

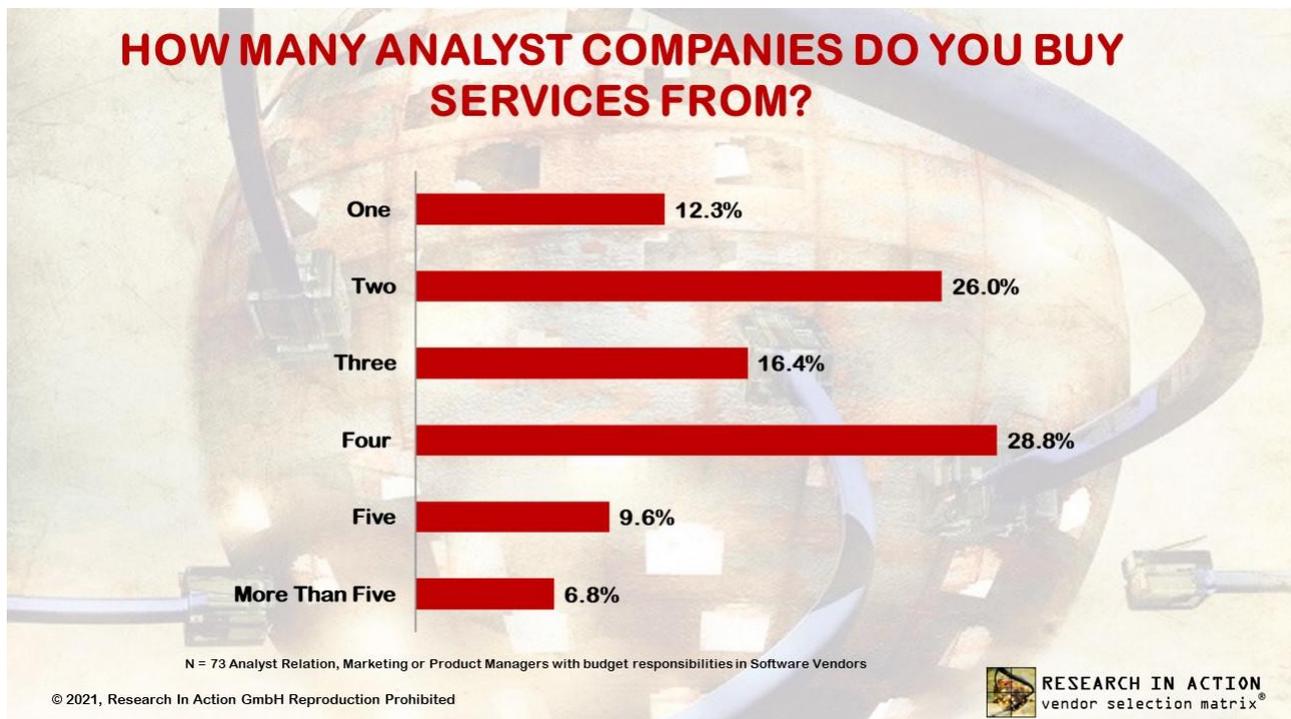


How software vendors view analyst companies in 2021

By Dr. Thomas Mendel P.D., Managing Director Research In Action.

Every year, Research In Action surveys 10,000+ enterprise IT and business decision makers in order to gain insights on strategy, investments and ongoing challenges of technology innovation in the IT and marketing automation realm. These surveys feed our Vendor Selection Matrix™ reports and give us access to a wealth of direct and unfiltered feedback from the buyers. It also helps us to understand how buying decisions are made in today's business environment. For our internal strategic planning purposes, we also frequently survey this buyer community. In addition to that, around once every two years or so, we interview software vendors in our two primary focus areas, namely IT and marketing automation. This time, the results have proven to be of high interest to many people, so we decided to share them with you.

The first question we asked the analyst relations, marketing and product managers (all with budget responsibility) in software vendors was: How many analyst companies do you buy services from?

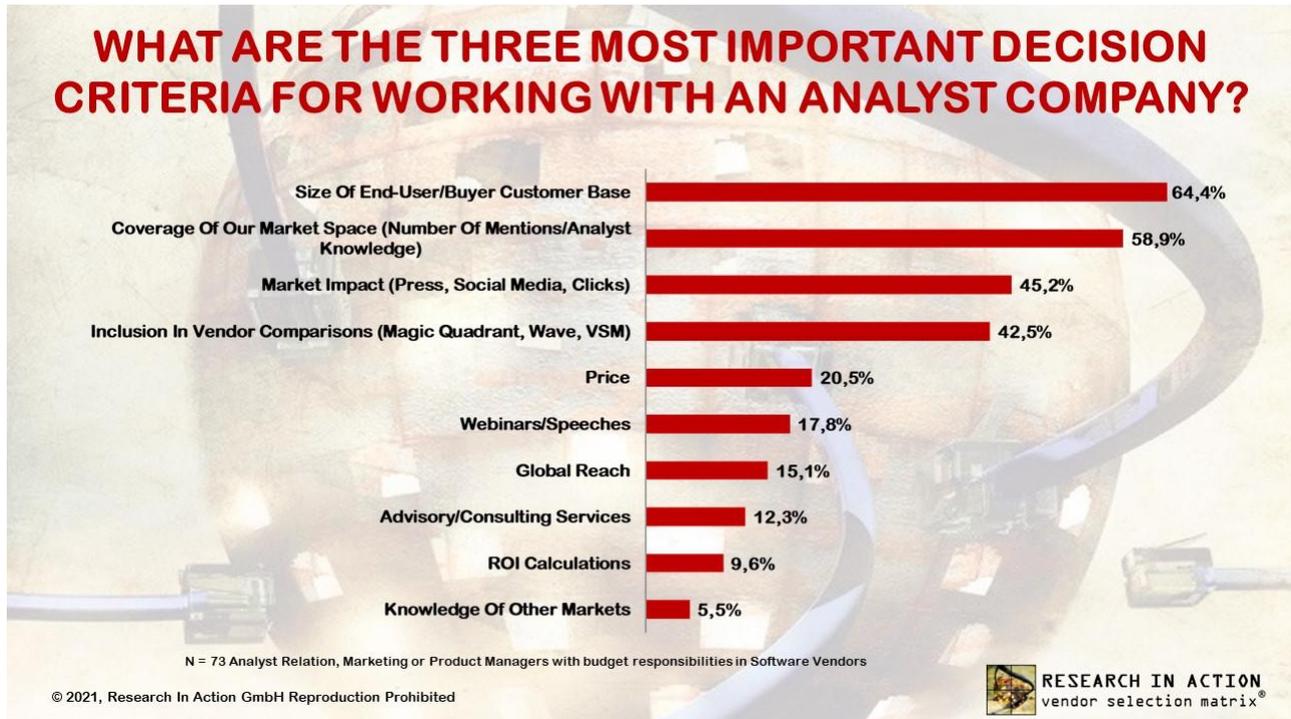


What did we learn? More than two-thirds of the software vendors we interviewed are buying services from two to four analyst companies. Only a little bit more than 10 percent single-source information from analyst companies. And to our own surprise, we did not



find a single software vendor who does not see value in working with at least one analyst company.

The second question we asked was: What are the three most important decision criteria for working with an analyst company?

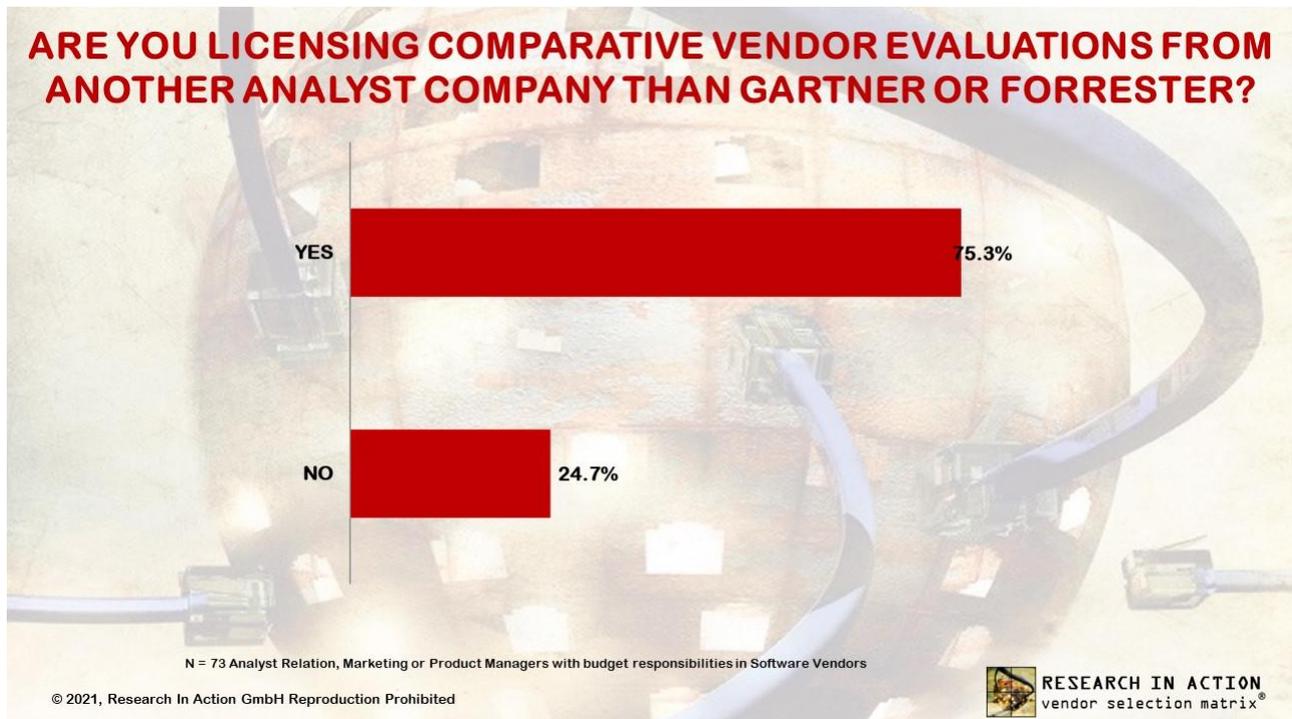


What did we learn? The decision to work with an analyst company is obviously multi-faceted. However, the top four answers were selected by at least 42 percent of all respondents, whereas the rest by 20 percent or less. So, the most important factors are:

1. **Size of the end-user (software buyer) customer base** i.e., is the analyst company talking to our target market?
2. **Coverage of our market space** i.e., does the analyst company have knowledge about our products?
3. **Market impact** i.e., how often does the company get mentioned in the press, social media etc. and how many clicks do the reports get?
4. **Inclusion in vendor comparisons** i.e., are we part of vendor evaluations like the Gartner Magic Quadrant, the Forrester Wave, or the Research In Action Vendor Selection Matrix? Keep in mind: Comparative vendor evaluations are the single most important buying criteria for the end-user (software buyer) community, hence the huge vendor focus (or maybe even obsession) towards being in the top right corner of such an evaluation.



The third question we asked was: Are you licensing or would you license comparative vendor evaluations (like the Magic Quadrant, The Forrester Wave or the Research In Action Vendor Selection Matrix) from another analyst company other than Gartner or Forrester?



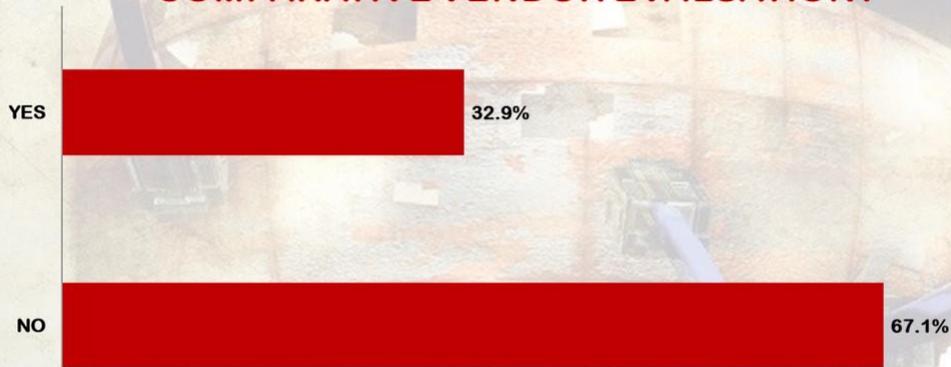
What did we learn? While Gartner’s Magic Quadrant is certainly still going strong and has a huge influence in the market place, it has lost some of its appeal in recent years. Only a little bit under 25 percent of software vendors are sticking to single-sourcing from Gartner and it is not surprising that we found that almost all of them are in fact featured in at least one Gartner Magic Quadrant.

And the fourth and final question we asked was: Would you pay a premium price for an infographics-rich, interactive and social media-linked comparative vendor evaluation?

What did we learn? As much as we like flashy presentations, when it comes to comparative vendor evaluations, the software vendors are hesitant to go it all the way. The companies interviewed prefer a more traditional, matter-of-fact presentation of the results.



WOULD YOU PAY A PREMIUM PRICE FOR AN INFOGRAPHICS-RICH, INTERACTIVE AND SOCIAL MEDIA-LINKED COMPARATIVE VENDOR EVALUATION?



N = 73 Analyst Relation, Marketing or Product Managers with budget responsibilities in Software Vendors

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To infinity...and beyond!

Thomas Mendel