Magic Quadrant for Field Service Management

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VIEW SUMMARY

The field service management market continues to splinter between vendors that offer specialty capabilities and those that deliver broader field service suites.

Market Definition/Description

This document was revised on 7 November 2013. The document you are viewing is the corrected version. For more information, see the Corrections page on gartner.com.

Field service applications should have the scope to achieve five objectives:

1. Receive requests for a field service technician from the Internet, by telephone, by manual entry or through remote monitoring.
2. Assign a service technician — with long, midrange, weekly and intraday optimization of his or her work orders, factoring in constraints (for example, assets, skills and so on) and improved service-level-agreement compliance.
3. Make the technician completely mobile to perform end-to-end service tasks, including the ability to look up inventory status in real time or cached on a wireless device.
4. Integrate with GPS and geographic information system (GIS) capabilities.
5. Provide field service functionality that supports a continuum of field service models, from reactive to preventive.

In addition to the core scheduling component and mobile support mentioned above, an end-to-end field service management (FSM) solution may also contain the following:

- Field technician management (skills, plan board, assignment and route optimization)
- Entitlements and contract management
- Product and pricing configuration
- Case-based reasoning/knowledge management
- Project management software
- Reporting and service analytics
- Bill/invoice preparation
- Field parts, tools and materials/parts management (essentially, a field logistics supply chain management [SCM] system)
- Intelligent device management
- Depot repair
- A service integration framework or platform

The importance of individual components will vary by industry; however, to score well in this Magic Quadrant, the vendor must have a robust scheduling engine that is scalable to thousands of technicians. The other capabilities are still important, and companies may prefer a broader suite with less advanced scheduling optimization. For example, depot repair functionality rises in importance for companies that have their customers return products to a central facility, or that run individual service centers. Businesses usually employ one of three business models:

1. OEM-performed installation, maintenance and repair
2. Field service for asset-intensive businesses — for example, manufacturing plants, utilities and telecommunications
3. Third-party (outsourced) maintenance and repair (this is the most complex model, because the management of parts, contracts and warranties — essentially ERP, SCM and product life cycle management [PLM] functions — is not under the vendor's control)

This Magic Quadrant does not include fleet management vendors, which tend to be more focused on vehicles and other mobile assets, or enterprise asset management (EAM), which generally focuses more on internally owned assets (as opposed to externally owned assets, as is the case with field service), and includes additional functionality such as detailed asset registry, support for complex inventory relationships, financial support via detailed cost analysis, and supply chain capability for indirect goods, with demand planning linked to maintenance and repair schedules, capital construction planning, and more. For more detail, see "Magic Quadrant for Delivery Utility Enterprise Asset Management" and "Magic Quadrant for Power Generation Enterprise Asset Management".

NOTE 1

DEFINITION OF A MARKET

According to author Geoffrey Moore, a market:

- Is a set of actual or potential customers
- Has a given set of products or services
- Has customers with a common set of needs or wants
- Features data for customers to reference each other when making decisions

Markets are sets of potential buyers that view a product as fulfilling a commonly identified need. Market segments are portions of the generic market that are qualified by more exact criteria, and that group together potential buyers more tightly. Segmentation may take two forms:

1. A generic market may be broken down into a recognizable entity in which the rules for defining a market still hold. FSM is a discrete market within the broader service management space, which is a generic market that includes elements of aftermarket service supply chains, EAM, maintenance support, sensor networks, RFID, telematics, FSM, technical support, contract management and PLM.
2. Alternatively, a vendor may segment the market to target its products more precisely and differentiate itself from (or avoid competing with) other players that address the same overall market. In this case, however, the targeted buyers may not know they're part of the same market segment. Such segmentation won't be explicitly reflected in the Magic Quadrant, but it may be reflected implicitly (by placing a vendor in the Niche Players quadrant, for example).

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 product, and establish...
Management Software.

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Magic Quadrant

Figure 1. Magic Quadrant for Field Service Management

Source: Gartner (October 2013)

Vendor Strengths and Cautions

Astea International

Astea International provides a full suite of end-to-end field service capabilities, with a strong focus on capital equipment and high-tech industries for end-to-end service processes in a variety of service models (for example, field service, repair depot and third-party contracting).

Strengths

- The vendor added partnerships with top-tier service providers, including Capgemini, which will deliver Astea International in the cloud as Astea’s Alliance as a Service.
- There is high adoption of mobile by the vendor’s new customers, including the new HTML5-based application.
- The vendor released ServiceVision, a cloud-only version of the application suite aimed at small or midsize businesses (SMBs).
- Astea continued to build on its partnership with and foundation on Microsoft technologies by achieving a gold Application Development competency in the Microsoft Partner Network.

Cautions

- Astea International returned to unprofitability in 2012 as it transitioned from a revenue model based on on-premises licensing to a hybrid approach incorporating cloud-based applications.
- Astea International has shown limited adoption for large-scale deployments of more than 500 technicians.
- Adoption of the cloud-based application composed a small percentage of new sales.

ClickSoftware

With approximately $54 million in cash and cash equivalents, and expected 2013 revenue of $110 million to $115 million, ClickSoftware is the largest independent software vendor worldwide that offers field service optimization. It is a growing, publicly traded company with more than 550
employees, and it focuses on the core field service business problem of maximizing field workforce productivity. Additionally, the company offers a mobile application development platform to customize its mobile applications.

**Strengths**

- A tight focus on field service forecasting, rostering, scheduling and dispatching, as well as its position as the largest and most stable company of its kind, gives ClickSoftware credibility and appeal to prospects.
- Its successful and expanding strategic partnership with SAP now includes ClickSoftware mobility apps in the SAP Store.
- The company continues to release new, innovative modules and functionality, including ClickButler, a proactive context-aware business monitoring service; additional apps from the ClickAppStore; social collaboration called ClickSHOUT; and more.
- The company announced a partnership with salesforce.com and offers ClickSchedule in the salesforce.com user interface, with Chatter embedded into ClickSchedule and ClickMobile, and also integration between the salesforce.com cloud and the ClickSoftware cloud. The vendor also announced the ClickSoftware SuiteApp for the NetSuite SuiteCloud Platform, as well as a reseller relationship with Infor.

**Cautions**

- It is not as appealing for companies that are not eventually interested in advanced optimization.
- Software as a service (SaaS) revenue accounts for less than 10% of total revenue, and while ClickExpress for SMBs is multitenant, the cloud delivery model of the enterprise application is not yet fully multitenant.
- With the exception of ClickExpress, which provides an end-to-end solution to midsize customers, ClickSoftware is not intended to be a complete FSM solution (for example, contracts, invoicing, parts management and CRM) for the enterprise market. ClickSoftware’s mobile apps can extend these areas.

**IFS**

IFS has a broad suite to support end-to-end field service processes and overall service management life cycles, in addition to core ERP functionality. We focus mostly on two acquired products: IFS Metrix Service Management and IFS 360 Scheduling. IFS has articulated a strong, detailed marketing program to build brand awareness, and exhibits at many field-service-specific events and programs.

**Strengths**

- The 360 Scheduling optimization engine, which uses a continual optimization approach, can be applied to field service, repair depot or other types of workforce scheduling.
- The company released several IFS Touch Apps supported in the IFS Cloud, including time tracking, trip tracking, sales support and more. The apps can be acquired through Google Play, Apple Store or Microsoft Store.
- The vendor can support social collaboration in a service environment through IFS Talk, which is part of the IFS human resources product.

**Cautions**

- While the IFS 360 Scheduling engine can scale up to many thousands of technicians, the average deal size for IFS service applications overall is much lower.
- While the company has several cloud and SaaS offerings, these alternative delivery models only account for a small percentage of new sales.
- IFS needs to continue building brand awareness in the field service space. We expect its aggressive marketing efforts to generate interest.

**Infor**

Infor has focused on a strategy to build deep industry functionality for 12 defined vertical industries; the strategy is aimed at a sweet spot of the midmarket, upper midmarket and complementary sales at a divisional level in Infor’s targeted vertical industries. The company offers several products to address field service; the main two are Infor LN Service Management and Infor Service Management, which the company purchased from Single Source Systems, the partner that built field service functionality on top of Infor SyteLine ERP.

**Strengths**

- Infor has a broad suite of ERP, accounting (accounts receivable, accounts payable and general ledger), repair depot, call center, contracts, sales order management, returns, configuration management, financial management, inventory management, warehouse management, transportation and more, in addition to field service functionality.
- Infor LN Service Management incorporates the workflow capabilities of Intelligent Open Network (ION), Infor’s integration and business process management (BPM) platform, to cover many service scenarios, including overdue work, planned service orders, maintenance notifications and so on.
- Infor has broad geographic support for professional services and customer support. Additionally, there are localizations for 48 countries, and the user interface can be delivered in 21 languages.
The injection of new capital from Golden Gate Capital and Summit Partners, and the refinancing conducted in 1Q12 — together with the 2011 acquisition and integration of Lawson Software — provide Infor with some operating freedom to grow the field service business.

Cautions
- Infor's mobile applications can only be delivered on Windows-based platforms. The company will release a new platform for both products, which will include HTML5 and native iOS and Android applications.
- Neither product has advanced intraday optimization in real time. Scheduling in Infor Service Management is manual; there is no real-time optimization or batch optimization.
- The vendor has no multitenant SaaS offerings for field service.
- While Infor has increased overall corporate brand awareness, there is little marketing presence in the field service market.

Oracle (E-Business Suite)
The appeal of the Oracle E-Business Suite (EBS) Field Service is that it is part of a broad and integrated set of modules for end-to-end service management (for example, technician portal, inventory, service contracts, and project costing and billing). Oracle released Endeca for EBS, which includes support for Field Service (including search, guided navigation and tag cloud), to measure various tasks, including tasks per technician, back orders, travel variance and many more.

Strengths
- Oracle Field Service is a good fit for the shortlists of Oracle EBS customers that are already using Oracle ERP and service products for depot repair, inventory, technical support, asset management, order management and so on.
- The company has partnerships with many large service providers that can sell, implement and configure Oracle Field Service.
- The company released the new mobile Application Development Framework (ADF) in mid-2013, which now enables customers to deploy HTML5-based mobile field service applications, native Android applications and iPhone.

Cautions
- There is no multitenant SaaS offering, although the vendor does offer Field Service in the Oracle Managed Cloud Services offering (formerly called Oracle On Demand), which Oracle can manage at the customer’s facility, at a partner’s facility or at an Oracle facility. Field Service is also available through partner-managed cloud services offerings.
- Customers need to be on version 12.1.3 to use the new mobile platform, and the company sold mobility in less than half of new deals. In addition, most customers are using the laptop version, not the new mobile applications based on mobile ADF, and the platform currently doesn’t support iPads.
- Long periods between major product updates, and the time and expenses associated with major upgrades, mean that many customers choose to wait several years before upgrading, which limits the adoption of newly released functionality in a timely manner. Oracle has addressed this with more frequent “dot” releases.

Oracle (Siebel)
Oracle Siebel provides a broad suite for complex on-premises deployments of customer service, sales and support. Customers can use the built-in Siebel Scheduler or integrated advanced scheduling through Oracle Real-Time Scheduler (ORS).

Strengths
- Oracle Siebel provides broad functional support for customer service, technical support, and financial and sales activities.
- There are many updates and upgrades to industry-specific functionality, including integration of order to bill for utilities, agent-assisted billing care for communications, and a mobile application for life sciences.
- New sales represented all regions of the globe, with a majority of new revenue coming from Asia/Pacific, followed by EMEA.
- Oracle completed out-of-the-box integration between Siebel and Oracle knowledge management and Oracle Social Engagement & Monitoring.

Cautions
- There is no multitenant SaaS offering, and Oracle's Siebel CRM for customer service and support is not participating in the move to Oracle Fusion Applications, although the vendor does offer Field Service in Oracle Managed Cloud Services, which Oracle can manage at the customer facility, at a partner facility or at an Oracle facility. Siebel Field Service is also available through partner-managed cloud services offerings.
- Currently, there are no live implementations of mobile Open UI for Field Service (but there are for sales), and it's optimized for tablets, not smartphones. Additionally, the new disconnected mobile application is not finished yet, but it is being beta tested with several customers. Customers must be on Siebel version 8.1.1.9 to use Open UI.
ORS is one of the more expensive scheduling options, and there are currently few live implementations of Siebel Field Service integrated with the latest version, ORS 2.1.

PTC

PTC includes field service in a broader suite of applications that addresses many components of service life cycle management (SLM). The core field service products include Servigistics Field Service Management, Servigistics Command Center Servigistics Parts Locator and Servigistics Mobility. PTC acquired Servigistics in August 2012, which gave the company field service software, as well as parts planning, logistics and knowledge management from Kaidara. Additionally, PTC acquired 4C Solutions (4CS) for warranty management in 2011, and Enigma for technical and parts information delivery in 2013. PTC, heretofore a PLM vendor, is developing an enterprise framework so that service information and processes interoperate across major service functions and enterprise systems, including ERP, PLM and CRM. In the meantime, the organically developed and acquired service products form the basis of a new service business unit within the company, and are the foundation for PTC’s SLM system road map.

Strengths

- When combined with the other service products the company acquired from Servigistics, PTC offers many of the fundamentals of an end-to-end field service process, with an especially strong parts-planning application, including a service dashboard, warranty functionality, parts locator, knowledge management and troubleshooting.
- The vendor has a broad installed base for its parts-planning solution in multiple geographies and diverse industries (for example, industrial equipment, motor vehicles, consumer beverages, aerospace, high tech and telecommunications).
- It is a large, viable company with substantial development, sales, marketing and professional services resources, as well as a large customer base.
- It has robust technical information delivery capabilities that are configuration-specific to provide contextual technical documentation, diagnostic session data, and knowledge information to the technician at the point of service.

Cautions

- The Servigistics brand is more known for parts planning, not field service.
- The HTML5 mobile application has low adoption by customers and is not optimized for tablets.
- It has no multitenant SaaS for field service, although its hosted managed service is adopted by about 40% of customers.
- The vendor sells few (albeit large) deals, and, as such, combined with the positioning, the applications are not appealing to SMBs.

Retriever Communications

Retriever Communications is the only vendor in the Magic Quadrant that has taken a mobile-first approach to field service — that is, first offering a robust mobile platform and adding field service optimization capabilities afterward. Headquartered in New South Wales, Australia, Retriever has a strong presence in Asia and has been expanding into other geographies through a combination of direct sales, partners and OEM agreements. The company has been delivering multitenant SaaS since 2000.

Strengths

- It has quick deployments through a multitenant SaaS model, although the company could host the application or deliver on-premises, if required.
- Its robust mobile platform allows for rapid prototyping of new mobile applications. Because the tool deploys quickly, there is a comparatively low services cost component to the overall project.
- Its mobile application is a hybrid application that enables delivery on several device types and operating systems.
- It has a strong presence in Asia/Pacific, especially Australia and New Zealand.

Cautions

- Its small presence in North America includes one location for sales, marketing and service, as well as a small team trained at partner Rural Sourcing Inc. (RSI) for implementations.
- Its back-end schedule optimization capabilities are new compared with the rest of the suite, and they don't have as many use cases as examples. The company embeds the optimization solver in the scheduler from another provider.
- Retriever Communications is not intended to be a complete FSM solution (for example, contracts, invoicing, parts, management and CRM) for the enterprise market.
- Retriever lacks a large, scalable, direct sales staff, and it relies on large deals.

SAP

SAP has several choices for field service organizations, including SAP CRM, SAP Multiresource Scheduling (MRS), and SAP Workforce Scheduling and Optimization by ClickSoftware. The three mobile products are SAP CRM Service Manager, SAP Work Manager and SAP Inventory Manager.
SAP is one of the largest CRM providers and has implementations in all major regions of the world.

Strengths
- SAP field service is a logical shortlist candidate for SAP ERP and SAP CRM users (especially high-tech, utilities and industrial customers) that want to deploy field service functionality along with asset management, contracts, warranties and supply chain.
- SAP has a strong investment in core architecture, a worldwide installed base, good corporate profitability, and partnerships with complementary software providers for knowledge management, social media analytics and workforce optimization (OpenText, NetBase and ClickSoftware, respectively).
- The company has broad global sales and support. For example, new sales of MRS cover more than 44 countries, and the application can be delivered in 19 different languages. Additionally, the company has a large pool of service provider partners.
- The vendor has a good vision for many core architecture technologies that are the foundation for next-generation field service applications, including a new mobile platform, predictive analytics based on Hana, social media analytics, SAP Visual Enterprise, SAP Cloud for Social Engagement and SAP Jam for collaboration.

Cautions
- SAP MRS is not recommended for shortlists wherein the software environment does not include SAP Business Suite.
- SAP Rapid Deployment solutions for CRM service management require customers to have Enhancement Package 2 for SAP CRM 7.0.
- SAP Cloud for Service (formerly Service OnDemand) currently covers call center and CRM, but not field service (which is expected in 2014). Syco can be hosted in the cloud, but is mostly for integration with non-SAP environments.
- SAP’s mobile field service applications require separate licensing. They will be supported as-is by SAP Mobile Platform (SMP). There are no immediate changes in features, architecture or support, but customers should consult SAP about the road map as SMP’s architecture evolves.

ServiceMax
ServiceMax is built on the salesforce.com platform, and is one of only a few field service applications that was built from the start on the cloud with a multitenant architecture. The company offers a broad service suite in several editions: Express, Enterprise and Unlimited. Backed by leading venture capital firms, such as Emergence Capital Partners, Trinity Ventures and Mayfield Fund, as well as by salesforce.com, the company has raised more than $50 million to date. Earlier this year, Crosslink Capital also joined the ServiceMax board, leading a Series D investment that totaled more than $27 million.

Strengths
- ServiceMax’s SaaS subscription model will be enticing to service managers operating with limited access to a capital budget. The architecture is based entirely on salesforce.com’s development environment, with a close business connection to salesforce.com, which gives it close ties to core functionality. The relationship also raises ServiceMax’s profile, giving it access to leads and partnerships with Tier 1 service providers.
- ServiceMax’s sales pipeline has increased threefold and it is projecting 100% growth for 2013.
- New sales include mobility more than three-quarters of the time, and the new mobile applications can now be deployed through HTML5 in addition to native iOS applications, BlackBerry and Windows-based laptops.

Cautions
- While the company currently is the only broad field service suite on Force.com, it is seeing increased competition from other software providers that are offering pieces of their functionality in salesforce.com’s AppExchange.
- The advanced scheduling optimization engine, OptiMax, needs further development to catch the best-of-breed scheduling applications, and we’ve seen only a few deployments of several thousand technicians.
- Despite the best efforts of the company to simplify pricing, we have still found some customer dissatisfaction, even when the salesforce.com component is automatically built in to the price. The company has released simplified pricing to address this issue.

ServicePower
ServicePower targets industries that use modified field resources or a mixture of employed and outsourced field resources, and it has invested in tools that support these kinds of environments. The company’s field service products include ServiceScheduling, ServiceOperations, ServiceMarket, ServiceMobility, ServiceStats and S2 Suite, which is business management software for SMBs.

Strengths
- ServicePower offers outsourcing services — as well as traditional, on-premises, hosted or SaaS software models — for employed, contracted and on-demand field resources. The company also supports multilabor channels.
- The company acquired the software intellectual property from former partner Stratix; this
Strengths
- The vendor has not been able to fully capitalize on the field service by adopting the social concepts from the ERP systems to create end-to-end process support. The vendor has shown thought leadership in field service by adopting the social concepts from the Nexus of Forces, but, because of its size, it has not been able to fully capitalize on this opportunity.
- TOA Technologies
  - TOA is a best-of-breed field service optimization vendor based solely in the cloud. The company's products include ETAdirect Enterprise, ETAdirect Professional (for the midmarket) and ETAworkforce for salesforce.com users. The vendor raised one of the largest amounts of funding for any field service provider, securing $66 million in July 2013 from Technology Crossover Ventures (TCV), a provider of growth-stage capital for technology businesses. TOA will use the funds to expand sales and marketing capabilities, expand its geographic support, and continue developing new functionality to address additional service models.
  - TOA exhibited year-over-year growth in total contract value of more than 50%, nearly 50% in annual recurring revenue, and 100% in the number of customers.
  - The vendor continues to develop core functionality, including SmartForecasting for workforce demand forecasting to be used in hiring, training and backlog assessment; SmartCollaboration, which uses intelligence in context to suggest collaborations among field technicians; and SmartLocation, which collects geolocation data from multiple sources (including GPS) and matches it to expected outcomes.
  - The company is one of only two vendors in this year's Magic Quadrant that originally built its applications as SaaS.
  - The vendor continues to build its relationship with salesforce.com and develop the ETAworkforce product for salesforce.com users, including functionality for call center professionals to gain visibility into the field and interact with technicians, as well as functionality for field service technicians and dispatchers.

Cautions
- Traditionally, the company targeted and was most appealing to telecommunications and cable companies. To broaden the appeal, the company continues to add industry experts and functionality to its application for other industries and service models.
- TOA is not a good fit for companies looking for a broader service suite with functionality elements that are typically found in ERP or CRM.
- TOA is not a good fit for companies looking for broader supply chain applications.

Vertical Solutions
- Vertical Solutions is a privately held company with a broad suite and the ability to integrate with ERP systems to create end-to-end process support. The vendor has shown thought leadership in field service by adopting the social concepts from the Nexus of Forces, but, because of its size, it has not been able to fully capitalize on this opportunity.
- Vertical Solutions
  - The vendor demonstrates good adoption of social concepts to field service by incorporating collaboration/chat, RSS, Twitter, wikis, videos, the concept of following objects and aggregating the information into a portal, and more. It also offers an HTML5-based mobile application.
  - The vendor continues to build out partnerships with software providers for innovative technology, such as Brivas (facial recognition security), as well as with ERP providers, such as Microsoft (Microsoft Dynamics AX) and NetSuite, which are gaining traction with the manufacturing and service sectors.
  - The FSM product is offered in on-premises, private and public cloud options, including the development environment.
  - A very useful part of the offering is the integration of a customer portal, customer support contact center, service contracts and warranties, inventory management and private social CRM features, and platform-based BPM functionality for integration and workflow, in addition to integrating with the vendor's customer relationship management (CRM) portal.
to the core field service dispatch capability. Vertical Solutions sells its call center functionality with almost every field service deal.

Cautions
- Vertical Solutions has shown limited adoption in enterprises. It still sells mostly to the SMB market, and targets the higher end of SMBs.
- Vertical Solutions has improved its ability to support international clients, mostly through partnerships, but it should continue to further build out its own service support.
- The vendor has shown limited adoption in large-scale deployments of more than 1,000 technicians for advanced optimization (in which case it partners), but has optimization via its own engine for 200 to 1,000 technicians.
- The company lacks a large, scalable, direct sales staff; however, it does have an indirect partner and ERP channel.

WennSoft
WennSoft is a tightly focused company that markets to the Microsoft installed base, offering field service solutions primarily to construction-related and energy-related industries. It sells directly and through channel partners into North America, and uses channel partners for outside North America. The vendor has two products: Signature, the original product built on Microsoft Dynamics GP, and Evolution, a new product built on Microsoft Dynamics CRM.

Strengths
- WennSoft is geared to small and midsize service and installation businesses, which primarily have a Microsoft infrastructure and want to optimize maintenance or the project-costing function in facilities/equipment management.
- Its solutions, Evolution and Signature, are built on Microsoft Dynamics CRM and Microsoft Dynamics GP, respectively, with strong integration capabilities to Microsoft Office and SharePoint.
- WennSoft offers several deployment options, including licensed, hosted and private cloud.
- The Evolution product adds more multilanguage support than was previously available with the Signature product.

Cautions
- WennSoft, which is focused primarily on SMBs, is not a strong candidate for the shortlists of companies looking for large enterprise solutions that include complex scheduling and optimization needs.
- Because WennSoft is a privately held company with no large, global system integration partners (although it does have partnerships with Microsoft-oriented service providers), organizations must perform due diligence to ascertain its financial position. WennSoft relies on 13 executive partners for implementation and sales services outside its core geographies.
- SaaS accounts for only a small percentage of total revenue because traction for the new product, Evolution, is below expectations.
- WennSoft does not have a large market presence outside the Microsoft installed base.

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 appearing 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. This may be a reflection of a change in the market and, therefore, changed evaluation criteria, or a change of focus by a vendor.

Added
We added Infor to this year’s Magic Quadrant.

Dropped
ViryaNet declined to participate in the evaluation process, and we were unable to verify whether it met our inclusion criteria.

The following vendors were not included in this year’s Magic Quadrant, typically due to their single-industry focus, low number of new deployments or shift in product focus away from pure FSM. However, they still may offer value and/or unique functionality in the markets they address: Airclic; Antenna; Blackbay; CGI; Clevest Solutions; Cognito; Comarch; Fast, Lean, Smart (FLS); Google; Spring Mobile Solutions; Tensing; Ventyx; VeriFone Systems; ViryaNet; and Xora.

Inclusion and Exclusion Criteria
Market Traction and Momentum

The vendor:

- Had a credible field service product or suite, as well as vision, that addresses the field service market.
- Had at least five new customer references for FSM functionality since the 2012 Magic Quadrant. Customer references must be located in at least two of the following geographic locations: North America, South America, EMEA and the Asia/Pacific region.
- Generated at least $4 million in new software application licenses (or subscriptions, in the case of SaaS) to new customers for FSM in the past four rolling quarters. The majority must be from large or midsize businesses (that is, an average deal size of 100 mobile technicians), from at least two of the geographies referenced above, and from at least two vertical industries (for example, utilities, telecommunications, high tech, oil and gas, aerospace and defense, automotive, financial services, chemicals, medical devices, healthcare, and so on).

Short-Term Viability

The vendor:

- Has sufficient professional services to fulfill customer demands during the next 12 months.
- Has enough cash to fund one year of operations, given current burn rates.
- Demonstrates a pipeline of prospects and an adequate sales team to drive new business.

Evaluation Criteria

Ability to Execute

Product or Service

To score highly, the vendor must have an architecture and delivery model that enables quick deployments, frequent releases and various delivery options. To accomplish this, the vendor must be on a standard service-oriented architecture. A product that is architected for SaaS, and for which the vendor can provide references, will be weighted at the high end because client demand is increasing for SaaS solutions. Single-tenant hosted applications or private clouds are not weighted as highly as multitenant SaaS applications. The vendor has demonstrated an ability to flexibly integrate the application to business processes that are outside its application set. The product operates across multiple communications channels and with various business functions. FSM-specific requirements also call for the product to flexibly connect to billing and network management, as well as to support automation systems and multiechelon parts distribution systems.

The vendor will be required to support a range of wireless and handheld computers. In the case of field force optimization, the vendor can potentially scale up to support as many as 12,000 technicians. The application architecture supports one-to-many and many-to-many product and customer relationships. The vendor is measured on the ability of its architecture to support global rollouts and localized international installations, as well as on the ability of its product releases to support the service management building blocks of its chosen markets (see “Toolkit Decision Framework: Evaluating Field Service Solutions” [Note: This document has been archived; some of its content may not reflect current conditions.]). The vendor's ability to address the application of the four factors in the Nexus of Forces is also rated highly. The vendor's capability to support wireless enablement across the functional areas defined in this research has moved from a highly desired criterion to a firm requirement, and the vendor must offer more than one option and support various mobile OSs and form factors to score highly. Enterprises facing compliance, cost and workforce issues — especially those with highly trained technicians, or those that have many workers reaching retirement age — are placing increased pressure on addressing operations workforce productivity.

Overall Viability (Business Unit, Financial, Strategy and Organization)

The vendor can ensure that it has cash on hand and consistent revenue growth over four rolling quarters to fund current and future employee burn rates, and to generate profits. Also, there's a likelihood that the product will remain viable during the next three years. The vendor is measured on its ability to generate business results in the FSM market. It must have a stable development team and product road map.

Sales Execution/Pricing

This addresses the vendor's ability to provide business value, compared with the price it charges for software and services in deploying its FSM software. The vendor is measured on its flexibility in supporting multiple pricing scenarios (such as in-house licensed, hosted, SaaS and business process outsourcing), and on its ability to sell to several different vertical industries.

Market Responsiveness/Record
The vendor must display the ability to respond, change direction, and be flexible to evolving customer needs and market dynamics, including the Nexus of Forces. This criterion also considers the vendor's history of responsiveness and ability to deliver new functionality in a timely manner.

Marketing Execution
This refers to the clarity, quality, creativity and efficacy of programs designed to deliver the vendor's message to influence the market, promote its brand and business, increase awareness of its products, and establish a positive identification of the product, brand or vendor with buyers. This mind share can be driven by a combination of publicity, promotions, thought leadership, word of mouth and sales activities. The vendor must be found on the shortlist of appropriate RFPs.

Customer Experience
To prove the viability of its product in the marketplace, the vendor can produce a sufficient number of quality clients and references with varying levels of sophistication and maturity (for example, a mix of new customers with extensions to sales in the installed base). Of special interest is customer experience with wireless mobility, devices and service process workflows.

Operations
This is the vendor's ability to provide internal professional services resources, or to partner with system integrators or other service providers that have vertical industry expertise, FSM domain knowledge, global and localized country coverage, and a broad skill set (for example, project management and system configuration) to support a complete project life cycle. This includes customer support, which refers to the ability of the vendor's customer support organization to provide satisfactory, prompt service to its customers worldwide.

Table 1. Ability to Execute Evaluation

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product or Service</td>
<td>High</td>
</tr>
<tr>
<td>Overall Viability</td>
<td>Medium</td>
</tr>
<tr>
<td>Sales Execution/Pricing</td>
<td>High</td>
</tr>
<tr>
<td>Market Responsiveness/Record</td>
<td>Medium</td>
</tr>
<tr>
<td>Marketing Execution</td>
<td>High</td>
</tr>
<tr>
<td>Customer Experience</td>
<td>High</td>
</tr>
<tr>
<td>Operations</td>
<td>Medium</td>
</tr>
</tbody>
</table>

Source: Gartner (October 2013)

Completeness of Vision

Market Understanding
The vendor demonstrates a strategic understanding of how the market and partner opportunities for field service solutions are changing. This includes the role of wireless mobile devices, SaaS and third-party service delivery, as well as new application functionality (for example, real-time analytics, location services and mapping) or customer segments, ongoing vendor market dynamics (for example, consolidation trends), and vertical industry requirements (for example, telecommunications, utilities and capital equipment manufacturing).

Marketing Strategy and Sales Strategy
These encompass business and financial strategies. The vendor has a well-articulated strategy for revenue growth and a sustained opportunity for profitability. Key elements of the strategy include a sales and distribution plan, internal investment priority and timing, and partner alliances. A Leader will move a market by offering users a range of modular choices at varying price points that do not lock them into a platform decision, not by squashing the competition.

Offering (Product) Strategy and Innovation
The vendor openly communicates to its customers and to Gartner a statement of direction for its next two product releases that keeps pace with or surpasses Gartner's vision of the FSM market. The vendor understands major technology/architecture shifts in the market and communicates a plan to leverage these forces, including any migration issues these shifts may create for customers on current releases, how well the vendor has articulated its vision to support mobile and wireless devices, and/or parts planning and contract management integration.
**Business Model**

Vendors need to have clear business plans for how they will be successful in the field service 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 channel and partnership strategies are important components.

**Vertical/Industry Strategy**

This is one of the thorniest challenges, because too much emphasis on a single industry leaves the provider as a niche participant in the broader market, whereas lack of industry expertise knocks the product out of the Magic Quadrant evaluation process. A well-balanced approach with extensive experience in industries with complex scheduling needs is rated highly.

**Geographic Strategy**

Few FSM vendors can sell, deploy, maintain and extend customers on a worldwide basis, yet multinational service organizations continue to look for global application provider partners.

**Table 2. Completeness of Vision**

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Weighting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Understanding</td>
<td>High</td>
</tr>
<tr>
<td>Marketing Strategy</td>
<td>Medium</td>
</tr>
<tr>
<td>Sales Strategy</td>
<td>Medium</td>
</tr>
<tr>
<td>Offering (Product) Strategy</td>
<td>High</td>
</tr>
<tr>
<td>Business Model</td>
<td>Medium</td>
</tr>
<tr>
<td>Vertical/Industry Strategy</td>
<td>Medium</td>
</tr>
<tr>
<td>Innovation</td>
<td>High</td>
</tr>
<tr>
<td>Geographic Strategy</td>
<td>Low</td>
</tr>
</tbody>
</table>

Source: Gartner (October 2013)

**Quadrant Descriptions**

**Leaders**

Leaders have a robust scheduling engine that is scalable to thousands of technicians, and they demonstrate a market-defining vision of how technology can help service professionals achieve business objectives. Leaders have the ability to execute against that vision through products, services and demonstrated, solid business results in the form of revenue and earnings. Leaders have significant, successful customer deployments in North America, EMEA and the Asia/Pacific region in a wide variety of vertical industries, with multiple proof points above 1,000 users. Other providers in the market measure themselves against the Leaders and emulate or copy their strategies and tactics. Leaders demonstrate market strength based on installed base depth, and affect market trends in all categories for the criteria on which they're evaluated. Users of the software feel they are gaining a competitive advantage over others in their industry.

**Challengers**

The vendors in the Challengers quadrant are often larger than most (but not all) vendors in the Niche Players quadrant, and demonstrate a higher volume of business to new or existing customers. Typically, these vendors have the size to compete worldwide; however, in some cases, they may not be able to execute equally well in all geographies. They understand the evolving needs of a service organization, yet may not lead customers into new functional areas with their strong functional vision. Challengers tend to have a good technology vision for architecture and other IT organizational considerations, but may not have won over their service director.

Challengers often have a strong market presence in other application areas (such as parts and asset management, finance, and order management), but they haven't demonstrated a clear understanding of the FSM market's direction (which is more end-to-end process-based), or they are not well-positioned to capitalize on emerging trends, which can often be a factor of the delivery model.

**Visionaries**

Visionaries display technology or business model innovation, including the Nexus of Forces, and may influence or will soon influence the direction of the FSM market. Visionaries are typically limited in execution or demonstrated track records. Typically, their products and market presence aren't complete or established enough to challenge the leading vendors.
Major trends in FSM this year are:

The market for FSM tools remains highly fragmented (see Note 1): growth rate of 12.7%. maintenance and service revenue, at approximately $1.2 billion for packaged field service dispatch and workforce management software some ERP vendors do not disclose software sales in this area. Gartner research Software sales in the FSM market can only be approximated because privately held vendors Market Overview data collection at a specific time. The cutoff date for this Magic Quadrant Magic Quadrants are snapshots in time. To be fair and complete in the analysis, Gartner Quadrant in conjunction with ongoing research. This Magic Quadrant evaluates many field service vendors in the market, but is not intended to be an exhaustive list of all possible vendors, solutions or products. The Magic Quadrant is a valuable tool to assess and compare multiple potential solutions and vendors, but clients are encouraged to develop a clear understanding of their own objectives and requirements, and to use the Magic Quadrant in conjunction with inquiries with Gartner analysts.

Magic Quadrants are snapshots in time. To be fair and complete in the analysis, Gartner stops data collection at a specific time. The cutoff date for this Magic Quadrant was June 2013.

Niche Players

Niche Players offer products for field service, but may lack some functional components, may not show the ability to consistently handle deployments of more than 1,000 field technicians across multiple geographies, or may lack strong business execution in the market. Niche Players may offer complete portfolios for a specific vertical industry, but face challenges in one or more important areas to support cross-industry requirements, such as complex forecasting. They may have an inconsistent implementation track record, or lack the ability to support large-enterprise requirements. Niche Players, in many cases, can offer the best solutions to meet the needs of particular service organizations, considering the price/value ratio for the solutions.

Context

Vendors included in this Magic Quadrant have demonstrated their ability to provide licensed, SaaS or multiple delivery options that support field service for enterprise customers across a range of industries. Some provide narrower, but deep, field service scheduling applications, whereas others provide broader service suites. In many cases, a service organization must evaluate not just a vendor’s capabilities, but also the ecosystem of providers that can fill in functional white space for capabilities the considered vendor may not offer. This Magic Quadrant evaluates many field service vendors in the market, but is not intended to be an exhaustive list of all possible vendors, solutions or products. The Magic Quadrant is a valuable tool to assess and compare multiple potential solutions and vendors, but clients are encouraged to develop a clear understanding of their own objectives and requirements, and to use the Magic Quadrant in conjunction with inquiries with Gartner analysts.

Magic Quadrants are snapshots in time. To be fair and complete in the analysis, Gartner stops data collection at a specific time. The cutoff date for this Magic Quadrant was June 2013.

Market Overview

Software sales in the FSM market can only be approximated because privately held vendors and some ERP vendors do not disclose software sales in this area. Gartner research puts the revenue for packaged field service dispatch and workforce management software applications, including maintenance and service revenue, at approximately $1.2 billion in 2012, with a compound annual growth rate of 12.7%.

The market for FSM tools remains highly fragmented (see Note 1):

1. Best-of-breed field workforce optimization vendors, such as TOA Technologies and ClickSoftware
2. Vendors that provide most of an end-to-end suite (although all components are not necessarily best-in-class), such as Oracle, SAP, Astea International and PTC
3. Niche vendors of field mobility solutions or platforms, with application frameworks that are good alternatives for many organizations that want to innovate their field technician processes, while leaving their back-end ERP systems largely unchanged, such as Retriever Communications
4. Vendors that are focused primarily on a single industry or on SMBs, such as WennSoft

Major trends in FSM this year are:

- **The rise of cloud:** The Nexus of Forces is the convergence and mutual reinforcement of social, mobile, cloud and information patterns that drive new business scenarios. Cloud computing represents the glue for all forces of the nexus. Nearly all the field service vendors have a cloud-based option (with some offering true multitenancy); however, we’ve seen that most vendors with multiple delivery options struggled to sell their cloud options in 2013. Reasons ranged from not properly motivating the sales force to underestimating the demand for cloud applications within their customer bases. Cloud and SaaS adoption in field service is strong overall, but much of the growth is being driven by pure SaaS providers.
- **The ever-changing mobile landscape:** There are many mobile device options to choose from to support field service, including ruggedized handhelds, ruggedized or standard laptops, consumer smartphones, and consumer-grade or ruggedized tablets. Nearly every vendor in the Magic Quadrant has released a next-generation mobile platform, although a few still have not yet to provide full functionality, and adoption varies significantly. Now, vendors can support a variety of device types and OSs (including Android, iOS and Windows Mobile), often leveraging HTML5 while supporting offline mode. In addition, several vendors have increased their focus on delivering a mobile application development environment for customizing their packaged applications or developing custom companion apps.
- **Taking performance to the next level:** The information component of the Nexus of Forces received more attention this year as several vendors built out their analytics capabilities or released new services specifically to support field service organizations. ClickSoftware’s ClickAnalyze Dashboard, TOA’s SmartForecasting, Astea’s Service Impact Assessment, ServiceMax’s Service Quality Index, Oracle’s integration with Endeca and IFS’s Scenario Explorer are all examples of packaged performance management functionality.
- **Social being ignored:** While all the vendors talk about social and several have robust social media platforms, its overall adoption in field service has been limited. One of the biggest mistakes we see enterprises in field service making is equating social with consumer-only applications. Social in field service is not Facebook. Comments and recommendations don’t have to be among friends about "last night’s game" or which shoes to buy; they can also be...
among colleagues about the progress of a project or which supplier provides good value. Employing social concepts within FSM increases the amount of knowledge shared across teams. It can also deepen technicians’ engagement with the system, resulting in more comprehensive and finer-grained data collection. Vendors have begun to address this by incorporating collaborative workflow with shared context.