea and goes through to planning to resource allocation to creation/project management to piloting to full-scale execution to, ultimately, evaluation and analysis that feeds back into and helps optimize ideas and planning. Vendors in this market provide an integrated set of marketing functionality that integrates executional, operational and analytical marketing processes. These may not all reside in the same solution, but should be preintegrated if they are not on the same architecture. Clients must assess the architecture and integrated nature of the solutions, as well as the robustness of required functionality.

Magic Quadrant

Figure 1. Magic Quadrant for Integrated Marketing Management

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

Source: Gartner (October 2014)

Vendor Strengths and Cautions

Adobe

Adobe is a Visionary in this year's IMM Magic Quadrant, with significant mind share in business-to-consumer (B2C) marketing, and an integrated focus on multichannel campaign management functionality for publishing, retail, media and travel industries.

Strengths

Multichannel campaign management: Adobe Campaign (formerly Neolane) brings online/offline multichannel orchestration and execution. Adobe Experience Manager enables a single digital content manager for campaigns, a single interface for users and a central repository for content.

Digital marketing vision: Adobe Marketing Cloud provides analytics for real-time segmentation, customer scoring and optimization capabilities, particularly for digital channels such as display, email, mobile and video. Adobe has captured strong mind share and interest around the Adobe Marketing Cloud.

Integration plan: Adobe continues to integrate its six cloud marketing solutions (Campaign, Analytics, Experience Manager, Media Optimizer, Social and Target) and to improve its UI. Marketing core services seek to tie in audience profiles, content marketing and advertising mix planning across multiple channels.

References: Multiple references point to breadth and robust functionality for campaigns.

Cautions

UI: Multiple references mentioned unified UI is still in progress, and found areas where the UI is not intuitive, with a large learning curve.

Integration pace: Adobe must quicken the pace to build more integration with its Marketing Cloud solutions that don't yet share a unified architecture, including Target, Social and Media Optimizer. The integration of Adobe Campaign (Neolane) is still a work in progress.

B2B lead management vision: References gave Adobe lower-than-average scores on lead management vision and product road map direction.

Robust marketing resource management (MRM): Most operational processes are supported as part of Adobe's campaign management processes, but it does not market or sell a separate MRM solution.

Direxxis

Direxxis is a Niche Player due to its small size, regional execution in North America and focus on local marketing enablement solutions.

Strengths

Growth: Direxxis has added approximately 17 net new clients in the past year, and has around 85 marketing application customers. Gartner estimates that Direxxis generated between $15 million and $17 million in MRM revenue in 2013.

Marketing and sales communications focus: Although it provides capabilities for MRM, campaign management and marketing performance management (MPM), the strength and focus of Direxxis' solution lies in integrating marketing and sales to deliver consistent communications across a number of different channels.

New features: Key investments to dmEDGE 5.0 include new e-commerce features (shopping cart); improved search features; more-detailed product information; new landing pages and microsites for promotion, tablet and mobile access; a one-click order for product bundles; "mega menus"; and improved tracking of user actions. The road map calls for a corporate campaign management module to be released by the end of 2014.

Solution options, SaaS and pricing: Direxxis has four solution options called "editions" — Group Edition, Professional Edition, Enterprise Edition and Unlimited Edition — as part of dmEDGE 5.0. The dmEDGE solution features a multitenant data architecture. The pricing model is a user-based SaaS one, with a monthly fee structure based on the number of dmEDGE modules and users required per client.

Cautions

Size and geographical focus: Direxxis is one of the smaller IMM vendors, and is predominantly focused on the North American market. Clients have also stated that R&D and project management are limited.

Limited market visibility: Direxxis is one of the lesser-known and lesser-recognized players in this market. It will need to improve its visibility in the market and increase its marketing execution to compete with the larger and better-known players.

MRM and campaign functionality: For MRM, Direxxis lacks robust financial management capabilities, and its creative production management capabilities are limited. Although it has added capabilities for centralized, targeted marketing campaigns, these are very basic and lack advanced campaign management features for event-triggered marketing and inbound marketing.

On-premises deployment option: On-premises deployment is not a standard option. The vendor prefers to host its dmEDGE solution in a SaaS model. However, on-premises is a custom option.

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.

IBM

IBM is a Leader in this year's IMM Magic Quadrant for its broad IMM vision, multichannel campaign management (MCCM) execution, MRM capabilities and analytics for its ExperienceOne offerings.

Strengths

Global reach: IBM is a large global company with $99.75 billion in revenue in 2013.

Core MRM functions: IBM provides MRM solutions that focus on planning, financial management and creative production management.

Multichannel campaign management: IBM is a leader in the multichannel campaign management space. Recent acquisitions of Xtify and Silverpop will strengthen cloud options and digital channels, such as mobile. Partnerships will connect ad tech players through IBM's Digital Marketing Network.

Breadth of solutions and deployment options: References cite IBM's breadth of offerings and deployment options as a strength.

Cautions

MRM innovation: IBM will need to close its gap with other MRM leaders. References gave less-than-average scores for IBM's ability to meet current or planned requirements in MRM.

Attribution metrics: Some of IBM's ambitious road map plans in marketing performance optimization (including statistically inferred) attribution management have slowed.

Competitive market: IBM will continue to see increased pressure from smaller on-demand offerings, particularly midmarket players in both B2B and B2C campaign management. IBM will need to demonstrate solutions as a whole, not just as stand-alone solution sets.

Reactive customer support: Several references mentioned slow turnaround times that were resolved through escalation processes.

Infor

Infor is a Challenger for its broad solution, focus on MRM and advanced campaign management, R&D investment and overall investment resources.

Strengths

Market expansion: It has expanded its IMM sales into Asia/Pacific and is actively pushing Infor Orbis Marketing Resource Management in North America and EMEA.

Broad solution: Infor provides a broad set of IMM capabilities across executional, operational and analytical processes. The Infor Marketing Management (IMM) suite includes five modules: Infor Orbis MRM, Infor Epiphany Marketing (campaign management), Infor Epiphany Interaction Advisor, Infor Social Marketing and Infor Customer Interaction Hub. It is one of the few vendors with a prepackaged customer interaction hub offering as part of its IMM solution.

R&D investment: Infor has made numerous updates and enhancements to its solution for campaign management (outbound, inbound and event-triggered), multichannel support, digital marketing (social and mobile), planning, budgeting, financial management and creative production management. Integration continues between campaign management and Infor Social Marketing and Infor MRM. The UI was completely rebuilt for financial management and asset management. It has also improved analytical support for big data.

Deployment models and pricing: Infor's marketing solutions are available to be deployed on-premises, via the cloud or hosted by Infor or a third party. This past year, Infor simplified its pricing, which is module-based, on the key metric for each module (for example, seats for MRM, number of recommendations for Interaction Advisor and number of records for campaign management).

Cautions

Market perception and visibility: The vendor needs to increase visibility in the market for its marketing applications to become a major player. Although we see some deals for MRM and campaign management, Gartner does not see the same volume of deals as we do for the Leaders in the market, who have greater visibility.

Product integration: Campaign management and MRM capabilities are not on the same platform and codebase. Integration between the products is still a work in progress. Some clients and references have cited lack of integration between these products as an area of challenge.

Digital marketing: Infor needs to accelerate its investments in digital marketing (social, mobile, email and Web) to be competitive with other leaders.

Release schedule: Clients and references have stated that the timing between new releases could be improved (that is, shorter).

Marketo

Marketo remains a Visionary in this year's IMM Magic Quadrant for its business-to-business lead management capability for midsize to large organizations in industries like high technology, business services and healthcare.

Strengths

Growth: Marketo reported $95.9 million in 2013 revenue, up 64% from 2012, and it has over 3,000 active customers.

Growing breadth: Marketo now targets both B2B and B2C lead management and campaign

management activities. Marketo is focusing on an open platform, inviting partners and third parties to help build out extended capabilities. Marketo LaunchPoint partners now offer video, display, mobile and retargeting capabilities to Marketo clients.

R&D: Marketo added a customer engagement engine (with a drag-and-drop UI for multiple channels including email, SMS and direct mail), along with A/B testing, a library of mobile email templates, real-time content recommendations and integration with Google AdWords.

Implementation: References point to lead management, ease of implementation and availability of best practices from Marketo's community as top strengths.

Cautions

Robust MRM: Marketo does not sell an MRM solution separately. MRM functionality is geared to augment lead management; however, Marketo is investing in areas like financial planning and much-needed, comprehensive marketing calendars, which were launched in September.

Salesforce.com dependency: Marketo is one the few remaining B2B lead management vendors, after a series of M&A activity. Gartner estimates that 70% to 80% of Marketo deals integrate with salesforce.com, which is building out its own marketing capabilities, making it an increasingly competitive threat.

Enterprise complexity: References mentioned Marketo is still scaling to meet the more-complex needs of larger organizations.

User interface: References stated that the UI for analytics and workflow were not as intuitive as other areas.

Microsoft

Microsoft moved into the Challengers quadrant for its broad integrated marketing platform, midmarket focus, increasing global expansion, available R&D resources and growing client interest.

Strengths

Market momentum: Since the launch of Microsoft Dynamics Marketing in June 2014, Microsoft has added more than 200 customers in production for the solution. Most of its market momentum is in North America and EMEA, but it does have over 20 customer in Asia.

Broad solution: Microsoft Dynamics provides capabilities for MRM, campaign management, lead management, and advertising/media planning and promotion. It has added mobile marketing capabilities for push notifications with its recent acquisition of Capptain.

Future investment: Plans for the fall 2014 release include multichannel marketing (email, social, webinar; offers; and testing), sales and marketing collaboration (collaboration portal and lead management enhancements) and marketing operations (interactive marketing calendar and visual workflow). Initial integration between Capptain and Microsoft Dynamics Marketing will begin in 2015.

Partner channels: Microsoft has a growing partner network for go-to-market consulting and implementation services. Partners include MRM vendors (Coffee + Dunn, Hitachi Consulting and Vepro) and lead management vendors (Accenture, Avanade, Business & Decision, Hitachi Consulting, Infusion, PowerObjects and Vepro).

Cautions

On-premises deployment: Microsoft Dynamics Marketing is offered only as a cloud-based solution. It is not available for on-premises deployment.

Midmarket solution: Although Microsoft has attained some large enterprise clients, the solution today is best-positioned for the midmarket and has the most traction with midmarket clients. Gartner does not see Microsoft in many large enterprise deals or competing against the leaders in the market, who compete in the large-enterprise market.

Market visibility: Most Gartner clients are not aware that Microsoft has marketing capabilities for MRM, campaign management and lead management in its Dynamics product set. Microsoft will need to increase marketing in this area to improve visibility outside its client base.

Customer service and customization: Clients report that service and communication is not great after implementation, and that there are difficulties with customizing the cloud-based solution.

Oracle

Oracle is a Challenger in this year's IMM Magic Quadrant for its focus on multichannel campaign management, B2B lead management and multichannel B2C marketing capabilities, with particular strengths in retail, travel and financial services.

Strengths

Best-of-breed acquisitions: Acquisitions such as Responsys, Eloqua, BlueKai, Compendium, ATG, Siebel and Collective Intellect signal Oracle's intention to dominate marketing capabilities.

Lead management: Oracle Eloqua, part of the Oracle Marketing Cloud, continues to be a leader in business-to-business lead management capability, with leading functionality and a robust ecosystem for partners and marketing service providers.

B2C campaign management: Oracle Responsys, part of the Oracle Marketing Cloud, offers leading email marketing and growing multichannel campaign management, which includes SMS, push messaging and display advertising.

Professional services: References mentioned their relationship with Oracle's professional services as a top strength.

Cautions

> **MRM:** Oracle does not meet our minimum criteria for MRM, and Gartner does not see Oracle in MRM deals where campaign management or lead management is not present. However, some capabilities, like calendaring functionality, will be available in products like Oracle Content Marketing (formerly Compendium).

> **Fully integrated solution:** Most customers are still waiting for full integration of recent acquisitions into their Oracle Marketing Cloud. Some prospects have stated that they removed Oracle from the longlist of vendors and did not put it on the shortlist because its solution required numerous Oracle products that were not well-integrated.

> **Portfolio orchestration:** Contract pricing and business practices need to be sorted out across Oracle's various acquisitions. Business process and implementation expertise is uneven across its portfolio of applications.

> **Opportunistic selling:** Oracle has been leading with one of its acquired solutions in sales deals, rather than selling an integrated offering across multiple solution areas. This has created confusion in the market and is problematic for prospects whose requirements fall across multiple solution areas.

RedPoint Global

RedPoint enters this year's IMM Magic Quadrant as an emerging Niche Player focusing on data management in the midmarket.

Strengths

> **Momentum:** RedPoint is a new, small company garnering over 30 customers in 2013, and is now increasing traction outside the U.S.

> **Multichannel campaign management functions:** RedPoint's Convergent Marketing Platform (CMP) offers MCCM capability primarily to marketers in the U.S. It focuses on data-driven campaign design and data integration from multiple sources.

> **Data approach:** RedPoint's approach to IMM is a data-driven, nondisruptive set of functionality that resonates with multichannel marketing managers.

> **Value:** References point to good value for the money and lower total cost of ownership (TCO). Services have received above-average scores, and clients describe RedPoint as smart and nimble.

Cautions

> **Reporting and UI:** Reporting and UI capabilities showed as below average with references.

> **Workflow:** References cite compressive workflow, with many subworkflows and drilling in and out, as a top weakness.

> **Robust MRM:** Operational processes are supported as part of RedPoint's campaign management processes, but it does not market or sell a separate MRM solution.

> **Competition and mind share:** RedPoint has entered a very crowded market with limited brand recognition, where its competitors already have a considerable amount of press and attention.

SAP

SAP is a Leader for its broad solution, growth, market momentum and vision for integrated marketing.

Strengths

> **Market growth:** SAP continues to gain market traction with its core SAP Marketing solutions. It also added new revenue through its hybris and SeeWhy acquisitions. It reports adding over 145 net new marketing customers this past year.

> **Broad solution:** SAP provides a broad set of IMM capabilities across campaign management, MRM and marketing analytics. It also has integrations to industry solutions for marketing, such as trade promotion management, loyalty management and channel marketing.

> **R&D:** Investments have focused on big data insights for marketing and putting real-time insights into action by managing known and anonymous marketing data. New product investments include a marketing executive dashboard and top-down marketing planning. SAP also released SAP Product Recommendation Intelligence. SAP gained an event-driven marketing solution for real-time remarketing via email and ads with its SeeWhy acquisition.

> **Marketing awareness and thought leadership:** SAP continues to evolve its thought leadership activities, both within and outside SAP, through speaking engagements, regional forums, written content and virtual communities targeted to chief marketing officers (CMOs) and marketers.

Cautions

> **Best-of-breed deals:** Although SAP has led first with marketing in some net new SAP client deals, most clients state that they choose SAP for the value proposition of integrating marketing applications with other SAP business applications.

> **SaaS solution:** Although interest in cloud-based applications is growing, most clients have deployed on-premises or hosted solutions. SAP Customer Engagement Intelligence suite is offered on-premises or via cloud through SAP Hana Enterprise Cloud. However, not all capabilities are available via multitenant SaaS.

> **Market perception:** Many prospects that are not SAP clients will not consider SAP because they view SAP as an ERP vendor, as too expensive, or as taking too long with implementations. SAP's competitors continue to leverage outdated market perceptions of SAP against it in competitive deals.

Sales execution: Although SAP has done well marketing to CMOs and building thought leadership, sales execution has not always followed. Most clients that Gartner receives SAP marketing inquiries from already own the marketing licenses purchased as part of a larger IT sale. The decision is often whether to implement SAP or to buy something else; and requires IT to sell it to marketing.

SAS

SAS is a Leader in the IMM market for its robust capabilities and market momentum across analytical, executional and operational marketing processes.

Strengths

Market momentum: SAS reports a 13% increase in the sales of its Customer Intelligence solutions, and growth in the U.S., Asia/Pacific and Latin America. It has added more than 200 customers in the past year.

Breadth of IMM vision and capabilities: SAS provides a functionally rich and broad set of solutions and capabilities across executional, analytical and operational marketing processes, including campaign management, predictive analytics, optimization, MRM, MPM and customer information integration.

R&D: SAS continues to invest in its Customer Intelligence suite, with numerous investments in its 6.3 release including enhancements in Campaign Management, Marketing Optimization, Real-Time Decision Manager, Customer Experience Analytics, Marketing Operations Management, Social Media Analytics and Digital (email and SMS) Marketing.

Deployment options: SAS Customer Intelligence is available on-premises, hosted and SaaS. Some offerings, for example, Social Media Analytics, are available as SaaS-only.

Cautions

MRM execution: There continues to be some confusion in the market regarding SAS's MRM capabilities. Gartner has noted that SAS is missing in some MRM deals where it would have been an ideal candidate for the shortlist. SAS is doing better at cross-selling MRM into its installed base.

SaaS/multitenant momentum: Although SAS has a number of SaaS options for its marketing solutions, SaaS momentum in key areas like campaign management remains slow.

B2B and midmarket focus: The vendor's strong focus on campaign management and advanced analytics primarily appeals to large, B2C companies. It is gaining some B2B traction with its MRM solution. However, its lack of a prepackaged lead management solution limits its appeal to B2B marketers and the midmarket.

Market perception: SAS is predominantly known as an analytics company and, consequently, is less well-known for its campaign management and MRM capabilities. The vendor will need to continue to promote its marketing capabilities beyond its core competency in advanced analytics.

SDL

SDL is a Niche Player in this year's IMM Magic Quadrant with its Customer Experience Cloud (CXC) offering that leverages its combined assets in campaign management, Web content management, language translation and postsale documentation solutions.

Strengths

Overall viability: SDL is a large provider of customer experience software solutions.

Broad SDL assets: The SDL Customer Experience Cloud incorporates SDL Web, SDL Campaigns, SDL Customer Analytics and SDL Language solutions in its IMM vision.

Road map: SDL plans role-based user experiences for digital marketers, and interaction tactics and data connectors for real-time customer events and Web campaigns. SDL plans to tie in its social intelligence assets in early 2015.

Multichannel campaign management references: References cite strengths in multistep, multiwave campaign creation.

Cautions

UI needs improvement: Customers cited the complexity of the user experience, but say its improving.

Reporting and large dataset integration: SDL lacks the features of higher-end tools for data mining and reporting, but may suffice for those with less-complex needs and limited budgets.

Robust MRM: Most operational processes are supported as part of SDL Campaigns, and it does not market or sell a separate MRM solution

Mind share: Organizational and company changes, including recent restructuring, have impacted past execution and mind share for IMM.

Teradata

Teradata is a Leader for its strong IMM vision, innovations, broad set of marketing capabilities and continued market execution.

Strengths

Market execution: Teradata reports over 1,800 clients for its marketing solutions, adding over 300 new customers this past year.

Broad solution: The Teradata Integrated Marketing Cloud provides solutions in five areas:

marketing operations, campaign management, digital marketing, marketing analytics and customer data management.

R&D: Key areas of investment for marketing include centralized management of marketing spend, an integrated whiteboard, a centralized calendar, conversations (collaboration), visualizations of customer journeys, embedded predictive analytics for segmentation, personalization of digital channels, and the ability to segment on digital data and combine it with offline data.

Services: Teradata has one of the strongest professional services teams that is closely aligned with its marketing product areas. It provides both strategic and execution services in the following areas: implementation, customer success, analytics, marketing data management, marketing consulting and interactive.

Cautions

Pricing and contracts: Some clients and prospects have noted that pricing is high, or that there is a lack of transparency with pricing and in the negotiation process. Some clients have also noted a lack, or inadequacy, of SLAs in service agreements.

Customer service and support: Some former Aprimo clients still find customer service and support challenging in terms of time to resolution and finding the correct resource. Teradata is investing in more resources to address incidents in a more timely fashion.

Deployment models: While Teradata provides all solutions in the cloud, not all solutions and functionality are available in a multitenant SaaS model. Campaign management and marketing operations are primarily available either on-premises or hosted. Digital marketing is available only via SaaS. Clients implementing multiple solutions from Teradata will likely require a hybrid model.

Midmarket: Teradata is primarily focusing on the upper end of the midmarket, but has established a dedicated field force and will offer solutions to the midmarket through its SaaS capabilities for MRM, campaign management and digital marketing.

Vendors Added and Dropped

We review and adjust our inclusion criteria for Magic Quadrants and MarketScopes as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant or MarketScope may change over time. A vendor's appearance in a Magic Quadrant or MarketScope 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

RedPoint Global was added.

Dropped

No vendors were dropped.

Inclusion and Exclusion Criteria

The inclusion criteria remain the same as last year. To be included in the 2014 IMM Magic Quadrant, a vendor must meet *all* of the following minimum criteria.

Market Traction and Momentum

Vendor has at least 25 production customers for marketing functionality (for example, campaign management, lead management and MRM).

Vendor has at least 15 new customers for marketing applications (for example, campaign management, lead management and/or MRM) in the past rolling four quarters.

Vendor must be evaluated in either the Magic Quadrant for Multichannel Campaign Management or in the Magic Quadrant for Marketing Resource Management to be considered for inclusion.

Vendor must have at least $15 million in annual revenue in 2013 for its marketing applications.

IMM Product Capabilities

The vendor must have capabilities in each of the process areas: executional, operational and analytical. To be included, it must have at least three or more of the capabilities listed below for each process type (executional and operational), and four or more for analytical processes. These capabilities must be provided by "owned" solutions and *not* via partners.

Executional Processes: Vendor must support outbound campaign or lead management, as well as two or more of the other capabilities listed below:

Outbound campaigns

Event-triggered marketing

Inbound marketing

Lead management

Segmentation

Multichannel support

Loyalty management

Digital marketing

      Social marketing

      Mobile marketing

Operational Processes: Vendor must support three or more of the following MRM capabilities to be included in the Magic Quadrant:

      Planning

      Budgeting

      Financial management

      Creative production and project management

      Asset and content management

      Marketing fulfillment

Analytical Processes: Vendors must support four or more of the following capabilities to be included in the Magic Quadrant:

      Reporting

      Data mining

      Dashboards and visualization

      Predictive modeling

      Campaign/offer optimization

      Media mix optimization

      Marketing mix optimization

      Marketing performance management

Evaluation Criteria

Ability to Execute

Product/Service (High): Breadth and depth of product capabilities and product architecture is one of the key differentiators in vendor capabilities, and is one of the most important criteria for selecting a vendor.

Subcriteria include the following set of capabilities:

Executional Functionality (Multichannel Campaign Management; 30%):

      Outbound campaigns

      Event-triggered marketing

      Inbound marketing

      Lead management

      Segmentation

      Multichannel support

      Loyalty management

      Digital marketing

      Social marketing

      Mobile marketing

Operational Functionality (MRM; 20%):

      Planning

      Budgeting

      Financial management

      Creative production and project management

      Asset and content management

      Marketing fulfillment

Analytical Functionality (10%):

      Reporting

      Data mining

      Dashboards and visualization

      Predictive modeling

      Campaign/offer optimization

      Media mix optimization

      Marketing mix optimization

      Marketing performance management

Architecture and Platform (40%):

Workflow

Database support

Usability

Web services and SOA

Configurability

Deployment options (on-premises, hosted, SaaS)

Integration between process types, modules and across deployment options

Overall Viability (High): Viability is an important criterion for investing in a strategic vendor to support your integrated marketing platform. Subcriteria include overall financials (45%), marketing-related revenue (30%), and partner strategy (25%).

Sales Execution/Pricing (Medium): This refers to the ability of the vendor to provide global sales and distribution coverage of its IMM solution directly and/or through partnerships. Vendors must also have specific experience selling IMM to the appropriate buying center (marketing and IT), and offer consistent and transparent pricing models and structures. Pricing structures that support both large and small or midsize businesses (SMBs), and both in-house and SaaS-based deployments, are also important. Although less important than product capability or the overall viability of the vendor, other criteria, such as the flexibility of deployment models (on-premises, hosted and on-demand) and pricing, are important client considerations. Subcriteria include flexibility of deployment models (75%) and pricing (25%).

Market Responsiveness and Track Record (High): A key evaluation criterion is the responsiveness of the market to a vendor and its solution, and the customer's experience working with that solution in its geography and industry. It provides validation points for its solution. Vendor experience in the market, particularly an emerging market, is often key to a company's success. Subcriteria include geographic penetration (50%) and industry/vertical penetration (50%).

Marketing Execution (Medium): This refers to the ability of the vendor to consistently generate market demand and awareness of its IMM solution through marketing programs and press visibility. The clarity, quality, and creativity that go into this are just as important as the revenue assigned to generate new leads and reinforce/increase brand awareness. This evaluates the vendor's marketing strategy and execution to build recognition for the IMM solution in ways that gain traction for the IMM solution across geographies and industries.

Customer Experience (High): This criterion is an assessment of the aspects related to ensuring that each customer has ongoing success with its IMM deployment. Aspects considered include implementation services and partners, global technical support (direct and via partners), account management, user groups/panels and customer communities. Each vendor must provide a sufficient number of recent references to prove the ongoing viability and acceptance of its product in the marketplace. This evaluation criterion takes into account customer ratings, reviews and evaluations of the company, its IMM solution (functionality, architecture, usability), implementation services, account management and ongoing customer support. This criterion receives a high rating as the customer experience will be a strong determinant on whether the client will invest more in the IMM platform with the vendor in the future.

Operations (Medium): Implementation and support are also relevant considerations during vendor evaluation and can affect an organization's successful implementation. Professional service experience is key to faster implementation. Access to knowledgeable support staff can increase the appropriate, ongoing use of the solution. Subcriteria include customer service and support (50%) and professional services (50%).

Table 1. Ability to Execute Evaluation Criteria

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

Source: Gartner (October 2014)

Completeness of Vision

Market Understanding (High): A vendor's understanding of the IMM market and its specific value proposition to different sets of marketing users, including the chief marketing officer and senior marketing executives, is critical to selecting a vendor with the vision to meet the user requirements of the marketing function.

Marketing Strategy (Medium): The company's marketing strategy is critical to its ability to gain broader recognition for its IMM solutions, and gain the attention of the CMO and other marketing executives

Sales Strategy (Medium): The company's sales strategy is critical to market penetration and global expansion. We assess the go-to-market approach for selling the IMM product and services, both directly and through partnership networks globally. A diverse range of aspects spanning strategic account management to industry expertise/targeting is assessed.

Offering (Product) Strategy (High): Innovation and vision across the breadth and depth of IMM capabilities and architecture are critical to continuing to meet the needs of a maturing market and establishing a platform that all marketing users (roles and functions) can use.

Subcriteria include vision for the following set of capabilities:

Executional Functionality (25%):

      Outbound campaigns
      Event-triggered marketing
      Inbound marketing
      Lead management
      Segmentation
      Multichannel support
      Loyalty management
      Digital marketing
      Social marketing
      Mobile marketing

Operational Functionality (25%):

      Planning
      Budgeting
      Financial management
      Creative production and project management
      Asset and content management
      Marketing fulfillment

Analytical Functionality (20%):

      Reporting
      Data mining
      Dashboards and visualization
      Predictive modeling
      Campaign/offer optimization
      Media mix optimization
      Marketing mix optimization
      Marketing performance management

Architecture and Platform (30%):

      Workflow
      Database support
      Usability
      Web services and SOA
      Configurability
      Deployment options (on-premises, hosted, SaaS)
      Integration between process types, modules and across deployment options

Business Model (Medium): The business model for how a vendor aligns marketing and sales strategies for particular industries and geographies to deliver on its IMM value proposition is an important component of its vision, although less so than market understanding and product capabilities. Market understanding is key to developing the right solutions, while the business model provides a vendor with the ability to execute on effectively selling those solutions.

Vertical/Industry Strategy (Low): Here we evaluate the vendor's go-to-market strategy for industries, solution capabilities (product verticalization), industry templates and packaging, and plans for vertical industries.

Innovation (High): Here we assess the vendor's innovation in new and emerging areas of IMM, such as process management, knowledge management, collaboration, digital marketing (Web, social, mobile), mobile connectivity, marketing mix optimization, marketing performance management and predictive modeling.

Geographic Strategy (Medium): This criterion assesses the vendor's global understanding of IMM requirements, and its strategy and plans for geographical expansion, including marketing, sales, implementation and customer support.

Table 2. Completeness of Vision Evaluation Criteria

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

Source: Gartner (October 2014)

Quadrant Descriptions

Leaders

Leaders in the IMM market have clients that have adopted their solutions as the primary vendors and platforms to support most marketing roles and functions. These vendors deliver breadth and depth of integrated marketing functionality. Leaders successfully articulate business propositions that resonate with marketing buyers, particularly CMOs and marketing executives.

Challengers

Challengers in the IMM market primarily provide marketing offerings that complement other business applications. These vendors typically offer breadth of functionality on an integrated platform, although often at the expense of depth. The focus is typically on IT buyers, rather than on business users. Challengers may have a diminished understanding of market trends, marketing buyers, and particular marketing processes and roles. They may not be able to effectively articulate their vision, may not have mobilized their resources to excel in the market segment or may be limited to selling to existing clients.

Visionaries

Visionaries have a strong vision for applying technology and developing a platform to support a wide variety of integrated marketing roles, functions and processes. They tend to have a broad focus on marketing functionality. Although they may have core competencies in certain areas, they may lack depth in others. Visionaries are distinguished by their applications' usability and flexibility. They are market thought leaders and innovators for creating a platform for the entire marketing department that have not yet gained broad market penetration and adoption.

Niche Players

Niche Players perform well in a small segment of the IMM market, and may be focused on a specific set of marketing functionality, roles and processes. They may also be focused on certain industry segments, such as B2B or midmarket, or they may have a geographical or regional market focus that limits global adoption. Niche Players are likely to lack breadth of marketing functionality across roles, and to have gaps in broader IMM functionality and platform requirements.

Context

Vision, areas of innovation, product focus and industry focus vary from one vendor to the next. Marketing organizations must ensure that their vision and focus (product and industry) match those of the vendors. Areas of common focus include basic capabilities for campaign management, MRM and analytics. Areas of innovation and differentiation include MPM, advanced analytics, inbound and event-triggered marketing, social and mobile marketing, collaboration, mobile access, marketing asset management, visual workflow, and optimization.

Clients should be aware that solutions from one vendor may not all be integrated. Acquisitions have resulted in different modules and functionality on different architectures and codebases. Some vendors had different codebases prior to acquisitions. Integration between acquired products continues to be a work in progress for many vendors. As market consolidation continues, this will continue to be an issue with the larger providers making numerous acquisitions. Carefully evaluate integration between different solutions and modules, and ask for integration road maps for acquired solutions.

Market Overview

The marketing software market grew at 16.3% in 2013 to $4.05 billion (see "Market Share Analysis: Customer Relationship Management Software, Worldwide, 2013"). Organizations of all sizes seem to be able to relate to IMM, and SaaS options have opened up more opportunities for the SMB market. Although we continue to see a lot of tactical buying around areas such as social, campaign management, analytics and MRM, we are also seeing areas of focused integration among executional,

operational and analytical processes. Key areas of interest in integrated marketing include integrating multichannel (offline and online) campaigns, planning and managing the marketing mix across all media and channels, integration between planning and budgeting with campaign management, integrating sales and marketing (lead management), integration of creative planning and marketing fulfillment with asset management, and MPM.

Gartner clients are starting to use the Pace-Layered Application Strategy for integrated marketing management (see "How to Apply Gartner's Pace-Layered Application Strategy to Integrated Marketing") to manage the application portfolio, align IT and marketing and consolidate vendors. IMM vendors with a broad set of marketing capabilities tend to be the vendors these companies look toward to consolidate their application portfolios.

The top three reasons that references reported for selecting a vendor included that the vendor offered robust campaign management capabilities; that the vendor provided an integrated solution; and that the vendor was viewed as a strategic partner. References for this Magic Quadrant reported being mostly satisfied with the vendors and the capabilities of their solutions. Most references gave their vendors overall ratings of 5.9 or higher, out of 7.

References also shed light on the deployment models being used for IMM. Forty-four percent of the deployments were on-premises, followed by 20% hybrid, 16% SaaS (multitenant) and 10% hosted (single tenant). Most clients used their own resources (85%) for deployment, 53% used the vendors' services for implementation and 21% used at least one external system integrator. Only 17% of references were using the application out of the box. Thirteen percent of references required customization, 15% required configuration, and 54% required both customization and configuration.

Companies are clearly getting value from their IMM investments. Most references stated that they had achieved or exceeded expected business results with their IMM solutions. Fifty-six percent stated that their business results were as expected, with another 40% stating they had actually exceeded their expected business results. Only 4% had attained results worse than expected.

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